

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 10-Q**

(Mark One)

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**  
For the quarterly period ended June 30, 2023

or

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**  
For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number: 001-39432

**Rocket Companies, Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**

**84-4946470**

(State or other jurisdiction of incorporation or organization)

(I.R.S. Employer Identification No.)

**1050 Woodward Avenue, Detroit, MI**

**48226**

(Address of principal executive offices)

(Zip Code)

**(313) 373-7990**

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

| <u>Title of each class</u>                          | <u>Trading Symbol(s)</u> | <u>Name of each exchange on which registered</u> |
|---|--------------------------|--|
| Class A common stock, par value \$0.00001 per share | RKT                      | New York Stock Exchange                          |

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

|                         |                                     |                           |                          |
|-------------------------|-------------------------------------|---------------------------|--------------------------|
| Large accelerated filer | <input checked="" type="checkbox"/> | Accelerated filer         | <input type="checkbox"/> |
| Non-accelerated filer   | <input type="checkbox"/>            | Smaller reporting company | <input type="checkbox"/> |
|                         |                                     | Emerging growth company   | <input type="checkbox"/> |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes  No

As of August 2, 2023, 128,371,784 shares of the registrant's Class A common stock, \$0.00001 par value, and 1,848,879,483 shares of the registrant's Class D common stock, \$0.00001 par value, were outstanding.

**Rocket Companies, Inc.**  
**Form 10-Q**  
**For the period ended June 30, 2023**

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## PART I. FINANCIAL INFORMATION

### Item 1. Financial Statements (unaudited)

#### Rocket Companies, Inc. Condensed Consolidated Balance Sheets (In Thousands, Except Shares and Per Share Amounts)

|   | June 30,<br>2023     | December 31,<br>2022 |
|---|----------------------|----------------------|
| <b>Assets</b>   | (Unaudited)          |                      |
| Cash and cash equivalents   | \$ 882,783           | \$ 722,293           |
| Restricted cash   | 35,004               | 66,806               |
| Mortgage loans held for sale, at fair value   | 8,444,443            | 7,343,475            |
| Interest rate lock commitments ("IRLCs"), at fair value   | 127,690              | 90,635               |
| Mortgage servicing rights ("MSRs"), at fair value   | 6,443,632            | 6,946,940            |
| Notes receivable and due from affiliates  | 71,792               | 10,796               |
| Property and equipment, net of accumulated depreciation and amortization of \$500,402 and \$463,262, respectively   | 263,251              | 274,192              |
| Deferred tax asset, net   | 537,893              | 537,963              |
| Lease right of use assets   | 371,425              | 366,189              |
| Forward commitments, at fair value  | 106,996              | 22,444               |
| Loans subject to repurchase right from Ginnie Mae   | 1,476,560            | 1,642,392            |
| Goodwill and intangible assets, net   | 1,248,006            | 1,258,928            |
| Other assets  | 846,202              | 799,159              |
| <b>Total assets</b>   | <b>\$ 20,855,677</b> | <b>\$ 20,082,212</b> |
| <b>Liabilities and equity</b>   |                      |                      |
| <b>Liabilities</b>  |                      |                      |
| Funding facilities  | 4,889,236            | \$ 3,548,699         |
| Other financing facilities and debt   |                      |                      |
| Senior Notes, net   | 4,030,709            | 4,027,970            |
| Early buy out facility  | 361,207              | 672,882              |
| Accounts payable  | 156,941              | 116,331              |
| Lease liabilities   | 425,806              | 422,769              |
| Forward commitments, at fair value  | 12,766               | 25,117               |
| Investor reserves   | 100,828              | 110,147              |
| Notes payable and due to affiliates   | 36,061               | 33,463               |
| Tax receivable agreement liability  | 577,996              | 613,693              |
| Loans subject to repurchase right from Ginnie Mae   | 1,476,560            | 1,642,392            |
| Other liabilities   | 422,713              | 393,200              |
| <b>Total liabilities</b>  | <b>\$ 12,490,823</b> | <b>\$ 11,606,663</b> |
| <b>Equity</b>   |                      |                      |
| Class A common stock, \$0.00001 par value - 10,000,000,000 shares authorized, 127,129,449 and 123,491,606 shares issued and outstanding as of June 30, 2023 and December 31, 2022, respectively | \$ 1                 | \$ 1                 |
| Class B common stock, \$0.00001 par value - 6,000,000,000 shares authorized, none issued and outstanding as of June 30, 2023 and December 31, 2022  | —                    | —                    |
| Class C common stock, \$0.00001 par value - 6,000,000,000 shares authorized, none issued and outstanding as of June 30, 2023 and December 31, 2022  | —                    | —                    |
| Class D common stock, \$0.00001 par value - 6,000,000,000 shares authorized, 1,848,879,483 shares issued and outstanding as of June 30, 2023 and December 31, 2022                              | 19                   | 19                   |
| Additional paid-in capital  | 302,140              | 276,221              |
| Retained earnings   | 288,517              | 300,394              |
| Accumulated other comprehensive income  | 60                   | 69                   |
| Non-controlling interest  | 7,774,117            | 7,898,845            |
| <b>Total equity</b>   | <b>8,364,854</b>     | <b>8,475,549</b>     |
| <b>Total liabilities and equity</b>   | <b>\$ 20,855,677</b> | <b>\$ 20,082,212</b> |

See accompanying Notes to the Unaudited Condensed Consolidated Financial Statements.

**Rocket Companies, Inc.**  
**Condensed Consolidated Statements of Income (Loss) and Comprehensive Income (Loss)**  
(In Thousands, Except Shares and Per Share Amounts)  
(Unaudited)

|  | Three Months Ended June 30, |               | Six Months Ended June 30, |               |
|--|-----------------------------|---------------|---------------------------|---------------|
|  | 2023                        | 2022          | 2023                      | 2022          |
| <b>Revenue</b>   |                             |               |                           |               |
| <i>Gain on sale of loans</i>   |                             |               |                           |               |
| Gain on sale of loans excluding fair value of MSRs, net              | \$ 279,629                  | \$ 347,365    | \$ 544,632                | \$ 1,034,535  |
| Fair value of originated MSRs  | 314,840                     | 459,473       | 519,400                   | 1,256,088     |
| Gain on sale of loans, net   | 594,469                     | 806,838       | 1,064,032                 | 2,290,623     |
| <i>Loan servicing income</i>   |                             |               |                           |               |
| Servicing fee income   | 343,591                     | 357,578       | 709,976                   | 723,793       |
| Change in fair value of MSRs   | 42,377                      | (12,522)      | (355,902)                 | 441,858       |
| Loan servicing income, net   | 385,968                     | 345,056       | 354,074                   | 1,165,651     |
| <i>Interest income</i>   |                             |               |                           |               |
| Interest income  | 80,757                      | 79,196        | 147,501                   | 169,737       |
| Interest expense on funding facilities                               | (44,072)                    | (42,706)      | (73,132)                  | (84,403)      |
| Interest income, net   | 36,685                      | 36,490        | 74,369                    | 85,334        |
| Other income   | 219,105                     | 204,035       | 409,820                   | 521,407       |
| Total revenue, net   | 1,236,227                   | 1,392,419     | 1,902,295                 | 4,063,015     |
| <b>Expenses</b>  |                             |               |                           |               |
| Salaries, commissions and team member benefits                       | 579,139                     | 754,125       | 1,182,914                 | 1,608,040     |
| General and administrative expenses                                  | 200,425                     | 229,706       | 395,815                   | 505,563       |
| Marketing and advertising expenses                                   | 218,843                     | 231,522       | 400,447                   | 559,580       |
| Depreciation and amortization  | 25,357                      | 24,780        | 56,042                    | 45,822        |
| Interest and amortization expense on non-funding debt                | 38,334                      | 38,282        | 76,667                    | 76,946        |
| Other expenses   | 35,759                      | 35,487        | 68,027                    | 126,090       |
| Total expenses   | 1,097,857                   | 1,313,902     | 2,179,912                 | 2,922,041     |
| Income (loss) before income taxes                                    | 138,370                     | 78,517        | (277,617)                 | 1,140,974     |
| Benefit from (provision for) income taxes                            | 782                         | (18,761)      | 5,286                     | (44,610)      |
| Net income (loss)  | 139,152                     | 59,756        | (272,331)                 | 1,096,364     |
| Net (income) loss attributable to non-controlling interest           | (131,714)                   | (56,341)      | 261,246                   | (1,039,237)   |
| Net income (loss) attributable to Rocket Companies                   | \$ 7,438                    | \$ 3,415      | \$ (11,085)               | \$ 57,127     |
| <b>Earnings (loss) per share of Class A common stock</b>             |                             |               |                           |               |
| Basic  | \$ 0.06                     | \$ 0.03       | \$ (0.09)                 | 0.47          |
| Diluted  | \$ 0.05                     | \$ 0.02       | \$ (0.11)                 | 0.43          |
| <b>Weighted average shares outstanding</b>                           |                             |               |                           |               |
| Basic  | 126,740,748                 | 118,801,530   | 125,742,282               | 120,735,056   |
| Diluted  | 1,979,450,651               | 1,971,741,764 | 1,977,148,197             | 1,973,624,016 |
| <b>Comprehensive income (loss)</b>                                   |                             |               |                           |               |
| Net income (loss)  | \$ 139,152                  | \$ 59,756     | \$ (272,331)              | \$ 1,096,364  |
| Cumulative translation adjustment                                    | (159)                       | (679)         | (152)                     | (91)          |
| Unrealized gain (loss) on investment securities                      | 1,589                       | (259)         | —                         | (1,754)       |
| Comprehensive income (loss)  | 140,582                     | 58,818        | (272,483)                 | 1,094,519     |
| Comprehensive (income) loss attributable to non-controlling interest | (133,052)                   | (55,453)      | 261,389                   | (1,037,503)   |
| Comprehensive income (loss) attributable to Rocket Companies         | \$ 7,530                    | \$ 3,365      | \$ (11,094)               | \$ 57,016     |

See accompanying Notes to the Unaudited Condensed Consolidated Financial Statements.

**Rocket Companies, Inc.**  
**Condensed Consolidated Statements of Changes in Equity**  
**(In Thousands, Except Shares and Per Share Amounts)**  
**(Unaudited)**

|  | Class A Common<br>Stock Shares | Class A Common<br>Stock Amount | Class D Common<br>Stock Shares | Class D Common<br>Stock Amount | Additional<br>Paid-in Capital | Retained<br>Earnings | Accumulated Other<br>Comprehensive<br>Income (Loss) | Total<br>Non-controlling<br>Interest | Total<br>Equity |
|--|--------------------------------|--------------------------------|--------------------------------|--------------------------------|-------------------------------|----------------------|---|--------------------------------------|-----------------|
| Balance, December 31, 2021   | 126,437,703                    | \$ 1                           | 1,848,879,483                  | \$ 19                          | \$ 287,558                    | \$ 378,005           | \$ 81   | \$ 9,093,868                         | \$ 9,759,532    |
| Net income   | —                              | —                              | —                              | —                              | —                             | 53,712               | —   | 982,896                              | 1,036,608       |
| Cumulative translation adjustment  | —                              | —                              | —                              | —                              | —                             | —                    | 31  | 557                                  | 588             |
| Unrealized loss on investment securities                                     | —                              | —                              | —                              | —                              | —                             | —                    | (92)  | (1,403)                              | (1,495)         |
| Share-based compensation, net  | 186,891                        | —                              | —                              | —                              | 3,288                         | —                    | —   | 50,093                               | 53,381          |
| Distributions for state taxes on behalf of unit holders (members), net       | —                              | —                              | —                              | —                              | —                             | (2,171)              | —   | (33,536)                             | (35,707)        |
| Distributions to unit holders (members) from subsidiary investment, net      | —                              | —                              | —                              | —                              | 725                           | —                    | —   | (1,856,575)                          | (1,855,850)     |
| Special Dividend to Class A Shareholders, net of forfeitures                 | —                              | —                              | —                              | —                              | —                             | (123,752)            | —   | (31,830)                             | (155,582)       |
| Taxes withheld on employees' restricted share award vesting                  | —                              | —                              | —                              | —                              | (77)                          | —                    | —   | (1,220)                              | (1,297)         |
| Issuance of Class A common Shares under stock compensation and benefit plans | 1,018,875                      | —                              | —                              | —                              | 930                           | —                    | —   | 12,743                               | 13,673          |
| Repurchase of Class A common Shares  | (8,016,465)                    | —                              | —                              | —                              | (100,162)                     | —                    | —   | —                                    | (100,162)       |
| Change in controlling interest of investment, net                            | —                              | —                              | —                              | —                              | 49,196                        | —                    | 2   | (61,591)                             | (12,393)        |
| Balance, March 31, 2022  | 119,627,004                    | \$ 1                           | 1,848,879,483                  | \$ 19                          | \$ 241,458                    | \$ 305,794           | \$ 22   | \$ 8,154,002                         | \$ 8,701,296    |
| Net income   | —                              | —                              | —                              | —                              | —                             | 3,415                | —   | 56,341                               | 59,756          |
| Cumulative translation adjustment  | —                              | —                              | —                              | —                              | —                             | —                    | (34)  | (645)                                | (679)           |
| Unrealized loss on investment securities                                     | —                              | —                              | —                              | —                              | —                             | —                    | (16)  | (243)                                | (259)           |
| Share-based compensation, net  | 721,224                        | —                              | —                              | —                              | 4,089                         | —                    | —   | 50,596                               | 54,685          |
| Distributions for state taxes on behalf of unit holders (members), net       | —                              | —                              | —                              | —                              | —                             | (385)                | —   | (6,069)                              | (6,454)         |
| Special Dividend to Class A Shareholders, net of forfeitures                 | —                              | —                              | —                              | —                              | —                             | 80                   | —   | 1,249                                | 1,329           |
| Taxes withheld on employees' restricted share award vesting                  | —                              | —                              | —                              | —                              | (9)                           | —                    | —   | (2,833)                              | (2,842)         |
| Issuance of Class A common Shares under stock compensation and benefit plans | 1,456,798                      | —                              | —                              | —                              | 824                           | —                    | —   | 12,855                               | 13,679          |
| Repurchase of Class A common Shares  | (5,471,600)                    | —                              | —                              | —                              | (45,280)                      | —                    | —   | —                                    | (45,280)        |
| Change in controlling interest of investment, net                            | —                              | —                              | —                              | —                              | 24,620                        | —                    | 2   | (27,650)                             | (3,028)         |
| Balance, June 30, 2022   | 116,333,426                    | \$ 1                           | 1,848,879,483                  | \$ 19                          | \$ 225,702                    | \$ 308,904           | \$ (26)   | \$ 8,237,603                         | \$ 8,772,203    |

See accompanying Notes to the Unaudited Condensed Consolidated Financial Statements.

**Rocket Companies, Inc.**  
**Condensed Consolidated Statements of Changes in Equity**  
**(In Thousands, Except Shares and Per Share Amounts)**  
**(Unaudited)**

|  | Class A Common<br>Stock Shares | Class A Common<br>Stock Amount | Class D Common<br>Stock Shares | Class D Common<br>Stock Amount | Additional<br>Paid-in Capital | Retained<br>Earnings | Accumulated Other<br>Comprehensive<br>Income (Loss) | Total<br>Non-controlling<br>Interest | Total<br>Equity |
|--|--------------------------------|--------------------------------|--------------------------------|--------------------------------|-------------------------------|----------------------|---|--------------------------------------|-----------------|
| Balance, December 31, 2022   | 123,491,606                    | \$ 1                           | 1,848,879,483                  | \$ 19                          | \$ 276,221                    | \$ 300,394           | \$ 69   | \$ 7,898,845                         | \$ 8,475,549    |
| Net loss   | —                              | —                              | —                              | —                              | —                             | (18,523)             | —   | (392,960)                            | (411,483)       |
| Cumulative translation adjustment  | —                              | —                              | —                              | —                              | —                             | —                    | —   | 7                                    | 7               |
| Unrealized loss on investment securities                                     | —                              | —                              | —                              | —                              | —                             | —                    | (101)   | (1,488)                              | (1,589)         |
| Share-based compensation, net  | 1,390,650                      | —                              | —                              | —                              | 3,217                         | —                    | —   | 47,596                               | 50,813          |
| Distributions for state taxes on behalf of unit holders (members), net       | —                              | —                              | —                              | —                              | —                             | (209)                | —   | 326                                  | 117             |
| Special Dividend to Class A Shareholders, net of forfeitures                 | —                              | —                              | —                              | —                              | —                             | 23                   | —   | 347                                  | 370             |
| Taxes withheld on employees' restricted share award vesting                  | —                              | —                              | —                              | —                              | (444)                         | —                    | —   | (6,550)                              | (6,994)         |
| Issuance of Class A common Shares under stock compensation and benefit plans | 878,817                        | —                              | —                              | —                              | 456                           | —                    | —   | 6,794                                | 7,250           |
| Change in controlling interest of investment, net                            | —                              | —                              | —                              | —                              | 15,268                        | (688)                | —   | (19,275)                             | (4,695)         |
| Balance, March 31, 2023  | 125,761,073                    | \$ 1                           | 1,848,879,483                  | \$ 19                          | \$ 294,718                    | \$ 280,997           | \$ (32)   | \$ 7,533,642                         | \$ 8,109,345    |
| Net income   | —                              | —                              | —                              | —                              | —                             | 7,438                | —   | 131,714                              | 139,152         |
| Cumulative translation adjustment  | —                              | —                              | —                              | —                              | —                             | —                    | (9)   | (150)                                | (159)           |
| Unrealized gain on investment securities                                     | —                              | —                              | —                              | —                              | —                             | —                    | 101   | 1,488                                | 1,589           |
| Share-based compensation, net  | 574,094                        | —                              | —                              | —                              | 3,170                         | —                    | —   | 46,221                               | 49,391          |
| Contributions from unit holders (members) to subsidiary investment, net      | —                              | —                              | —                              | —                              | —                             | —                    | —   | 61,378                               | 61,378          |
| Special Dividend to Class A Shareholders, net of forfeitures                 | —                              | —                              | —                              | —                              | —                             | 82                   | —   | 1,200                                | 1,282           |
| Taxes withheld on employees' restricted share award vesting                  | —                              | —                              | —                              | —                              | (210)                         | —                    | —   | (3,050)                              | (3,260)         |
| Issuance of Class A common Shares under stock compensation and benefit plans | 794,282                        | —                              | —                              | —                              | 465                           | —                    | —   | 6,803                                | 7,268           |
| Change in controlling interest of investment, net                            | —                              | —                              | —                              | —                              | 3,997                         | —                    | —   | (5,129)                              | (1,132)         |
| Balance, June 30, 2023   | 127,129,449                    | \$ 1                           | 1,848,879,483                  | \$ 19                          | \$ 302,140                    | \$ 288,517           | \$ 60   | \$ 7,774,117                         | \$ 8,364,854    |

See accompanying Notes to the Unaudited Condensed Consolidated Financial Statements.

**Rocket Companies, Inc.**  
**Condensed Consolidated Statements of Cash Flows**  
(In Thousands)  
(Unaudited)

|  | <b>Six Months Ended June 30,</b> |                |
|--|----------------------------------|----------------|
|  | <b>2023</b>                      | <b>2022</b>    |
| <b>Operating activities</b>  |                                  |                |
| Net (loss) income .....  | \$ (272,331)                     | \$ 1,096,364   |
| Adjustments to reconcile net (loss) income to net cash (used in) provided by operating activities: ..... |                                  |                |
| Depreciation and amortization .....  | 56,042                           | 45,822         |
| (Benefit from) provision for deferred income taxes .....   | (6,342)                          | 34,458         |
| Origination of mortgage servicing rights .....   | (519,400)                        | (1,256,088)    |
| Change in fair value of MSR, net .....   | 353,536                          | (489,170)      |
| Gain on sale of loans excluding fair value of MSR, net .....   | (544,632)                        | (1,034,535)    |
| Disbursements of mortgage loans held for sale .....  | (38,990,084)                     | (89,469,172)   |
| Proceeds from sale of loans held for sale .....  | 38,390,358                       | 97,614,379     |
| Share-based compensation expense .....   | 102,656                          | 112,034        |
| Change in assets and liabilities   |                                  |                |
| Due from affiliates .....  | (60,996)                         | (46)           |
| Other assets .....   | (48,607)                         | 37,061         |
| Accounts payable .....   | 40,610                           | (37,824)       |
| Due to affiliates .....  | 2,245                            | 3,246          |
| Premium recapture and indemnification losses paid .....  | (102,160)                        | (891)          |
| Other liabilities .....  | (12,833)                         | (70,304)       |
| Total adjustments .....  | \$ (1,339,607)                   | \$ 5,488,970   |
| Net cash (used in) provided by operating activities .....  | \$ (1,611,938)                   | \$ 6,585,334   |
| <b>Investing activities</b>  |                                  |                |
| Proceeds from sale of MSR .....  | \$ 676,001                       | \$ 473,971     |
| Net purchase of MSR .....  | 554                              | (16,447)       |
| Decrease in mortgage loans held for investment .....   | 4,309                            | 13,936         |
| Purchases of investment securities, available for sale .....   | (5,472)                          | —              |
| Sales of investment securities, available for sale .....   | 6,479                            | —              |
| Purchase and other additions of property and equipment, net of disposals .....                           | (40,131)                         | (62,938)       |
| Net cash provided by investing activities .....  | \$ 641,740                       | \$ 408,522     |
| <b>Financing activities</b>  |                                  |                |
| Net borrowings (payments) on funding facilities .....  | \$ 1,340,537                     | \$ (5,104,438) |
| Net payments on lines of credit .....  | —                                | (75,000)       |
| Net payments on early buy out facility .....   | (311,675)                        | (742,882)      |
| Net borrowings on notes payable from unconsolidated affiliates .....                                     | 353                              | 1,073          |
| Stock issuance .....   | 12,249                           | 24,890         |
| Share repurchase .....   | —                                | (145,442)      |
| Taxes withheld on employees' restricted share award vesting .....  | (10,254)                         | (4,139)        |
| Contributions from (distributions to) other unit holders (members) of Holdings, net .....                | 67,827                           | (2,175,340)    |
| Net cash provided by (used in) financing activities .....  | \$ 1,099,037                     | \$ (8,221,278) |
| Effects of exchange rate changes on cash and cash equivalents .....                                      | (151)                            | (91)           |
| Net increase (decrease) in cash and cash equivalents and restricted cash .....                           | 128,688                          | (1,227,513)    |
| Cash and cash equivalents and restricted cash, beginning of period .....                                 | 789,099                          | 2,211,597      |
| Cash and cash equivalents and restricted cash, end of period .....                                       | \$ 917,787                       | \$ 984,084     |
| <b>Non-cash activities</b>   |                                  |                |
| Loans transferred to other real estate owned .....   | \$ 1,469                         | \$ 644         |
| <b>Supplemental disclosures</b>  |                                  |                |
| Cash paid for interest on related party borrowings .....   | \$ 5,189                         | \$ 2,423       |

See accompanying Notes to the Unaudited Condensed Consolidated Financial Statements.

**Rocket Companies, Inc.**  
**Notes to Unaudited Condensed Consolidated Financial Statements**  
**(Dollars in Thousands, Except Shares and Per Share)**

**1. Business, Basis of Presentation and Accounting Policies**

Rocket Companies, Inc. (the "Company", and together with its consolidated subsidiaries, "Rocket Companies", "we", "us", "our") was incorporated in Delaware on February 26, 2020 as a wholly owned subsidiary of Rock Holdings Inc. ("RHI") for the purpose of facilitating an initial public offering ("IPO") of its Class A common stock, \$0.00001 par value (the "Class A common stock") and other related transactions in order to carry on the business of RKT Holdings, LLC ("Holdings") and its wholly owned subsidiaries.

We are a Detroit-based fintech holding company consisting of tech-driven mortgage, real estate and financial services businesses - including Rocket Mortgage, Rocket Homes, Rocket Loans, and Rocket Money. We are committed to providing an industry-leading client experience powered by our simple, fast and trusted digital solutions. In addition to Rocket Mortgage, one of the nation's largest mortgage lenders, we have expanded into complementary industries, such as, real estate services, personal finance, and personal and solar lending. Our business operations are organized into the following two segments: (1) Direct to Consumer and (2) Partner Network, as described in *Note 11, Segments*.

Rocket Companies, Inc. is a holding company. Its primary material asset is the equity interest in Holdings which, including through its direct and indirect subsidiaries, conducts a majority of the Company's operations. Holdings is a Michigan limited liability company and wholly owns the following entities, with each entity's subsidiaries identified in parentheses: Rocket Mortgage, LLC, Amrock Holdings, LLC ("Amrock", and "Nexsys Technologies LLC"), Amrock Title Insurance Company ("ATI"), LMB HoldCo LLC ("Core Digital Media"), RCRA Holdings LLC ("Rock Connections LLC dba Rocket Connections" and "Rocket Auto"), Rocket Homes Real Estate LLC ("Rocket Homes"), RockLoans Holdings LLC ("Rocket Loans" and "Rocket Solar"), Rock Central LLC dba Rocket Central, Rocket Money, Inc. ("Rocket Money"), EFB Holdings Inc. ("Rocket Mortgage Canada"), Lendesk Canada Holdings Inc. ("Lendesk Technologies"), RockTech Canada Inc., Woodward Capital Management LLC, and Rocket Card, LLC. As used herein, "Rocket Mortgage" refers to either the Rocket Mortgage brand or platform, or the Rocket Mortgage business, as the context allows.

***Basis of Presentation and Consolidation***

As the sole managing member of Holdings, the Company operates and controls all of the business affairs of Holdings, and through Holdings and its subsidiaries, conducts its business. Holdings is considered a variable interest entity ("VIE") and we consolidate the financial results of Holdings under the guidance of ASC 810, Consolidation. A portion of our Net income (loss) is allocated to Net (income) loss attributable to non-controlling interest. For further details, refer below to *Variable Interest Entities* and *Note 12, Non-controlling Interest*.

All significant intercompany transactions and accounts between the businesses comprising the Company have been eliminated in the accompanying condensed consolidated financial statements.

The Company's derivatives, IRLCs, MSRs, mortgage and non-mortgage loans held for sale, and available for sale investment securities are measured at fair value on a recurring basis. Additionally, other assets may be required to be measured at fair value in the condensed consolidated financial statements on a nonrecurring basis. Examples of such measurements are mortgage loans transferred between held for investment and held for sale, certain impaired loans, and other real estate owned. For further details of the Company's transactions refer to *Note 2, Fair Value Measurements*.

All transactions and accounts between RHI and other related parties with the Company have a history of settlement or will be settled for cash and are reflected as related party transactions. For further details of the Company's related party transactions refer to *Note 6, Transactions with Related Parties*.

Our condensed consolidated financial statements are unaudited and presented in U.S. dollars. They have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC"). The interim financial information should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2022, as filed with the SEC. In our opinion, these condensed consolidated financial statements include all normal and recurring adjustments considered necessary for a fair statement of our results of operations, financial position and cash flows for the periods presented. However, our results of operations for any interim period are not necessarily indicative of the results that may be expected for a full fiscal year or for any other future period.



**Rocket Companies, Inc.**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**  
**(In Thousands, Except Shares and Per Share Amounts)**

***Management Estimates***

The preparation of condensed consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Although management is not currently aware of any factors that would significantly change its estimates and assumptions, actual results may differ from these estimates.

***Subsequent Events***

In preparing these condensed consolidated financial statements, the Company evaluated events and transactions for potential recognition or disclosure through the date these condensed consolidated financial statements were issued. Refer to *Note 5, Borrowings* and *Note 6, Transactions with Related Parties* for disclosures on changes to the Company's debt and related party agreements that occurred subsequent to June 30, 2023.

***Share Repurchase Authorization***

On November 1, 2022, the Company's board of directors approved the renewal of the share repurchase program effective November 11, 2022 (the "Share Repurchase Program"). The share repurchase program renews and extends the previously approved share repurchase program and authorizes the Company to repurchase shares of the Company's common stock in an aggregate value, not to exceed \$1 billion, from time to time, in the open market or through privately negotiated transactions, in accordance with applicable securities laws. The share repurchase program will remain in effect for a two-year period terminating in November 2024. The share repurchase program does not obligate the Company to make any repurchases at any specific time. The timing and extent to which the Company repurchases its shares will depend upon, among other things, market conditions, share price, liquidity targets, regulatory requirements and other factors. As of June 30, 2023 approximately \$590.7 million remain available under the Share Repurchase Program.

***Special Dividends***

On February 24, 2022, our board of directors authorized and declared a cash dividend (the "2022 Special Dividend") of \$1.01 per share to the holders of our Class A common stock. The 2022 Special Dividend was paid on March 22, 2022 to holders of the Class A common stock of record as of the close of business on March 8, 2022. The Company funded the 2022 Special Dividend from cash distributions of approximately \$2.0 billion by Holdings to all of its members, including the Company.

***Revenue Recognition***

*Gain on sale of loans, net* — includes all components related to the origination and sale of mortgage loans, including (1) net gain on sale of loans, which represents the premium we receive in excess of the loan principal amount and certain fees charged by investors upon sale of loans into the secondary market, (2) loan origination fees (credits), points and certain costs, (3) provision for or benefit from investor reserves, (4) the change in fair value of interest rate locks and loans held for sale, (5) the gain or loss on forward commitments hedging loans held for sale and interest rate lock commitments (IRLCs), and (6) the fair value of originated MSR. An estimate of the Gain on sale of loans, net is recognized at the time an IRLC is issued, net of a pull-through factor. Subsequent changes in the fair value of IRLCs and mortgage loans held for sale are recognized in current period earnings. When the mortgage loan is sold into the secondary market, any difference between the proceeds received and the current fair value of the loan is recognized in current period earnings in Gain on sale of loans, net. Included in Gain on sale of loans, net is the Fair value of originated MSR, which represents the estimated fair value of MSR related to loans which we have sold and retained the right to service. Refer to *Note 3, Mortgage Servicing Rights* for information related to the gain/(loss), net in the fair value of MSR.

*Loan servicing income, net* — includes income from servicing, sub-servicing and ancillary fees, and is recorded to income as earned, which is upon collection of payments from borrowers. This amount also includes the Change in fair value of MSR, which is the adjustment for the fair value measurement of the MSR asset as of the respective balance sheet date.

*Interest income, net* — includes interest earned on mortgage loans held for sale and mortgage loans held for investment net of the interest expense paid on our loan funding facilities. Interest income is recorded as earned and interest expense is recorded as incurred. Interest income is accrued and credited to income daily based on the unpaid principal balance outstanding. The accrual of interest is generally discontinued when a loan becomes 90 days past due.

**Rocket Companies, Inc.**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**  
**(In Thousands, Except Shares and Per Share Amounts)**

*Other income* — is derived primarily from closing fees, net appraisal revenue, net title insurance fees, personal finance subscription revenue, deposit interest income, real estate network referral fees, contact center revenue, personal loans business, professional service fees, and lead generation revenue.

The following revenue streams fall within the scope of ASC Topic 606 — Revenue from Contracts with Customers and are disaggregated hereunder:

*Rocket Money subscription revenue* — The Company recognizes subscription revenue ratably over the contract term beginning on the commencement date of each contract. We have determined that subscriptions represent a stand-ready obligation to perform over the subscription term. These performance obligations are satisfied over time as the customer simultaneously receives and consumes the benefits. Contracts are one month to one year in length. Subscription revenues were \$42,994 and \$26,175 for the three months ended June 30, 2023 and 2022, respectively and \$82,179 and \$51,929 for the six months ended June 30, 2023 and 2022, respectively.

*Amrock closing fees* — The Company recognizes closing fees for non-recurring services provided in connection with the origination of the loan. These fees are recognized at the time of loan closing for purchase transactions or at the end of a client's three-day rescission period for refinance transactions, which represents the point in time the loan closing services performance obligation is satisfied. The consideration received for closing services is a fixed fee per loan that varies by state and loan type. Closing fees were \$20,810 and \$37,929 for the three months ended June 30, 2023 and 2022, respectively and \$38,298 and \$114,907 for the six months ended June 30, 2023 and 2022, respectively.

*Amrock appraisal revenue, net* — The Company recognizes appraisal revenue when the appraisal service is completed. The Company may choose to deliver appraisal services directly to its client or subcontract such services to a third-party licensed and/or certified appraiser. In instances where the Company performs the appraisal, revenue is recognized as the gross amount of consideration received at a fixed price per appraisal. The Company is an agent in instances where a third-party appraiser is involved in the delivery of appraisal services and revenue is recognized net of third-party appraisal expenses. Appraisal revenue, net of intercompany eliminations, were \$12,953 and \$15,295 for the three months ended June 30, 2023 and 2022, respectively and \$24,819 and \$37,317 for the six months ended June 30, 2023 and 2022, respectively.

*Rocket Homes real estate network referral fees* — The Company recognizes real estate network referral fee revenue based on arrangements with partner agencies contingent on the closing of a transaction. As this revenue stream is variable, and is contingent on the successful transaction close, the revenue is constrained until the occurrence of the transaction. At this point, the constraint on recognizing revenue is deemed to have been lifted and revenue is recognized for the consideration expected to be received. Real estate network referral fees, net of intercompany eliminations, were \$13,776 and \$14,871 for the three months ended June 30, 2023 and 2022, respectively and \$20,747 and \$26,269 for the six months ended June 30, 2023 and 2022, respectively.

*Professional service fees* — The Company recognizes professional service fee revenue based on the delivery of services (e.g., human resources, technology, training) over the term of a contract. Consideration for the promised services is received through a combination of a fixed fee for the period and incremental fees paid for optional services that are available at an incremental rate determined at the time such services are requested. The Company recognizes the annual fee ratably over the life of the contract, as the performance obligation is satisfied equally over the term of the contract. For the optional services, revenue is only recognized at the time the services are requested and delivered and pricing is agreed upon. Professional service fee revenues were \$2,282 and \$3,106 for the three months ended June 30, 2023 and 2022, respectively and \$4,469 and \$6,110 for the six months ended June 30, 2023 and 2022, respectively, and were rendered entirely to related parties.

*Core Digital Media lead generation revenue* — The Company recognizes online consumer acquisition revenue based on successful delivery of marketing leads to a client at a fixed fee per lead. This service is satisfied at the time the lead is delivered, at which time revenue for the service is recognized. Online consumer acquisition revenue, net of intercompany eliminations, were \$1,040 and \$2,450 for the three months ended June 30, 2023 and 2022, respectively and \$2,104 and \$6,914 for the six months ended June 30, 2023 and 2022, respectively.

**Rocket Companies, Inc.**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**  
**(In Thousands, Except Shares and Per Share Amounts)**

*Rocket Connections and Rocket Auto contact center revenue* — The Company recognizes contact center revenue for communication services including client support and sales. Consideration received mainly includes a fixed base fee and/or a variable contingent fee. The fixed base fee is recognized ratably over the period of performance, as the performance obligation is considered to be satisfied equally throughout the service period. The variable contingent fee related to car sales is constrained until the sale of the car is completed. Contact center revenues, net of intercompany eliminations, were \$187 and \$3,842 for the three months ended June 30, 2023 and 2022, respectively and \$709 and \$13,157 for the six months ended June 30, 2023 and 2022, respectively.

***Cash, Cash Equivalents and Restricted Cash***

The Company considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents. We maintain our bank accounts with a relatively small number of high-quality financial institutions.

Restricted cash as of June 30, 2023 and 2022 consisted of cash on deposit for a repurchase facility and client application deposits, title premiums collected from the insured that are due to the underwritten, and principal and interest received in collection accounts for purchased assets. In 2022, the Company also had a \$25,000 bond.

|   | June 30,   |            |
|---|------------|------------|
|   | 2023       | 2022       |
| Cash and cash equivalents.....  | \$ 882,783 | \$ 915,363 |
| Restricted cash.....  | 35,004     | 68,721     |
| Total cash, cash equivalents, and restricted cash in the statement of cash flows..... | \$ 917,787 | \$ 984,084 |

***Loans subject to repurchase right from Ginnie Mae***

For certain loans sold to Ginnie Mae, the Company as the servicer has the unilateral right to repurchase any individual loan in a Ginnie Mae securitization pool if that loan meets defined criteria, including being delinquent more than 90 days. Once the Company has the unilateral right to repurchase the delinquent loan, the Company has effectively regained control over the loan and must re-recognize the loan on the Condensed Consolidated Balance Sheets and establish a corresponding finance liability regardless of the Company's intention to repurchase the loan. The asset and corresponding liability are recorded at the unpaid principal balance of the loan, which approximates its fair value.

***Variable Interest Entities***

Rocket Companies, Inc. is the managing member of Holdings with 100% of the management and voting power in Holdings. In its capacity as managing member, Rocket Companies, Inc. has the sole authority to make decisions on behalf of Holdings and bind Holdings to signed agreements. Further, Holdings maintains separate capital accounts for its investors as a mechanism for tracking earnings and subsequent distribution rights. Accordingly, management concluded that Holdings is a limited partnership or similar legal entity as contemplated in ASC 810, *Consolidation*.

Furthermore, management concluded that Rocket Companies, Inc. is Holdings' primary beneficiary. As the primary beneficiary, Rocket Companies, Inc. consolidates the results and operations of Holdings for financial reporting purposes under the variable interest consolidation model guidance in ASC 810.

Rocket Companies, Inc.'s relationship with Holdings results in no recourse to the general credit of Rocket Companies, Inc. Holdings and its consolidated subsidiaries represents Rocket Companies, Inc.'s sole investment. Rocket Companies, Inc. shares in the income and losses of Holdings in direct proportion to Rocket Companies, Inc.'s ownership percentage. Further, Rocket Companies, Inc. has no contractual requirement to provide financial support to Holdings.

Rocket Companies, Inc.'s financial position, performance and cash flows effectively represent those of Holdings and its subsidiaries as of and for the period ended June 30, 2023.

**Rocket Companies, Inc.**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**  
**(In Thousands, Except Shares and Per Share Amounts)**

***Accounting Standards Issued but Not Yet Adopted***

In March 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standard Update ("ASU") 2023-01, Leases (Topic 842): Common Control Arrangements. The new guidance requires all lessees in a lease with a lessor under common control to amortize leasehold improvements over the useful life of the common control group and provides new guidance for recognizing a transfer of assets between entities under common control as an adjustment to equity when the lessee no longer controls the use of the underlying asset. This guidance is effective for fiscal years beginning after December 15, 2023. The Company is in the process of evaluating the impact that the adoption of this ASU will have on the consolidated financial statements and related disclosures, which is not expected to be material.

**2. Fair Value Measurements**

Fair value is the price that would be received if an asset were sold or the price that would be paid to transfer a liability in an orderly transaction between willing market participants at the measurement date. Required disclosures include classification of fair value measurements within a three-level hierarchy (Level 1, Level 2, and Level 3). Classification of a fair value measurement within the hierarchy is dependent on the classification and significance of the inputs used to determine the fair value measurement. Observable inputs are those that are observed, implied from, or corroborated with externally available market information. Unobservable inputs represent the Company's estimates of market participants' assumptions.

Fair value measurements are classified in the following manner:

*Level 1*—Valuation is based on quoted prices in active markets for identical assets or liabilities at the measurement date.

*Level 2*—Valuation is based on either observable prices for identical assets or liabilities in inactive markets, observable prices for similar assets or liabilities, or other inputs that are derived directly from, or through correlation to, observable market data at the measurement date.

*Level 3*—Valuation is based on the Company's internal models using assumptions at the measurement date that a market participant would use.

In determining fair value measurement, the Company uses observable inputs whenever possible. The level of a fair value measurement within the hierarchy is dependent on the lowest level of input that has a significant impact on the measurement as a whole. If quoted market prices are available at the measurement date or are available for similar instruments, such prices are used in the measurements. If observable market data is not available at the measurement date, judgment is required to measure fair value.

The following is a description of measurement techniques for items recorded at fair value on a recurring basis. There were no material items recorded at fair value on a nonrecurring basis as of June 30, 2023 or December 31, 2022.

*Mortgage loans held for sale:* Loans held for sale that trade in active secondary markets are valued using Level 2 measurements derived from observable market data, including market prices of securities backed by similar mortgage loans adjusted for certain factors to approximate the fair value of a whole mortgage loan, including the value attributable to mortgage servicing and credit risk. Loans held for sale for which there is little to no observable trading activity of similar instruments are valued using Level 3 measurements based upon dealer price quotes and internal models.

*IRLCs:* The fair value of IRLCs is based on current market prices of securities backed by similar mortgage loans (as determined above under mortgage loans held for sale), net of costs to close the loans, subject to the estimated loan funding probability, or "pull-through factor". Given the significant and unobservable nature of the pull-through factor, IRLCs are classified as Level 3.

*MSRs:* The fair value of MSRs is determined using an internal valuation model that calculates the present value of estimated net future cash flows. The model includes estimates of prepayment speeds, discount rate, cost to service, float earnings, contractual servicing fee income, and ancillary income among others. MSRs are classified as Level 3.

**Rocket Companies, Inc.**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**  
**(In Thousands, Except Shares and Per Share Amounts)**

*Forward commitments:* The Company's forward commitments are valued based on quoted prices for similar assets in an active market with inputs that are observable and are classified within Level 2 of the valuation hierarchy.

*Investment Securities:* Investment securities are trading debt securities that are recorded at fair value using observable market prices for similar securities or identical securities that are traded in less active markets, which are classified as Level 2 and include highly rated municipal, government, and corporate bonds.

*Non-mortgage loans held for sale:* Non-mortgage loans held for sale are personal loans including loans to finance solar panel installation projects. The fair value of non-mortgage loans is determined using an internal valuation model that calculates the present value of estimated net future cash flows. Non-mortgage loans are classified as Level 3.

***Assets and Liabilities Measured at Fair Value on a Recurring Basis***

The table below shows a summary of financial statement items that are measured at estimated fair value on a recurring basis, including assets measured under the fair value option. There were no material transfers of assets or liabilities recorded at fair value on a recurring basis between Levels 1, 2 or 3 during the six months ended June 30, 2023 or the year ended December 31, 2022.

|  | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> | <u>Total</u>  |
|--|----------------|----------------|----------------|---------------|
| <b>Balance at June 30, 2023</b>            |                |                |                |               |
| Assets:                                    |                |                |                |               |
| Mortgage loans held for sale (1) .....     | \$ —           | \$ 7,812,065   | \$ 632,378     | \$ 8,444,443  |
| IRLCs .....                                | —              | —              | 127,690        | 127,690       |
| MSRs .....                                 | —              | —              | 6,443,632      | 6,443,632     |
| Forward commitments .....                  | —              | 106,996        | —              | 106,996       |
| Investment securities (2) .....            | —              | 37,703         | —              | 37,703        |
| Non-mortgage loans held for sale (2) ..... | —              | —              | 78,490         | 78,490        |
| Total assets                               | \$ —           | \$ 7,956,764   | \$ 7,282,190   | \$ 15,238,954 |
| Liabilities:                               |                |                |                |               |
| Forward commitments .....                  | \$ —           | \$ 12,766      | \$ —           | \$ 12,766     |
| Total liabilities                          | \$ —           | \$ 12,766      | \$ —           | \$ 12,766     |
| <b>Balance at December 31, 2022</b>        |                |                |                |               |
| Assets:                                    |                |                |                |               |
| Mortgage loans held for sale (1) .....     | \$ —           | \$ 6,260,745   | \$ 1,082,730   | \$ 7,343,475  |
| IRLCs .....                                | —              | —              | 90,635         | 90,635        |
| MSRs .....                                 | —              | —              | 6,946,940      | 6,946,940     |
| Forward commitments .....                  | —              | 22,444         | —              | 22,444        |
| Total assets                               | \$ —           | \$ 6,283,189   | \$ 8,120,305   | \$ 14,403,494 |
| Liabilities:                               |                |                |                |               |
| Forward commitments .....                  | \$ —           | \$ 25,117      | \$ —           | \$ 25,117     |
| Total liabilities                          | \$ —           | \$ 25,117      | \$ —           | \$ 25,117     |

(1) As of June 30, 2023 and December 31, 2022, \$242.2 million and \$314.4 million of unpaid principal balance of the level 3 mortgage loans held for sale were 90 days or more delinquent and were in non-accrual status.

(2) These assets are included in Other assets on the Condensed Consolidated Balance Sheets.

**Rocket Companies, Inc.**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**  
(In Thousands, Except Shares and Per Share Amounts)

The following tables present the quantitative information about recurring Level 3 fair value financial instruments and the fair value measurements as of:

| Unobservable Input                      | June 30, 2023 |                  | December 31, 2022 |                  |
|---|---------------|------------------|-------------------|------------------|
|   | Range         | Weighted Average | Range             | Weighted Average |
| <b>Mortgage loans held for sale</b>     |               |                  |                   |                  |
| Model pricing .....                     | 66% - 100%    | 89 %             | 67% - 100%        | 86 %             |
| <b>IRLCs</b>                            |               |                  |                   |                  |
| Loan funding probability .....          | 0% - 100%     | 72 %             | 0% - 100%         | 68 %             |
| <b>MSRs</b>                             |               |                  |                   |                  |
| Discount rate .....                     | 9.5% - 12.5%  | 9.9 %            | 9.5% - 12.5%      | 9.9 %            |
| Conditional prepayment rate .....       | 6.0% - 29.2%  | 7.1 %            | 6.1% - 26.6%      | 6.9 %            |
| <b>Non-mortgage loans held for sale</b> |               |                  |                   |                  |
| Discount rate .....                     | 8.5% - 8.5%   | 8.5 %            | N/A               | N/A              |

The table below presents a reconciliation of Level 3 assets measured at fair value on a recurring basis for the three and six months ended June 30, 2023 and 2022. Mortgage servicing rights are also classified as a Level 3 asset measured at fair value on a recurring basis and its reconciliation is found in *Note 3, Mortgage Servicing Rights*.

|   | Mortgage Loans<br>Held for Sale |             | IRLCs | Non-Mortgage Loans<br>Held for Sale |    |        |
|---|---------------------------------|-------------|-------|-------------------------------------|----|--------|
| <b>Balance at March 31, 2023</b> .....            | \$                              | 763,761     | \$    | 182,112                             | \$ | 32,490 |
| Transfers in (1) .....                            |                                 | 197,709     |       | —                                   |    | 46,405 |
| Transfers out/principal reductions (1) .....      |                                 | (363,072)   |       | —                                   |    | —      |
| Net transfers and revaluation gains .....         |                                 | —           |       | (54,422)                            |    | —      |
| Total gains (losses) included in net income ..... |                                 | 33,980      |       | —                                   |    | (405)  |
| <b>Balance at June 30, 2023</b> .....             | \$                              | 632,378     | \$    | 127,690                             | \$ | 78,490 |
| Balance at March 31, 2022 .....                   | \$                              | 2,178,762   | \$    | 213,210                             | \$ | —      |
| Transfers in (1) .....                            |                                 | 299,782     |       | —                                   |    | —      |
| Transfers out/principal reductions (1) .....      |                                 | (863,740)   |       | —                                   |    | —      |
| Net transfers and revaluation losses .....        |                                 | —           |       | 96,287                              |    | —      |
| Total losses included in net income .....         |                                 | (57,020)    |       | —                                   |    | —      |
| Balance at June 30, 2022 .....                    | \$                              | 1,557,784   | \$    | 309,497                             | \$ | —      |
| <b>Balance at December 31, 2022</b> .....         | \$                              | 1,082,730   | \$    | 90,635                              | \$ | —      |
| Transfers in (1) .....                            |                                 | 408,767     |       | —                                   |    | 79,243 |
| Transfers out/principal reductions (1) .....      |                                 | (963,525)   |       | —                                   |    | —      |
| Net transfers and revaluation losses .....        |                                 | —           |       | 37,055                              |    | —      |
| Total gains (losses) included in net income ..... |                                 | 104,406     |       | —                                   |    | (753)  |
| <b>Balance at June 30, 2023</b> .....             | \$                              | 632,378     | \$    | 127,690                             | \$ | 78,490 |
| Balance at December 31, 2021 .....                | \$                              | 2,309,366   | \$    | 538,861                             | \$ | —      |
| Transfers in (1) .....                            |                                 | 822,423     |       | —                                   |    | —      |
| Transfers out/principal reductions (1) .....      |                                 | (1,482,061) |       | —                                   |    | —      |
| Net transfers and revaluation losses .....        |                                 | —           |       | (229,364)                           |    | —      |
| Total losses included in net income .....         |                                 | (91,944)    |       | —                                   |    | —      |
| Balance at June 30, 2022 .....                    | \$                              | 1,557,784   | \$    | 309,497                             | \$ | —      |

**Rocket Companies, Inc.**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**  
**(In Thousands, Except Shares and Per Share Amounts)**

- (1) Transfers in represent loans repurchased from investors or loans originated for which an active market currently does not exist. Transfers out primarily represent loans sold to third parties and loans paid in full.

**Investment Securities**

Investment securities consist of debt securities that are classified as trading securities. During the three months ended June 30, 2023, the Company transferred these investments from available for sale classification to trading securities classification. As a result of the transfer of classification, the Company recognized \$1,589 of unrealized losses to Net Income on the Condensed Consolidated Statements of Income (Loss) and Comprehensive Income (Loss) from Accumulated Other Comprehensive Income (Loss) within Condensed Consolidated Statements of Changes in Equity. The Company used the specific identification as the basis of recording trades of investment securities. As of June 30, 2023 there was \$1,971 unrealized losses on trading securities held. The carrying value of trading securities was \$37,703 as of June 30, 2023 recorded in Other assets on the Condensed Consolidated Balance Sheet.

**Fair Value Option**

The following is the estimated fair value and unpaid principal balance (“UPB”) of mortgage and non-mortgage loans held for sale that have contractual principal amounts and for which the Company has elected the fair value option. The fair value option was elected for mortgage and non-mortgage loans held for sale as the Company believes fair value best reflects their expected future economic performance:

|   | Fair Value   | Principal<br>Amount Due<br>Upon Maturity | Difference (1) |
|---|--------------|--|----------------|
| <b>Balance at June 30, 2023</b> .....     |              |  |                |
| Mortgage loans held for sale.....         | \$ 8,444,443 | \$ 8,451,052                             | \$ (6,609)     |
| Non-mortgage loans held for sale.....     | \$ 78,490    | \$ 79,243                                | \$ (753)       |
| <b>Balance at December 31, 2022</b> ..... |              |  |                |
| Mortgage loans held for sale.....         | \$ 7,343,475 | \$ 7,424,223                             | \$ (80,748)    |

- (1) Represents the amount of gains (losses) included in Gain on sale of loans, net for Mortgage loans held for sale and Other income for Non-mortgage loans held for sale, due to changes in fair value of items accounted for using the fair value option.

Disclosures of the fair value of certain financial instruments are required when it is practical to estimate the value. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques.

The following table presents the carrying amounts and estimated fair value of financial liabilities that are not recorded at fair value on a recurring or nonrecurring basis. This table excludes cash and cash equivalents, restricted cash, warehouse borrowings, and line of credit borrowing facilities as these financial instruments are highly liquid or short-term in nature and as a result, their carrying amounts approximate fair value:

|                                   | June 30, 2023       |                         | December 31, 2022   |                         |
|-----------------------------------|---------------------|-------------------------|---------------------|-------------------------|
|                                   | Carrying<br>Amount  | Estimated<br>Fair Value | Carrying<br>Amount  | Estimated<br>Fair Value |
| Senior Notes, due 10/15/2026..... | \$ 1,142,574        | \$ 1,015,531            | \$ 1,141,432        | \$ 984,963              |
| Senior Notes, due 1/15/2028.....  | 61,397              | 58,434                  | 61,330              | 57,039                  |
| Senior Notes, due 3/1/2029.....   | 744,317             | 630,030                 | 743,815             | 595,493                 |
| Senior Notes, due 3/1/2031.....   | 1,239,634           | 1,011,438               | 1,238,958           | 961,450                 |
| Senior Notes, due 10/15/2033..... | 842,787             | 665,567                 | 842,435             | 625,175                 |
| Total Senior Notes, net.....      | <u>\$ 4,030,709</u> | <u>\$ 3,381,000</u>     | <u>\$ 4,027,970</u> | <u>\$ 3,224,120</u>     |

The fair value of Senior Notes was calculated using the observable bond price at June 30, 2023 and December 31, 2022, respectively. The Senior Notes are classified as Level 2 in the fair value hierarchy.

**Rocket Companies, Inc.**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**  
(In Thousands, Except Shares and Per Share Amounts)

**3. Mortgage Servicing Rights**

Mortgage servicing rights are recognized as assets on the Condensed Consolidated Balance Sheets when loans are sold, and the associated servicing rights are retained. The Company maintains one class of MSR asset and has elected the fair value option. These MSRs are recorded at fair value, which is determined using an internal valuation model that calculates the present value of estimated future net servicing fee income. The model includes estimates of prepayment speeds, discount rate, cost to service, float earnings, contractual servicing fee income, and ancillary income and late fees, among others.

The following table summarizes changes to the MSR assets:

|   | Three Months Ended June 30, |                     | Six Months Ended June 30, |                     |
|---|-----------------------------|---------------------|---------------------------|---------------------|
|   | 2023                        | 2022                | 2023                      | 2022                |
| Fair value, beginning of period                             | \$ 6,669,939                | \$ 6,410,288        | \$ 6,946,940              | \$ 5,385,613        |
| MSRs originated   | 314,840                     | 459,473             | 519,400                   | 1,256,088           |
| MSRs sales  | (594,463)                   | (220,025)           | (676,001)                 | (474,022)           |
| Changes in fair value:                                      |                             |                     |                           |                     |
| Due to changes in valuation model inputs or assumptions (1) | 245,495                     | 284,556             | 27,693                    | 1,051,827           |
| Due to collection/realization of cash flows                 | (192,179)                   | (276,534)           | (374,400)                 | (561,748)           |
| Total changes in fair value                                 | 53,316                      | 8,022               | (346,707)                 | 490,079             |
| Fair value, end of period                                   | <u>\$ 6,443,632</u>         | <u>\$ 6,657,758</u> | <u>\$ 6,443,632</u>       | <u>\$ 6,657,758</u> |

- (1) Reflects changes in assumptions including discount rates and prepayment speed assumptions, mostly due to changes in market interest rates. In addition, it reflects the gains or losses on sales of MSRs during the period. Does not include the change in fair value of derivatives that economically hedge MSRs identified for sale or the effects of contractual prepayment protection resulting from sales of MSRs.

The total UPB of mortgage loans serviced, excluding subserviced loans, at June 30, 2023 and December 31, 2022 was \$461,947,608 and \$486,540,840, respectively. The portfolio primarily consists of high-quality performing agency and government (FHA and VA) loans. As of June 30, 2023, delinquent loans (defined as 60-plus days past-due) were 1.10% of our total portfolio. During the three months ended June 30, 2023, the Company sold excess servicing cash flows on certain agency loans for total proceeds of \$246,778.

The following is a summary of the weighted average discount rate and prepayment speed assumptions used to determine the fair value of MSRs as well as the expected life of the loans in the servicing portfolio:

|                   | June 30, 2023 | December 31, 2022 |
|-------------------|---------------|-------------------|
| Discount rate     | 9.9 %         | 9.9 %             |
| Prepayment speeds | 7.1 %         | 6.9 %             |
| Life (in years)   | 7.99          | 8.08              |

The key assumptions used to estimate the fair value of MSRs are prepayment speeds and the discount rate. Increases in prepayment speeds generally have an adverse effect on the value of MSRs as the underlying loans prepay faster. In a declining interest rate environment, the fair value of MSRs generally decreases as prepayments increase and therefore, the estimated life of the MSRs and related cash flows decrease. Decreases in prepayment speeds generally have a positive effect on the value of MSRs as the underlying loans prepay less frequently. In a rising interest rate environment, the fair value of MSRs generally increases as prepayments decrease and therefore, the estimated life of the MSRs and related cash flows increase. Increases in the discount rate result in a lower MSRs value and decreases in the discount rate result in a higher MSRs value. MSRs uncertainties are hypothetical and do not always have a direct correlation with each assumption. Changes in one assumption may result in changes to another assumption, which might magnify or counteract the uncertainties.



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**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**  
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The following table stresses the discount rate and prepayment speeds at two different data points:

|                                 | Discount Rate                |                              | Prepayment Speeds        |                          |
|---------------------------------|------------------------------|------------------------------|--------------------------|--------------------------|
|                                 | 100 BPS<br>Adverse<br>Change | 200 BPS<br>Adverse<br>Change | 10%<br>Adverse<br>Change | 20%<br>Adverse<br>Change |
| <b>June 30, 2023</b>            |                              |                              |                          |                          |
| Mortgage servicing rights ..... | \$ (270,989)                 | \$ (521,302)                 | \$ (163,465)             | \$ (319,197)             |
| December 31, 2022               |                              |                              |                          |                          |
| Mortgage servicing rights ..... | \$ (295,754)                 | \$ (565,704)                 | \$ (171,297)             | \$ (334,664)             |

#### 4. Mortgage Loans Held for Sale

The Company sells substantially all of its originated mortgage loans into the secondary market. The Company retains the right to service a majority of these loans upon sale through ownership of servicing rights. A reconciliation of the changes in mortgage loans held for sale to the amounts presented on the Condensed Consolidated Statements of Cash Flows is below:

|   | Six Months Ended June 30, |                      |
|---|---------------------------|----------------------|
|   | 2023                      | 2022                 |
| Balance at the beginning of period .....  | \$ 7,343,475              | \$ 19,323,568        |
| Disbursements of mortgage loans held for sale .....   | 38,990,084                | 89,469,172           |
| Proceeds from sales of mortgage loans held for sale (1) .....                                     | (38,370,799)              | (97,597,641)         |
| Gain on sale of mortgage loans excluding fair value of other financial instruments, net (2) ..... | 481,683                   | 1,207,770            |
| Balance at the end of period .....  | <u>\$ 8,444,443</u>       | <u>\$ 12,402,869</u> |

- (1) The proceeds from sales of loans held for sale on the Condensed Consolidated Statements of Cash Flows includes amounts related to the sale of personal loans.
- (2) The Gain on sale of loans excluding fair value of MSR's, net on the Condensed Consolidated Statements of Cash Flows includes amounts related to the sale of personal loans, interest rate lock commitments, forward commitments, and provisions for investor reserves.

#### **Credit Risk**

The Company is subject to credit risk associated with mortgage loans that it purchases and originates during the period of time prior to the sale of these loans. The Company considers credit risk associated with these loans to be insignificant as it holds the loans for a short period of time, which for the six months ended June 30, 2023 is, on average, approximately 33 days from the date of borrowing, and the market for these loans continues to be highly liquid. The Company is also subject to credit risk associated with mortgage loans it has repurchased as a result of breaches of representations and warranties during the period of time between repurchase and resale.

#### 5. Borrowings

The Company maintains various funding facilities and other non-funding debt as shown in the tables below. Interest rates typically have two main components; a base rate, most commonly SOFR, which is sometimes subject to a minimum floor plus a spread. Some facilities have a commitment fee, which can be up to 50 basis points per year. The commitment fee charged by lenders is calculated based on the committed line amount multiplied by a negotiated rate. The Company is required to maintain certain covenants, including minimum tangible net worth, minimum liquidity, maximum total debt or liabilities to net worth ratio, pretax net income requirements, and other customary debt covenants, as defined in the agreements. The Company was in compliance with all covenants as of June 30, 2023.

**Rocket Companies, Inc.**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**  
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The amount owed and outstanding on the Company’s loan funding facilities fluctuates based on its origination volume, the amount of time it takes the Company to sell the loans it originates, and the Company’s ability to use its cash to self-fund loans. In addition to self-funding, the Company may from time to time use surplus cash to “buy-down” the effective interest rate of certain loan funding facilities or to self-fund a portion of our loan originations. Buy-down funds are included in Cash and cash equivalents on the Condensed Consolidated Balance Sheets. We have the ability to withdraw these funds at any time, unless a margin call has been made or a default has occurred under the relevant facilities. We will also deploy cash to self-fund loan originations, a portion of which can be transferred to a warehouse line or the early buy out line, provided that such loans meet the eligibility criteria to be placed on such lines. The remaining portion will be funded in normal course over a short period of time, generally less than 45 days.

The terms of the Senior Notes restrict our ability and the ability of our subsidiary guarantors among other things to: (1) merge, consolidate or sell, transfer or lease assets, and; (2) create liens on assets.

***Mortgage Funding Facilities***

| Facility Type                            | Collateral                       | Maturity   | Line Amount          | Committed Line Amount | Outstanding Balance as of June 30, 2023 | Outstanding Balance as of December 31, 2022 |
|--|----------------------------------|------------|----------------------|-----------------------|---|---|
| <b>Mortgage Loan funding:</b>            |                                  |            |                      |                       |   |   |
| 1) Master Repurchase Agreement (7)       | Mortgage loans held for sale (6) | 10/20/2023 | \$ 250,000           | \$ 50,000             | \$ —                                    | \$ 49,381                                   |
| 2) Master Repurchase Agreement (7)       | Mortgage loans held for sale (6) | 11/30/2023 | 1,000,000            | 100,000               | 272,527                                 | 138,057                                     |
| 3) Master Repurchase Agreement (7)       | Mortgage loans held for sale (6) | 8/9/2024   | 2,000,000            | 250,000               | 394,039                                 | 702,128                                     |
| 4) Master Repurchase Agreement (1)(7)    | Mortgage loans held for sale (6) | 4/26/2024  | 1,500,000            | 550,000               | 1,471,689                               | 917,621                                     |
| 5) Master Repurchase Agreement (7)       | Mortgage loans held for sale (6) | 5/4/2024   | 1,000,000            | 250,000               | 619,143                                 | 493,029                                     |
| 6) Master Repurchase Agreement (2)(7)    | Mortgage loans held for sale (6) | 9/9/2024   | 1,500,000            | 250,000               | 109,484                                 | 101,152                                     |
| 7) Master Repurchase Agreement (3)(7)    | Mortgage loans held for sale (6) | 9/22/2023  | 1,250,000            | 250,000               | 179,379                                 | 186,707                                     |
| 8) Master Repurchase Agreement (7)       | Mortgage loans held for sale (6) | 9/27/2024  | 750,000              | 100,000               | 630,481                                 | 171,642                                     |
|  |                                  |            | <u>\$ 9,250,000</u>  | <u>\$ 1,800,000</u>   | <u>\$ 3,676,742</u>                     | <u>\$ 2,759,717</u>                         |
| <b>Mortgage Loan Early Funding:</b>      |                                  |            |                      |                       |   |   |
| 9) Early Funding Facility (4)(7)         | Mortgage loans held for sale (6) | (4)        | \$ 5,000,000         | \$ —                  | \$ 700,723                              | \$ 561,874                                  |
| 10) Early Funding Facility (5)(7)        | Mortgage loans held for sale (6) | (5)        | 2,000,000            | —                     | 461,771                                 | 227,108                                     |
|  |                                  |            | <u>7,000,000</u>     | <u>—</u>              | <u>1,162,494</u>                        | <u>788,982</u>                              |
| <b>Total Mortgage Funding Facilities</b> |                                  |            | <u>\$ 16,250,000</u> | <u>\$ 1,800,000</u>   | <u>\$ 4,839,236</u>                     | <u>\$ 3,548,699</u>                         |

- (1) This facility has a 12-month initial term, which can be extended for 3-months at each subsequent 3-month anniversary from the initial start date. Subsequent to June 30, 2023, this facility was extended to July 26, 2024.
- (2) This facility has an overall line size of \$1,500,000. This facility also includes a \$1,500,000 sublimit for MSR financing; Capacity is fully fungible and is not restricted by these allocations.
- (3) Subsequent to June 30, 2023, this facility was amended to decrease the total facility size to \$1,000,000 with \$100,000 committed and was extended to July 21, 2025.
- (4) This facility is an evergreen agreement with no stated termination or expiration date. This agreement can be terminated by either party upon written notice.

**Rocket Companies, Inc.**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**  
(In Thousands, Except Shares and Per Share Amounts)

- (5) This facility has an overall line size of \$2,000,000, which is reviewed every 90 days. This facility is an evergreen agreement with no stated termination or expiration date. This agreement can be terminated by either party upon written notice.
- (6) The Company has multiple borrowing facilities in the form of asset sales under agreements to repurchase. These borrowing facilities are secured by mortgage loans held for sale at fair value as the first priority security interest.
- (7) The interest rates charged by lenders on funding facilities included the applicable base rate plus a spread ranging from 1.00% to 1.80% for the six months ended June 30, 2023, and the applicable base rate plus a spread ranging from 1.00% to 1.85% for the year ended December 31, 2022.

**Other Funding Facilities**

| Facility Type                                  | Collateral                   | Maturity  | Line Amount          | Committed Line Amount | Outstanding Balance as of June 30, 2023 | Outstanding Balance as of December 31, 2022 |
|--|------------------------------|-----------|----------------------|-----------------------|---|---|
| <b>Personal Loan funding:</b>                  |                              |           |                      |                       |   |   |
| 1) Revolving Credit and Security Agreement (1) | Personal loans held for sale | 1/30/2025 | \$ 75,000            | \$ 75,000             | \$ 50,000                               | \$ —  |
| <b>Total Other Funding Facilities</b>          |                              |           | <b>75,000</b>        | <b>75,000</b>         | <b>50,000</b>                           | <b>—</b>                                    |
| <b>Total Funding Facilities</b>                |                              |           | <b>\$ 16,325,000</b> | <b>\$ 1,875,000</b>   | <b>\$ 4,889,236</b>                     | <b>\$ 3,548,699</b>                         |

- (1) The interest rates charged by lenders on funding facilities included the applicable base rate plus a spread ranging from 1.00% to 1.80% for the six months ended June 30, 2023, and the applicable base rate plus a spread ranging from 1.00% to 1.85% for the year ended December 31, 2022.

**Financing Facilities**

| Facility Type                              | Collateral     | Maturity   | Line Amount         | Committed Line Amount | Outstanding Balance as of June 30, 2023 | Outstanding Balance as of December 31, 2022 |
|--|----------------|------------|---------------------|-----------------------|---|---|
| <b>Line of Credit Financing Facilities</b> |                |            |                     |                       |   |   |
| 1) Unsecured line of credit (1)            | —              | 7/27/2025  | \$ 2,000,000        | \$ —                  | \$ —                                    | \$ —  |
| 2) Unsecured line of credit (1)            | —              | 7/31/2025  | 100,000             | —                     | —                                       | —   |
| 3) Revolving credit facility (2)(4)        | —              | 8/10/2025  | 1,000,000           | 1,000,000             | —                                       | —   |
| 4) MSR line of credit (4)                  | MSRs           | 10/20/2023 | 200,000             | —                     | —                                       | —   |
| 5) MSR line of credit (3)(4)               | MSRs           | 9/9/2024   | 1,500,000           | 250,000               | —                                       | —   |
|  |                |            | <b>\$ 4,800,000</b> | <b>\$ 1,250,000</b>   | <b>\$ —</b>                             | <b>\$ —</b>                                 |
| <b>Early Buyout Financing Facility</b>     |                |            |                     |                       |   |   |
| 6) Early buy out facility (4)              | Loans/Advances | 3/13/2024  | \$ 1,500,000        | \$ —                  | \$ 361,207                              | \$ 672,882                                  |

- (1) Refer to *Note 6, Transactions with Related Parties* for additional details regarding this unsecured line of credit.
- (2) Subsequent to June 30, 2023, this facility was increased to a total facility size of \$1,150,000.
- (3) This facility is a sublimit of *Master Repurchase Agreement 6*, found above in *Mortgage Funding Facilities*. Refer to *Subfootnote 2, Mortgage Funding Facilities* for additional details regarding this financing facility.
- (4) The interest rates charged by lenders on the financing facilities included the applicable base rate, plus a spread ranging from 1.45% to 4.00% for the six months ended June 30, 2023 and the year ended December 31, 2022.

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**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**  
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*Unsecured Senior Notes*

| Facility Type                        | Maturity   | Interest Rate | Outstanding<br>Principal<br>June 30, 2023 | Outstanding<br>Principal<br>December 31,<br>2022 |
|--------------------------------------|------------|---------------|---|--|
| Unsecured Senior Notes (1) .....     | 10/15/2026 | 2.875 %       | \$ 1,150,000                              | \$ 1,150,000                                     |
| Unsecured Senior Notes (2) .....     | 1/15/2028  | 5.250 %       | 61,985                                    | 61,985   |
| Unsecured Senior Notes (3) .....     | 3/1/2029   | 3.625 %       | 750,000                                   | 750,000  |
| Unsecured Senior Notes (4) .....     | 3/1/2031   | 3.875 %       | 1,250,000                                 | 1,250,000  |
| Unsecured Senior Notes (5) .....     | 10/15/2033 | 4.000 %       | 850,000                                   | 850,000  |
| Total Senior Notes .....             |            |               | <u>\$ 4,061,985</u>                       | <u>\$ 4,061,985</u>                              |
| Weighted Average Interest Rate ..... |            |               | 3.59 %                                    | 3.59 %   |

- (1) The 2026 Senior Notes are unsecured obligation notes with no asset required to pledge for this borrowing. Unamortized debt issuance costs are presented net against the Senior Notes reducing the \$1,150,000 carrying amount on the Condensed Consolidated Balance Sheets by \$7,426 and \$8,569 as of June 30, 2023 and December 31, 2022, respectively.
- (2) The 2028 Senior Notes are unsecured obligation notes with no asset required to pledge for this borrowing. Unamortized debt issuance costs and discounts are presented net against the Senior Notes reducing the \$61,985 carrying amount on the Condensed Consolidated Balance Sheets by \$321 and \$267 as of June 30, 2023, respectively, and \$358 and \$298, as of December 31, 2022, respectively.
- (3) The 2029 Senior Notes are unsecured obligation notes with no asset required to pledge for this borrowing. Unamortized debt issuance costs are presented net against the Senior Notes reducing the \$750,000 carrying amount on the Condensed Consolidated Balance Sheets by \$5,683 and \$6,185 as of June 30, 2023 and December 31, 2022, respectively.
- (4) The 2031 Senior Notes are unsecured obligation notes with no asset required to pledge for this borrowing. Unamortized debt issuance costs are presented net against the Senior Notes reducing the \$1,250,000 carrying amount on the Condensed Consolidated Balance Sheets by \$10,366 and \$11,040 as of June 30, 2023 and December 31, 2022, respectively.
- (5) The 2033 Senior Notes are unsecured obligation notes with no asset required to pledge for this borrowing. Unamortized debt issuance costs are presented net against the Senior Notes reducing the \$850,000 carrying amount on the Condensed Consolidated Balance Sheets by \$7,213 and \$7,565 as of June 30, 2023 and December 31, 2022, respectively.

Refer to *Note 2, Fair Value Measurements* for information pertaining to the fair value of the Company's debt as of June 30, 2023 and December 31, 2022.

**Rocket Companies, Inc.**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**  
**(In Thousands, Except Shares and Per Share Amounts)**

**6. Transactions with Related Parties**

The Company has entered into various transactions and agreements with RHI, its subsidiaries, certain other affiliates and related parties (collectively, “Related Parties”). These transactions include providing financing and services as well as obtaining financing and services from these Related Parties.

***Financing Arrangements***

On June 9, 2017, Rocket Mortgage and RHI entered into an unsecured line of credit, as further amended and restated on September 16, 2021 (“RHI Line of Credit”), pursuant to which Rocket Mortgage has a borrowing capacity of \$2,000,000. The RHI Line of Credit matures on July 27, 2025. Borrowings under the line of credit bear interest at a rate per annum of the applicable base rate, plus a spread of 1.25%. The line of credit is uncommitted and RHI has sole discretion over advances. The RHI Line of Credit also contains negative covenants which restrict the ability of the Company to incur debt and create liens on certain assets. It also requires Rocket Mortgage to maintain a quarterly consolidated net income before taxes if adjusted tangible net worth meets certain requirements. Rocket Mortgage made no repayments during the three and six months ended June 30, 2023 or during the three months ended June 30, 2022 and repaid \$762, all attributable to accrued interest, during the six months ended June 30, 2022. There were no outstanding principal or interest amounts due to RHI as of June 30, 2023 and December 31, 2022, respectively.

RHI and ATI are parties to a surplus debenture, effective as of December 28, 2015, and as further amended and restated on December 31, 2019 and subsequently on July 31, 2023 (the “RHI/ATI Debenture”), pursuant to which ATI is indebted to RHI for an aggregate principal amount of \$21,500. The RHI/ATI Debenture matures on December 31, 2030. Interest under the RHI/ATI Debenture accrues at an annual rate of 8%. Principal and interest under the RHI/ATI Debenture are due and payable quarterly, in each case subject to ATI achieving a certain amount of surplus and payments of all interest before principal payments begin. Any unpaid amounts of principal and interest shall be due and payable upon the maturity of the RHI/ATI Debenture. ATI repaid an aggregate of \$250 and \$500 for the three and six months ended June 30, 2023 and 2022, respectively. The total amount of interest accrued was \$429 and \$853 for the three and six months ended June 30, 2023 and 2022, respectively. The aggregate amount due to RHI was \$30,434 and \$30,081 as of June 30, 2023 and December 31, 2022, respectively.

On July 31, 2020, Holdings and RHI entered into an agreement for an uncommitted, unsecured revolving line of credit (“RHI 2nd Line of Credit”), which will provide for financing from RHI to the Company of up to \$100,000. The RHI 2nd Line of Credit matures on July 31, 2025. Borrowings under the line of credit will bear interest at a rate per annum of the applicable base rate plus a spread of 1.25%. The negative covenants of the line of credit restrict the ability of the Company to incur debt and create liens on certain assets. The line of credit also contains customary events of default. There were no draws on the RHI 2nd Line of Credit and no amounts outstanding as of June 30, 2023 and December 31, 2022, respectively.

The Notes receivable and due from affiliates was \$71,792 and \$10,796 as of June 30, 2023 and December 31, 2022, respectively. The Notes payable and due to affiliates was \$36,061 and \$33,463 as of June 30, 2023 and December 31, 2022, respectively.

***Services, Products and Other Transactions***

We have entered into transactions and agreements to provide certain services to Related Parties. We recognized revenue of \$2,550 and \$3,214 for the three months ended June 30, 2023 and 2022, respectively, and \$4,866 and \$6,231 for the six months ended June 30, 2023 and 2022, respectively, for the performance of these services, which was included in Other income. We have also entered into transactions and agreements to purchase certain services, products and other transactions from Related Parties. We incurred expenses of \$12,611 and \$27,901 for the three months ended June 30, 2023 and 2022, respectively, and \$26,672 and \$66,895 for the six months ended June 30, 2023 and 2022, respectively, for these products, services and other transactions, which are included in General and administrative expenses.

The Company has also entered into a Tax Receivable Agreement with RHI and our Chairman as described further in *Note 7, Income Taxes*. The Company has also guaranteed the debt of a related party as described further in *Note 9, Commitments, Contingencies, and Guarantees*.

**Rocket Companies, Inc.**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**  
**(In Thousands, Except Shares and Per Share Amounts)**

***Promotional Sponsorships***

The Company incurred marketing and advertising costs related to the Rocket Mortgage Field House Naming Rights Contract, which is with a related party. The Company incurred expenses of \$2,169 and \$2,127 for the three months ended June 30, 2023 and 2022, respectively, and \$4,339 and \$4,604 for the six months ended June 30, 2023 and 2022, respectively, related to this arrangement.

***Lease Transactions with Related Parties***

The Company is a party to lease agreements for certain offices, including our headquarters in Detroit, with various affiliates of Bedrock Management Services LLC (“Bedrock”), a related party, and other related parties of the Company. The Company incurred expenses of \$18,788 and \$18,301 for the three months ended June 30, 2023 and 2022, respectively, and \$36,686 and \$37,555 for the six months ended June 30, 2023 and 2022, respectively, related to these arrangements.

**7. Income Taxes**

The Company had an income tax benefit of \$782 on Income before income taxes of \$138,370 and income tax expense of \$18,761 on Income before income taxes of \$78,517 for the three months ended June 30, 2023 and 2022, respectively. The Company had an income tax benefit of \$5,286 on Loss before income taxes of \$277,617 and income tax expense of \$44,610 on Income before income taxes of \$1,140,974 for the six months ended June 30, 2023 and 2022, respectively.

The Company’s income tax expense varies from the expense that would be expected based on statutory rates due principally to its organizational structure. Rocket Companies owns a portion of the units of Holdings, which is treated as a partnership for U.S. federal tax purposes and in most applicable jurisdictions for state and local income tax purposes. The remaining portion of Holdings is owned by RHI and our Chairman (“LLC Members”). As a partnership, Holdings is not subject to U.S. federal and certain state and local income taxes. Any taxable income or loss generated by Holdings is passed through and included in the taxable income or loss of its members, including Rocket Companies, in accordance with the terms of the operating agreement of Holdings (the “Holdings Operating Agreement”). Rocket Companies is a C Corporation and is subject to U.S. federal, state, and local income taxes with respect to its allocable share of any taxable income of Holdings.

Several subsidiaries of Holdings, such as Rocket Mortgage, Amrock and other subsidiaries, are single member LLC entities. As single member LLCs of Holdings, all taxable income or loss generated by these subsidiaries passes through and is included in the income or loss of Holdings. A provision for state and local income taxes is required for certain jurisdictions that tax single member LLCs as regarded entities. Other subsidiaries of Holdings, such as Amrock Title Insurance Co., LMB Mortgage Services and others, are treated as C Corporations and separately file and pay taxes apart from Holdings in various jurisdictions including U.S. federal, state, local and Canada.

***Tax Receivable Agreement***

The Company expects to obtain an increase in its share of the tax basis in the net assets of Holdings when Holdings Units are redeemed from or exchanged by the LLC Members. The Company intends to treat any redemptions and exchanges of Holdings Units as direct purchases of Holdings Units for U.S. federal income tax purposes. These increases in tax basis may reduce the amounts that the Company would otherwise pay in the future to various tax authorities. They may also decrease gains (or increase losses) on future dispositions of certain capital assets to the extent tax basis is allocated to those capital assets.

**Rocket Companies, Inc.**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**  
**(In Thousands, Except Shares and Per Share Amounts)**

In connection with the reorganization completed prior to our IPO in 2020, the Company entered into a Tax Receivable Agreement (the "Tax Receivable Agreement") with the LLC Members that will obligate the Company to make payments to the LLC Members generally equal to 90% of the applicable cash tax savings that the Company actually realizes or in some cases is deemed to realize as a result of the tax attributes generated by (i) certain increases in our allocable share of the tax basis in Holdings' assets resulting from (a) the purchases of Holdings Units (along with the corresponding shares of our Class D common stock or Class C common stock) from the LLC Members (or their transferees of Holdings Units or other assignees) using the net proceeds from our initial public offering or in any future offering, (b) exchanges by the LLC Members (or their transferees of Holdings Units or other assignees) of Holdings Units (along with the corresponding shares of our Class D common stock or Class C common stock) for cash or shares of our Class B common stock or Class A common stock, as applicable, or (c) payments under the Tax Receivable Agreement; (ii) tax benefits related to imputed interest deemed arising as a result of payments made under the Tax Receivable Agreement and (iii) disproportionate allocations (if any) of tax benefits to Holdings as a result of section 704(c) of the Code that relate to the reorganization transactions. The Company will retain the benefit of the remaining 10% of these tax savings.

Payments of \$35,697 and \$40,721 were made to the LLC Members pursuant to the Tax Receivable Agreement during the six months ended June 30, 2023 and 2022, respectively. No such payments were made in the three months ended June 30, 2023 or 2022.

The amounts payable under the Tax Receivable Agreement will vary depending upon a number of factors, including the amount, character, and timing of the taxable income of Rocket Companies in the future. Any such changes in these factors or changes in the Company's determination of the need for a valuation allowance related to the tax benefits acquired under the Tax Receivable Agreement could adjust the Tax receivable agreement liability recognized and recorded within earnings in future periods.

***Tax Distributions***

The holders of Holdings' Units, including Rocket Companies Inc., incur U.S. federal, state and local income taxes on their share of any taxable income of Holdings. The Holdings Operating Agreement provides for pro rata cash distributions ("tax distributions") to the holders of the Holdings Units in an amount generally calculated to provide each holder of Holdings Units with sufficient cash to cover its tax liability in respect of the Holdings Units. In general, these tax distributions are computed based on Holdings' estimated taxable income, multiplied by an assumed tax rate as set forth in the Holdings Operating Agreement.

For the three and six months ended June 30, 2023, Holdings paid no tax distributions to holders of Holdings Units other than Rocket Companies. For the three and six months ended June 30, 2022, Holdings paid tax distributions totaling \$6,069 and \$166,698, respectively, to holders of Holdings Units other than Rocket Companies.

**8. Derivative Financial Instruments**

The Company enters into interest rate lock commitments ("IRLCs"), forward commitments to sell mortgage loans and forward commitments to purchase loans, which are considered derivative financial instruments. These items are accounted for as free-standing derivatives and are included in the Condensed Consolidated Balance Sheets at fair value. The Company treats all of its derivative instruments as economic hedges; therefore, none of its derivative instruments qualify for designation as accounting hedges. Changes in the fair value of the IRLCs and forward commitments to sell mortgage loans are recorded in current period earnings and are included in Gain on sale of loans, net in the Condensed Consolidated Statements of Income (Loss) and Comprehensive Income (Loss). Forward commitments to purchase mortgage loans are recognized in current period earnings and are included in Gain on sale of loans, net in the Condensed Consolidated Statements of Income (Loss) and Comprehensive Income (Loss). Additional detail regarding derivative financial instruments is provided in *Note 13, Derivative Financial Instruments* in our 2022 10-K report.

Net hedging gains and losses were as follows:

|                         | Three Months Ended June 30, |              | Six Months Ended June 30, |              |
|-------------------------|-----------------------------|--------------|---------------------------|--------------|
|                         | 2023                        | 2022         | 2023                      | 2022         |
| Hedging gains (1) ..... | \$ 180,909                  | \$ 1,446,478 | \$ 101,776                | \$ 2,979,623 |

(1) Includes the change in fair value related to derivatives economically hedging MSRs identified for sale.



**Rocket Companies, Inc.**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**  
(In Thousands, Except Shares and Per Share Amounts)

Refer to Note 2, *Fair Value Measurements*, for additional information on the fair value of derivative financial instruments.

**Notional and Fair Value**

The notional and fair values of derivative financial instruments not designated as hedging instruments were as follows:

|  | Notional Value | Derivative Asset | Derivative Liability |
|--|----------------|------------------|----------------------|
| <b>Balance at June 30, 2023:</b>                 |                |                  |                      |
| IRLCs, net of loan funding probability (1) ..... | \$ 7,121,873   | \$ 127,690       | \$ —                 |
| Forward commitments (2) .....                    | \$ 13,805,926  | \$ 106,996       | \$ 12,766            |
| <b>Balance at December 31, 2022:</b>             |                |                  |                      |
| IRLCs, net of loan funding probability (1) ..... | \$ 4,373,465   | \$ 90,635        | \$ —                 |
| Forward commitments (2) .....                    | \$ 10,963,989  | \$ 22,444        | \$ 25,117            |

(1) IRLCs are also discussed in Note 9, *Commitments, Contingencies, and Guarantees*.

(2) Includes the fair value and net notional value related to derivatives economically hedging MSR's identified for sale.

Counterparty agreements for forward commitments contain master netting agreements. The table below presents the gross amounts of recognized assets and liabilities subject to master netting agreements. Margin cash is cash that is exchanged by counterparties to be held as collateral related to these derivative financial instruments. Margin cash held on behalf of counterparties is recorded in Cash and cash equivalents, and the related liability is classified in Other liabilities in the Condensed Consolidated Balance Sheets. Margin cash pledged to counterparties is excluded from cash and cash equivalents and instead recorded in Other assets as a margin call receivables from counterparties in the Condensed Consolidated Balance Sheets. The Company had zero and \$24,102 of margin cash pledged to counterparties related to these forward commitments at June 30, 2023 and December 31, 2022, respectively. As of June 30, 2023 and December 31, 2022, there was \$44,151 and \$959 of margin cash held on behalf of counterparties, respectively.

|   | Gross Amount of<br>Recognized Assets<br>or Liabilities | Gross Amounts<br>Offset in the<br>Condensed<br>Consolidated<br>Balance Sheets | Net Amounts<br>Presented in the<br>Condensed<br>Consolidated<br>Balance Sheets |
|---|--|---|--|
| <b>Offsetting of Derivative Assets</b>      |  |   |  |
| <b>Balance at June 30, 2023:</b>            |  |   |  |
| Forward commitments .....                   | \$ 135,309   | \$ (28,313)   | \$ 106,996   |
| <b>Balance at December 31, 2022:</b>        |  |   |  |
| Forward commitments .....                   | \$ 71,484  | \$ (49,040)   | \$ 22,444  |
| <b>Offsetting of Derivative Liabilities</b> |  |   |  |
| <b>Balance at June 30, 2023:</b>            |  |   |  |
| Forward commitments .....                   | \$ (16,193)  | \$ 3,427  | \$ (12,766)  |
| <b>Balance at December 31, 2022:</b>        |  |   |  |
| Forward commitments .....                   | \$ (69,007)  | \$ 43,890   | \$ (25,117)  |

**Counterparty Credit Risk**

Credit risk is defined as the possibility that a loss may occur from the failure of another party to perform in accordance with the terms of the contract, which exceeds the value of existing collateral, if any. The Company attempts to limit its credit risk by dealing with creditworthy counterparties and obtaining collateral where appropriate.



**Rocket Companies, Inc.**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**  
**(In Thousands, Except Shares and Per Share Amounts)**

The Company is exposed to credit loss in the event of contractual nonperformance by its trading counterparties and counterparties to its various over-the-counter derivative financial instruments noted in the above *Notional and Fair Value* discussion. The Company manages this credit risk by selecting only counterparties that it believes to be financially strong, spreading the credit risk among many such counterparties, placing contractual limits on the amount of unsecured credit extended to any single counterparty, and entering into netting agreements with the counterparties as appropriate.

Certain counterparties have master netting agreements. The master netting agreements contain a legal right to offset amounts due to and from the same counterparty. Derivative assets in the Condensed Consolidated Balance Sheets represent derivative contracts in a gain position, net of loss positions with the same counterparty and, therefore, also represent the Company's maximum counterparty credit risk. The Company incurred no credit losses due to nonperformance of any of its counterparties during the three and six months ended June 30, 2023 and 2022.

**9. Commitments, Contingencies, and Guarantees**

***Interest Rate Lock Commitments***

IRLCs are agreements to lend to a client as long as there is no violation of any condition established in the contract. Commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee. The Company evaluates each client's creditworthiness on a case-by-case basis.

The number of days from the date of the IRLC to expiration of fixed and variable rate lock commitments outstanding at June 30, 2023 and December 31, 2022 was approximately 42 days and 48 days on average, respectively.

The UPB of IRLCs was as follows:

|       | June 30, 2023 |               | December 31, 2022 |               |
|-------|---------------|---------------|-------------------|---------------|
|       | Fixed Rate    | Variable Rate | Fixed Rate        | Variable Rate |
| IRLCs | \$ 9,563,181  | \$ 276,489    | \$ 6,108,132      | \$ 326,638    |

***Commitments to Sell Mortgage Loans***

In the ordinary course of business, the Company enters into contracts to sell existing mortgage loans held for sale into the secondary market at specified future dates. The amount of commitments to sell existing loans at June 30, 2023 and December 31, 2022 was \$1,161,994 and \$20,618, respectively.

***Commitments to Sell Loans with Servicing Released***

In the ordinary course of business, the Company enters into contracts to sell the MSRs of certain newly originated loans on a servicing released basis. In the event that a forward commitment is not filled and there has been an unfavorable market shift from the date of commitment to the date of settlement, the Company is contractually obligated to pay a pair-off fee on the undelivered balance. There were \$150,831 and \$223,314 of loans committed to be sold servicing released at June 30, 2023 and December 31, 2022, respectively.

***Investor Reserves***

The maximum exposure under the Company's representations and warranties would be the outstanding principal balance and any premium received on all loans ever sold by the Company, less (i) loans that have already been paid in full by the mortgagee, (ii) loans that have defaulted without a breach of representations and warranties, (iii) loans that have been indemnified via settlement or make-whole, or (iv) loans that have been repurchased. Additionally, the Company may receive relief of certain representation and warranty obligations on loans sold to Fannie Mae or Freddie Mac on or after January 1, 2013 if Fannie Mae or Freddie Mac satisfactorily concludes a quality control loan file review or if the borrower meets certain acceptable payment history requirements within 12 or 36 months after the loan is sold to Fannie Mae or Freddie Mac. Investor reserves as of June 30, 2023 and December 31, 2022 were \$100,828 and \$110,147, respectively.

**Rocket Companies, Inc.**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**  
**(In Thousands, Except Shares and Per Share Amounts)**

***Escrow Deposits***

As a service to its clients, the Company administers escrow deposits representing undisbursed amounts received for payment of property taxes, insurance, funds for title services, principal, and interest on mortgage loans held for sale. Escrow deposits for property taxes, insurance and settlement funds for title services was \$4,724,577 and \$3,471,913, and for principal and interest was \$3,089,020 and \$2,529,326 at June 30, 2023 and December 31, 2022, respectively. These amounts are not considered assets of the Company and, therefore, are excluded from the Condensed Consolidated Balance Sheets. The Company remains contingently liable for the disposition of these deposits.

***Guarantees***

As of June 30, 2023 and December 31, 2022, the Company guaranteed the debt of a related party consisting of three separate guarantees totaling \$2,640 and \$3,495, respectively. As of June 30, 2023 and December 31, 2022, the Company did not record a liability on the Condensed Consolidated Balance Sheets for these guarantees because it was not probable that the Company would be required to make payments under these guarantees.

***Tax Receivable Agreement***

As indicated in *Note 7, Income Taxes*, the Company is party to a Tax Receivable Agreement.

***Legal***

Rocket Companies' subsidiaries, among other things, engage in mortgage lending, title and settlement services, and other financial technology services. Rocket Companies and its subsidiaries operate in highly regulated industries and are routinely subject to various legal and administrative proceedings concerning matters that arise in the normal and ordinary course of business, including inquiries, complaints, subpoenas, audits, examinations, investigations and potential enforcement actions from regulatory agencies and state attorney generals; state and federal lawsuits and putative class actions; and other litigation. Periodically, we assess our potential liabilities and contingencies in connection with outstanding legal and administrative proceedings utilizing the latest information available. While it is not possible to predict the outcome of any of these matters, based on our assessment of the facts and circumstances, we do not believe any of these matters, individually or in the aggregate, will have a material adverse effect on our financial position, results of operations or cash flows. However, actual outcomes may differ from those expected and could have a material effect on our financial position, results of operations, or cash flows in a future period. Rocket Companies accrues for losses when they are probable to occur and such losses are reasonably estimable. Legal costs are expensed as they are incurred.

As of June 30, 2023 and December 31, 2022, the Company had reserves related to potential damages in connection with any legal proceedings of \$15,000. The ultimate outcome of these or other legal or administrative proceedings, including any monetary awards against us, is uncertain and there can be no assurance as to the amount of any such potential awards. Rocket Companies will incur defense costs and other expenses in connection with these proceedings. Plus, if a judgment for money that exceeds specified thresholds is rendered against us and we fail to timely pay, discharge, bond or obtain a stay of execution of such judgment, it is possible that we could be deemed in default of loan funding facilities and other agreements governing indebtedness. If the final resolution in one or more of these proceedings is unfavorable, it could have a material adverse effect on our business, liquidity, financial condition, cash flows and results of operations.

**10. Minimum Net Worth Requirements**

Certain secondary market investors and state regulators require the Company to maintain minimum net worth and capital requirements. To the extent that these requirements are not met, secondary market investors and/or the state regulators may utilize a range of remedies including sanctions, and/or suspension or termination of selling and servicing agreements, which may prohibit the Company from originating, securitizing or servicing these specific types of mortgage loans.

Rocket Mortgage is subject to certain minimum net worth, minimum capital ratio and minimum liquidity requirements established by the Federal Housing Finance Agency ("FHFA") for Fannie Mae and Freddie Mac Seller/Serviceers, and Ginnie Mae for single family issuers. Furthermore, refer to *Note 5, Borrowings* for additional information regarding compliance with all covenant requirements.

**Rocket Companies, Inc.**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**  
**(In Thousands, Except Shares and Per Share Amounts)**

The most restrictive of the minimum net worth and capital requirements require Rocket Mortgage to maintain a minimum adjusted net worth balance of \$1,500,000 as of June 30, 2023 and December 31, 2022. As of June 30, 2023 and December 31, 2022, Rocket Mortgage was in compliance with this requirement.

## **11. Segments**

The Company's Chief Executive Officer, who has been identified as its Chief Operating Decision Maker ("CODM"), has evaluated how the Company views and measures its performance. ASC 280, *Segment Reporting* establishes the standards for reporting information about segments in financial statements. In applying the criteria set forth in that guidance, the Company has determined that it has two reportable segments - Direct to Consumer and Partner Network. The key factors used to identify these reportable segments are the Company's internal operations and the nature of its marketing channels, which drive client acquisition into the mortgage platform. This determination reflects how its CODM monitors performance, allocates capital and makes strategic and operational decisions. The Company's segments are described as follows:

### ***Direct to Consumer***

In the Direct to Consumer segment, clients have the ability to interact with Rocket Mortgage online and/or with the Company's mortgage bankers. The Company markets to potential clients in this segment through various brand campaigns and performance marketing channels. The Direct to Consumer segment derives revenue from originating, closing, selling and servicing predominantly agency-conforming loans, which are pooled and sold to the secondary market. The segment also includes title insurance, appraisals and settlement services complementing the Company's end-to-end mortgage origination experience. Servicing activities are fully allocated to the Direct to Consumer segment and are viewed as an extension of the client experience. Servicing enables Rocket Mortgage to establish and maintain long term relationships with our clients, through multiple touchpoints at regular engagement intervals.

Revenues in the Direct to Consumer segment are generated primarily from the gain on sale of loans, which includes loan origination fees, revenues associated with title insurance, appraisals and settlement services, and revenues from sales of loans into the secondary market, as well as the fair value of originated MSR's and hedging gains and losses. Loan servicing income consists of the contractual fees earned for servicing loans and other ancillary servicing fees, as well as changes in the fair value of MSR's due to changes in valuation assumptions and realization of cash flows.

### ***Partner Network***

The Rocket Professional platform supports our Partner Network segment, where we leverage our superior client service and widely recognized brand to grow marketing and influencer relationships, and our mortgage broker partnerships through Rocket Pro TPO ("third party origination"). Our marketing partnerships consist of well-known consumer-focused companies that find value in our award-winning client experience and want to offer their clients mortgage solutions with our trusted, widely recognized brand. These organizations connect their clients directly to us through marketing channels and a referral process. Our influencer partnerships are typically with companies that employ licensed mortgage professionals that find value in our client experience, technology and efficient mortgage process, where mortgages may not be their primary offering. We also enable clients to start the mortgage process through the Rocket platform in the way that works best for them, including through a local mortgage broker.

Revenues in the Partner Network segment are generated primarily from the gain on sale of loans, which includes loan origination fees, revenues associated with title insurance, appraisals and settlement services, and revenues from sales of loans into the secondary market, as well as the fair value of originated MSR's and hedging gains and losses.

### ***Other Information About Our Segments***

The Company measures the performance of the segments primarily on a contribution margin basis. The accounting policies applied by our segments are described in *Note 1, Business, Basis of Presentation and Accounting Policies*. Directly attributable expenses include Salaries, commissions and team member benefits, General and administrative expenses and Other expenses, such as servicing costs and origination costs.

**Rocket Companies, Inc.**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**  
(In Thousands, Except Shares and Per Share Amounts)

The Company does not allocate assets to its reportable segments as they are not included in the review performed by the CODM for purposes of assessing segment performance and allocating resources. The Condensed Consolidated Balance Sheets is managed on a consolidated basis and is not used in the context of segment reporting.

The Company also reports an “All Other” category that includes operations from Rocket Homes, Rocket Connections, Rocket Auto, Core Digital Media, Rocket Loans, Rocket Money and includes professional service fee revenues from related parties. These operations are neither significant individually nor in aggregate and therefore do not constitute a reportable segment.

Key operating data for our business segments for the periods ended:

| <b>Three Months Ended June 30, 2023</b>   | <b>Direct to<br/>Consumer</b> | <b>Partner<br/>Network</b> | <b>Segments<br/>Total</b> | <b>All Other</b> | <b>Total</b> |
|---|-------------------------------|----------------------------|---------------------------|------------------|--------------|
| <b>Revenues</b>   |                               |                            |                           |                  |              |
| Gain on sale .....  | \$ 476,052                    | \$ 108,580                 | \$ 584,632                | \$ 9,837         | \$ 594,469   |
| Interest income .....   | 45,484                        | 36,043                     | 81,527                    | (770)            | 80,757       |
| Interest expense on funding facilities .....                                    | (24,509)                      | (19,466)                   | (43,975)                  | (97)             | (44,072)     |
| Servicing fee income .....  | 342,328                       | —                          | 342,328                   | 1,263            | 343,591      |
| Changes in fair value of MSR's .....  | 42,377                        | —                          | 42,377                    | —                | 42,377       |
| Other income .....  | 134,661                       | 4,196                      | 138,857                   | 80,248           | 219,105      |
| Total U.S. GAAP Revenue, net .....  | 1,016,393                     | 129,353                    | 1,145,746                 | 90,481           | 1,236,227    |
| Change in fair value of MSR's due to valuation assumptions, net of hedges ..... | (234,556)                     | —                          | (234,556)                 | —                | (234,556)    |
| Adjusted revenue .....  | 781,837                       | 129,353                    | 911,190                   | 90,481           | 1,001,671    |
| Less: Directly attributable expenses .....                                      | 529,222                       | 66,425                     | 595,647                   | 69,591           | 665,238      |
| Contribution margin .....   | \$ 252,615                    | \$ 62,928                  | \$ 315,543                | \$ 20,890        | \$ 336,433   |

| <b>Six Months Ended June 30, 2023</b>   | <b>Direct to<br/>Consumer</b> | <b>Partner<br/>Network</b> | <b>Segments<br/>Total</b> | <b>All Other</b> | <b>Total</b> |
|---|-------------------------------|----------------------------|---------------------------|------------------|--------------|
| <b>Revenues</b>   |                               |                            |                           |                  |              |
| Gain on sale .....  | \$ 866,394                    | \$ 180,574                 | \$ 1,046,968              | \$ 17,064        | \$ 1,064,032 |
| Interest income .....   | 83,606                        | 63,715                     | 147,321                   | 180              | 147,501      |
| Interest expense on funding facilities .....                                    | (41,316)                      | (31,664)                   | (72,980)                  | (152)            | (73,132)     |
| Servicing fee income .....  | 707,545                       | —                          | 707,545                   | 2,431            | 709,976      |
| Changes in fair value of MSR's .....  | (355,902)                     | —                          | (355,902)                 | —                | (355,902)    |
| Other income .....  | 251,181                       | 7,814                      | 258,995                   | 150,825          | 409,820      |
| Total U.S. GAAP Revenue, net .....  | 1,511,508                     | 220,439                    | 1,731,947                 | 170,348          | 1,902,295    |
| Change in fair value of MSR's due to valuation assumptions, net of hedges ..... | (18,498)                      | —                          | (18,498)                  | —                | (18,498)     |
| Adjusted revenue .....  | 1,493,010                     | 220,439                    | 1,713,449                 | 170,348          | 1,883,797    |
| Less: Directly attributable expenses .....                                      | 1,034,805                     | 131,784                    | 1,166,589                 | 146,433          | 1,313,022    |
| Contribution margin .....   | \$ 458,205                    | \$ 88,655                  | \$ 546,860                | \$ 23,915        | \$ 570,775   |

**Rocket Companies, Inc.**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**  
(In Thousands, Except Shares and Per Share Amounts)

| <b>Three Months Ended June 30, 2022</b>   | <b>Direct to<br/>Consumer</b> | <b>Partner<br/>Network</b> | <b>Segments<br/>Total</b> | <b>All Other</b> | <b>Total</b> |
|---|-------------------------------|----------------------------|---------------------------|------------------|--------------|
| <b>Revenues</b>   |                               |                            |                           |                  |              |
| Gain on sale .....  | \$ 645,453                    | \$ 157,459                 | \$ 802,912                | \$ 3,926         | \$ 806,838   |
| Interest income .....   | 50,944                        | 27,547                     | 78,491                    | 705              | 79,196       |
| Interest expense on funding facilities .....                                    | (27,704)                      | (14,999)                   | (42,703)                  | (3)              | (42,706)     |
| Servicing fee income .....  | 356,779                       | —                          | 356,779                   | 799              | 357,578      |
| Changes in fair value of MSR's .....  | (12,522)                      | —                          | (12,522)                  | —                | (12,522)     |
| Other income .....  | 92,910                        | 7,202                      | 100,112                   | 103,923          | 204,035      |
| Total U.S. GAAP Revenue, net .....  | 1,105,860                     | 177,209                    | 1,283,069                 | 109,350          | 1,392,419    |
| Change in fair value of MSR's due to valuation assumptions, net of hedges ..... | (266,969)                     | —                          | (266,969)                 | —                | (266,969)    |
| Adjusted revenue .....  | 838,891                       | 177,209                    | 1,016,100                 | 109,350          | 1,125,450    |
| Less: Directly attributable expenses .....                                      | 609,431                       | 95,701                     | 705,132                   | 104,366          | 809,498      |
| Contribution margin .....   | \$ 229,460                    | \$ 81,508                  | \$ 310,968                | \$ 4,984         | \$ 315,952   |

| <b>Six Months Ended June 30, 2022</b>   | <b>Direct to<br/>Consumer</b> | <b>Partner<br/>Network</b> | <b>Segments<br/>Total</b> | <b>All Other</b> | <b>Total</b> |
|---|-------------------------------|----------------------------|---------------------------|------------------|--------------|
| <b>Revenues</b>   |                               |                            |                           |                  |              |
| Gain on sale .....  | \$ 1,862,556                  | \$ 415,515                 | \$ 2,278,071              | \$ 12,552        | \$ 2,290,623 |
| Interest income .....   | 108,546                       | 59,715                     | 168,261                   | 1,476            | 169,737      |
| Interest expense on funding facilities .....                                    | (54,432)                      | (29,968)                   | (84,400)                  | (3)              | (84,403)     |
| Servicing fee income .....  | 722,279                       | —                          | 722,279                   | 1,514            | 723,793      |
| Changes in fair value of MSR's .....  | 441,858                       | —                          | 441,858                   | —                | 441,858      |
| Other income .....  | 259,938                       | 23,679                     | 283,617                   | 237,790          | 521,407      |
| Total U.S. GAAP Revenue, net .....  | 3,340,745                     | 468,941                    | 3,809,686                 | 253,329          | 4,063,015    |
| Change in fair value of MSR's due to valuation assumptions, net of hedges ..... | (1,006,186)                   | —                          | (1,006,186)               | —                | (1,006,186)  |
| Adjusted revenue .....  | 2,334,559                     | 468,941                    | 2,803,500                 | 253,329          | 3,056,829    |
| Less: Directly attributable expenses .....                                      | 1,478,641                     | 215,735                    | 1,694,376                 | 223,237          | 1,917,613    |
| Contribution margin .....   | \$ 855,918                    | \$ 253,206                 | \$ 1,109,124              | \$ 30,092        | \$ 1,139,216 |

**Rocket Companies, Inc.**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**  
(In Thousands, Except Shares and Per Share Amounts)

The following table represents a reconciliation of segment contribution margin to consolidated U.S. GAAP income before taxes for the three and six months ended:

|  | Three Months Ended June 30, |                  | Six Months Ended June 30, |                     |
|--|-----------------------------|------------------|---------------------------|---------------------|
|  | 2023                        | 2022             | 2023                      | 2022                |
| Contribution margin, excluding change in MSRs due to valuation assumptions | \$ 336,433                  | \$ 315,952       | \$ 570,775                | \$ 1,139,216        |
| Change in fair value of MSRs due to valuation assumptions, net of hedges   | 234,556                     | 266,969          | 18,498                    | 1,006,186           |
| Contribution margin, including change in MSRs due to valuation assumptions | 570,989                     | 582,921          | 589,273                   | 2,145,402           |
| <i>Less expenses not allocated to segments:</i>                            |                             |                  |                           |                     |
| Salaries, commissions and team member benefits                             | 222,645                     | 290,639          | 443,527                   | 534,683             |
| General and administrative expenses  | 145,595                     | 162,453          | 288,708                   | 354,910             |
| Depreciation and amortization  | 25,357                      | 24,780           | 56,042                    | 45,822              |
| Interest and amortization expense on non-funding debt                      | 38,333                      | 38,282           | 76,667                    | 76,946              |
| Other expenses   | 689                         | (11,750)         | 1,946                     | (7,933)             |
| Income (loss) before income taxes  | <u>\$ 138,370</u>           | <u>\$ 78,517</u> | <u>\$ (277,617)</u>       | <u>\$ 1,140,974</u> |

## 12. Non-controlling Interest

The non-controlling interest balance represents the economic interest in Holdings held by our Chairman and RHI. The following table summarizes the ownership of Holdings Units in Holdings as of June 30, 2023 and December 31, 2022:

|  | June 30, 2023  |                      | December 31, 2022 |                      |
|--|----------------|----------------------|-------------------|----------------------|
|  | Holdings Units | Ownership Percentage | Holdings Units    | Ownership Percentage |
| Rocket Companies, Inc.'s ownership of Holdings Units | 127,129,449    | 6.43 %               | 123,491,606       | 6.26 %               |
| Holdings Units held by our Chairman                  | 1,101,822      | 0.06 %               | 1,101,822         | 0.06 %               |
| Holdings Units held by RHI                           | 1,847,777,661  | 93.51 %              | 1,847,777,661     | 93.68 %              |
| Balance at end of period                             | 1,976,008,932  | 100.00 %             | 1,972,371,089     | 100.00 %             |

The non-controlling interest holders have the right to exchange Holdings Units, together with a corresponding number of shares of our Class D common stock or Class C common stock (together referred to as “Paired Interests”), for, at our option, (i) shares of our Class B common stock or Class A common stock or (ii) cash from a substantially concurrent public offering or private sale (based on the price of our Class A common stock). As such, future exchanges of Paired Interests by non-controlling interest holders will result in a change in ownership and reduce or increase the amount recorded as non-controlling interest and increase or decrease additional paid-in-capital when Holdings has positive or negative net assets, respectively. As of June 30, 2023, our Chairman has not exchanged any Paired Interests.

As of June 30, 2023, Rocket Companies has repurchased 32,140,667 shares of Class A common stock under the Share Repurchase Program extended and renewed in November 2022.

**Rocket Companies, Inc.**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**  
**(In Thousands, Except Shares and Per Share Amounts)**

**13. Share-based Compensation**

Restricted stock units and stock options are granted to team members and directors of the Company and its affiliates under the 2020 Omnibus Incentive Plan. Share-based compensation expense is recognized on a straight-line basis over the requisite service period based on the fair value of the award on the date of grant, with forfeitures recognized as they occur.

The Company granted approximately 40,000 and 2,540,000 restricted stock units with an estimated future expense of \$350 and \$21,850, during the three and six months ended June 30, 2023, respectively. These awards generally vest annually over a three-year period or quarterly over an accelerated four-year period, subject to the grantee's employment or service with the Company through each applicable vesting date. Additionally, during the three and six months ended June 30, 2023, the Company granted no and approximately 4,000,000 restricted stock units with an estimated future expense of zero and \$34,700 that vest in December 2023, respectively.

The Company has an employee stock purchase plan, also referred to as the Team Member Stock Purchase Plan ("TMSPP"), under which eligible team members may direct the Company to withhold up to 15% of their gross pay to purchase shares of common stock at a price equal to 85% of the closing market price on the exercise date. The TMSPP is a liability classified compensatory plan and the Company recognizes compensation expense over the offering period based on the fair value of the purchase discount. The number of shares purchased by team members through the TMSPP were 794,282 and 1,456,798, during the three months ended June 30, 2023 and 2022, respectively and 1,673,099 and 2,475,673 for the six months ended June 30, 2023 and 2022, respectively.

Additionally, we allocated costs associated with awards granted by Rock Holdings, Inc. ("RHI") in the years prior to the reorganization and IPO and certain of our subsidiaries have individual compensation plans that include equity awards and stock appreciation rights.

The components of share-based compensation expense included in Salaries, commissions and team member benefits on the Condensed Consolidated Statements of Income (Loss) and Comprehensive Income (Loss) is as follows:

|   | Three Months Ended June 30, |           | Six Months Ended June 30, |            |
|---|-----------------------------|-----------|---------------------------|------------|
|   | 2023                        | 2022      | 2023                      | 2022       |
| Rocket Companies, Inc. sponsored plans ....           |                             |           |                           |            |
| Restricted stock units .....                          | \$ 41,570                   | \$ 44,101 | \$ 84,167                 | \$ 86,593  |
| Stock options .....                                   | 7,819                       | 9,270     | 16,048                    | 18,846     |
| Team Member Stock Purchase Plan .....                 | 1,140                       | 1,634     | 2,269                     | 3,732      |
| Subtotal Rocket Companies, Inc. sponsored plans ..... | \$ 50,529                   | \$ 55,005 | \$ 102,484                | \$ 109,171 |
| RHI restricted stock units .....                      | —                           | 1,257     | —                         | 14,033     |
| Subsidiary plans .....                                | 167                         | 179       | 172                       | 348        |
| Total share-based compensation expense ....           | \$ 50,696                   | \$ 56,441 | \$ 102,656                | \$ 123,552 |

**14. Earnings Per Share**

The Company applies the two-class method for calculating and presenting earnings per share by separately presenting earnings per share for Class A common stock and Class B common stock. In applying the two-class method, the Company allocates undistributed earnings equally on a per share basis between Class A and Class B common stock. According to the Company's certificate of incorporation, the holders of the Class A and Class B common stock are entitled to participate in earnings equally on a per-share basis, as if all shares of common stock were of a single class, and in dividends as may be declared by the board of directors. Holders of the Class A and Class B common stock also have equal priority in liquidation. Shares of Class C and Class D common stock do not participate in earnings of Rocket Companies, Inc. As a result, the shares of Class C and Class D common stock are not considered participating securities and are not included in the weighted-average shares outstanding for purposes of earnings per share. Restricted stock units awarded as part of the Company's compensation program are included in the weighted-average Class A shares outstanding in the calculation of basic earnings per share once the units are fully vested.

**Rocket Companies, Inc.**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**  
**(In Thousands, Except Shares and Per Share Amounts)**

Basic earnings per share of Class A common stock is computed by dividing Net income (loss) attributable to Rocket Companies by the weighted-average number of shares of Class A common stock outstanding during the period. Diluted earnings per share of Class A common stock is computed by dividing Net income (loss) attributable to Rocket Companies by the weighted-average number of shares of Class A common stock outstanding adjusted to give effect to potentially dilutive securities. There was no Class B common stock outstanding as of June 30, 2023 or 2022. See *Note 12, Non-controlling Interest* for a description of Paired Interests and their potential impact on Class A and Class B share ownership.

The following table sets forth the calculation of the basic and diluted earnings per share for the period:

|  | Three Months Ended June 30, |                      | Six Months Ended June 30, |                      |
|--|-----------------------------|----------------------|---------------------------|----------------------|
|  | 2023                        | 2022                 | 2023                      | 2022                 |
| Net income (loss) .....  | \$ 139,152                  | \$ 59,756            | \$ (272,331)              | \$ 1,096,364         |
| Net (income) loss attributable to non-controlling interest .....   | (131,714)                   | (56,341)             | 261,246                   | (1,039,237)          |
| Net income (loss) attributable to Rocket Companies .....   | 7,438                       | 3,415                | (11,085)                  | 57,127               |
| Add: Reallocation of net income attributable to vested, undelivered stock awards .....   | —                           | 2                    | —                         | 34                   |
| Net income (loss) attributable to common shareholders .....  | <u>\$ 7,438</u>             | <u>\$ 3,417</u>      | <u>\$ (11,085)</u>        | <u>\$ 57,161</u>     |
| <b>Numerator:</b>  |                             |                      |                           |                      |
| Net income (loss) attributable to Class A common shareholders - basic .....  | \$ 7,438                    | \$ 3,417             | \$ (11,085)               | \$ 57,161            |
| Add: Reallocation of net income (loss) attributable to dilutive impact of pro-forma conversion of Class D shares to Class A shares (1) ..... | 97,491                      | 38,750               | (198,229)                 | 790,709              |
| Add: Reallocation of net income (loss) attributable to dilutive impact of share-based compensation awards (2) .....                          | 206                         | 93                   | (269)                     | 1,596                |
| Net income (loss) attributable to Class A common shareholders - diluted .....  | <u>\$ 105,135</u>           | <u>\$ 42,260</u>     | <u>\$ (209,583)</u>       | <u>\$ 849,466</u>    |
| <b>Denominator:</b>  |                             |                      |                           |                      |
| Weighted average shares of Class A common stock outstanding - basic .....  | 126,740,748                 | 118,801,530          | 125,742,282               | 120,735,056          |
| Add: Dilutive impact of conversion of Class D shares to Class A shares .....   | 1,848,879,483               | 1,848,879,483        | 1,848,879,483             | 1,848,879,483        |
| Add: Dilutive impact of share-based compensation awards (3) .....  | 3,830,420                   | 4,060,751            | 2,526,432                 | 4,009,477            |
| Weighted average shares of Class A common stock outstanding - diluted .....  | <u>1,979,450,651</u>        | <u>1,971,741,764</u> | <u>1,977,148,197</u>      | <u>1,973,624,016</u> |
| Earnings (loss) per share of Class A common stock outstanding - basic .....  | \$ 0.06                     | \$ 0.03              | \$ (0.09)                 | \$ 0.47              |
| Earnings (loss) per share of Class A common stock outstanding - diluted .....  | <u>\$ 0.05</u>              | <u>\$ 0.02</u>       | <u>\$ (0.11)</u>          | <u>\$ 0.43</u>       |

(1) Net income (loss) calculated using the estimated annual effective tax rate of Rocket Companies, Inc.



**Rocket Companies, Inc.**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**  
**(In Thousands, Except Shares and Per Share Amounts)**

- (2) Reallocation of net income (loss) attributable to dilutive impact of share-based compensation awards for the three months ended June 30, 2023 and 2022 comprised of \$203 and \$88 related to restricted stock units and \$3 and \$5 related to TMSPP, respectively. Reallocation of net income (loss) attributable to dilutive impact of share-based compensation awards for the six months ended June 30, 2023 and 2022 comprised of \$(259) and \$1,480 related to restricted stock units and \$(10) and \$116 related to TMSPP, respectively.
- (3) Dilutive impact of share-based compensation awards for the three months ended June 30, 2023 and 2022 comprised of 3,760,643 and 3,839,263 related to restricted stock units and 69,776 and 221,488 related to TMSPP, respectively. Dilutive impact of share-based compensation awards for the six months ended June 30, 2023 and 2022 comprised of 2,431,355 and 3,719,060 related to restricted stock units and 95,077 and 290,417 related to TMSPP, respectively.

Stock options excluded from the computation of diluted earnings per share for the three and six months ended June 30, 2023 were 20,146,202 and for the three and six months ended 2022 were 23,120,690, each weighted for the portion of the period for which they were outstanding, as the effect was determined to be anti-dilutive.

## **Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations**

*The following management's discussion and analysis of our financial condition and results of operations should be read in conjunction with, and is qualified in its entirety by reference to, our unaudited condensed consolidated financial statements and the related notes and other information included elsewhere in this Quarterly Report on Form 10-Q (the "Form 10-Q") and our audited consolidated financial statements included in our Annual Report on Form 10-K (the "Form 10-K") filed with the Securities and Exchange Commission (the "SEC"). This discussion and analysis contains forward-looking statements that involve risks and uncertainties which could cause our actual results to differ materially from those anticipated in these forward-looking statements, including, but not limited to, risks and uncertainties discussed under the heading "Special Note Regarding Forward-Looking Statements," and in Part I. Item 1A. "Risk Factors" in our Form 10-K and elsewhere in this Form 10-Q and in our Form 10-K.*

### **Special Note Regarding Forward-Looking Statements**

This Form 10-Q contains forward-looking statements, which involve risks and uncertainties. These forward-looking statements are generally identified by the use of forward-looking terminology, including the terms "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "project," "should," "target," "will," "would" and, in each case, their negative or other various or comparable terminology. All statements other than statements of historical facts contained in this Form 10-Q, including statements regarding our strategy, future operations, future financial position, future revenue, projected costs, prospects, plans, objectives of management and expected market growth are forward-looking statements. As you read this Form 10-Q, you should understand that these statements are not guarantees of performance or results. They involve known and unknown risks, uncertainties and assumptions, including those described under the heading "Risk Factors" in this Form 10-Q. Although we believe that these forward-looking statements are based upon reasonable assumptions, you should be aware that many factors, including those described under the heading "Risk Factors" in this Form 10-Q, could affect our actual financial results or results of operations and could cause actual results to differ materially from those in the forward-looking statements.

Our forward-looking statements made herein are made only as of the date of this Form 10-Q. We expressly disclaim any intent, obligation or undertaking to update or revise any forward-looking statements made herein to reflect any change in our expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based. All subsequent written and oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements contained in this Form 10-Q.

### **Objective**

The following discussion provides an analysis of the Company's financial condition, cash flows and results of operations from management's perspective and should be read in conjunction with the consolidated financial statements and notes thereto included in Part I, Item 1 of this Quarterly Report on Form 10-Q. Our objective is to provide a discussion of events and uncertainties known to management that are reasonably likely to cause the reported financial information not to be indicative of future operating results or of future financial condition and to also offer information that provides an understanding of our financial condition, cash flows and results of operations.

### **Executive Summary**

We are a Detroit-based fintech holding company consisting of tech-driven mortgage, real estate, and financial services businesses - including Rocket Mortgage, Rocket Home, Rocket Loans, and Rocket Money. We are committed to providing an industry-leading client experience powered by our simple, fast and trusted digital solutions. In addition to Rocket Mortgage, one of the nation's largest mortgage lenders, we have expanded into complementary industries, such as, real estate services, personal finance, and personal and solar lending.

## **Recent Developments**

### ***Business Trends***

The U.S. Federal Reserve has raised the Federal Funds rate multiple times throughout 2022 and the first half of 2023 to mitigate inflationary pressures. The resulting mortgage interest rate increases have driven a significant decline in the size of the mortgage origination market from the first quarter of 2022 to the first half of 2023. The increase in mortgage interest rates, coupled with uncertainty in the economy, have reduced demand for mortgage originations and, in particular, refinance transactions.

### ***Career Transition Program***

On July 28, 2023, the Company committed to a voluntary career transition program that was offered to certain eligible team members. The voluntary career transition program includes a compensation package, healthcare coverage, career transition services, and accelerated vesting of certain equity awards, if applicable. The Company expects to incur a non-recurring charge and make cash payments of \$50 to \$60 million dollars primarily in the third quarter of 2023, which is the period that the eligible team members accept their offers.

### **Three months ended June 30, 2023 summary**

We originated \$22.3 billion in residential mortgage loans, which was a \$12.2 billion, or 35% decrease compared to \$34.5 billion for the same period in 2022. Our Net income for the period was \$139.2 million, which was an increase of \$79.4 million, or 133% compared to Net income of \$59.8 million for the same period in 2022. We generated Adjusted EBITDA of \$18.2 million which was an increase of \$45.7 million, or 166%, compared to Adjusted EBITDA loss of \$27.5 million for the same period in 2022. For more information on Adjusted EBITDA, please see “Non-GAAP Financial Measures” below.

### **Six months ended June 30, 2023 summary**

We originated \$39.3 billion in residential mortgage loans, which was a \$49.3 billion, or 56% decrease compared to \$88.5 billion for the same period in 2022. Our Net loss for the period was \$272.3 million, which was a decrease of \$1.4 billion, or 125% compared to Net income of \$1.1 billion for the same period in 2022. We generated \$60.8 million of Adjusted EBITDA loss, which was a decrease of \$483.3 million, or 114%, compared to \$422.6 million of Adjusted EBITDA for the same period in 2022. For more information on Adjusted EBITDA, please see “Non-GAAP Financial Measures” below.

## Non-GAAP Financial Measures

To provide investors with information in addition to our results as determined by GAAP, we disclose Adjusted Revenue, Adjusted Net Income (Loss), Adjusted Diluted Earnings (Loss) Per Share and Adjusted EBITDA (collectively “our non-GAAP financial measures”) as non-GAAP measures which management believes provide useful information to investors. We believe that the presentation of our non-GAAP financial measures provides useful information to investors regarding our results of operations because each measure assists both investors and management in analyzing and benchmarking the performance and value of our business. Our non-GAAP financial measures are not calculated in accordance with GAAP and should not be considered as a substitute for revenue, net income (loss), or any other operating performance measure calculated in accordance with GAAP. Other companies may define our non-GAAP financial measures differently, and as a result, our measures of our non-GAAP financial measures may not be directly comparable to those of other companies. Our non-GAAP financial measures provide indicators of performance that are not affected by fluctuations in certain costs or other items. Accordingly, management believes that these measurements are useful for comparing general operating performance from period to period, and management relies on these measures for planning and forecasting of future periods. Additionally, these measures allow management to compare our results with those of other companies that have different financing and capital structures.

We define “Adjusted Revenue” as total revenues net of the change in fair value of mortgage servicing rights (“MSRs”) due to valuation assumptions (net of hedges). We define “Adjusted Net Income (Loss)” as tax-effected earnings (losses) before share-based compensation expense, the change in fair value of MSRs due to valuation assumptions (net of hedges), career transition program, change in Tax receivable agreement liability, and the tax effects of those adjustments as applicable. We define “Adjusted Diluted Earnings (Loss) Per Share” as Adjusted Net Income (Loss) divided by the diluted weighted average number of Class A common stock outstanding for the applicable period, which assumes the pro forma exchange and conversion of all outstanding Class D common stock for Class A common stock. We define “Adjusted EBITDA” as earnings (losses) before interest and amortization expense on non-funding debt, income tax, depreciation and amortization, share-based compensation expense, change in fair value of MSRs due to valuation assumptions (net of hedges), career transition program, and change in Tax receivable agreement liability.

We exclude from each of our non-GAAP financial measures the change in fair value of MSRs due to valuation assumptions (net of hedges) as this represents a non-cash non-realized adjustment to our total revenues, reflecting changes in assumptions including discount rates and prepayment speed assumptions, mostly due to changes in market interest rates, which is not indicative of our performance or results of operation. We also exclude effects of contractual prepayment protection associated with sales of MSRs. Adjusted EBITDA includes Interest expense on funding facilities, which are recorded as a component of Interest income, net, as these expenses are a direct cost driven by loan origination volume. By contrast, interest and amortization expense on non-funding debt is a function of our capital structure and is therefore excluded from Adjusted EBITDA.

Our definitions of each of our non-GAAP financial measures allow us to add back certain cash and non-cash charges, and deduct certain gains that are included in calculating Total revenues, net, Net income (loss) attributable to Rocket Companies or Net income (loss). However, these expenses and gains vary greatly, and are difficult to predict. From time to time in the future, we may include or exclude other items if we believe that doing so is consistent with the goal of providing useful information to investors.

Although we use our non-GAAP financial measures to assess the performance of our business, such use is limited because they do not include certain material costs necessary to operate our business. Our non-GAAP financial measures can represent the effect of long-term strategies as opposed to short-term results. Our presentation of our non-GAAP financial measures should not be construed as an indication that our future results will be unaffected by unusual or nonrecurring items. Our non-GAAP financial measures have limitations as analytical tools, and you should not consider them in isolation or as a substitute for analysis of our results as reported under U.S. GAAP. Because of these limitations, our non-GAAP financial measures should not be considered as measures of discretionary cash available to us to invest in the growth of our business or as measures of cash that will be available to us to meet our obligations.

Limitations to our non-GAAP financial measures included, but are not limited to:

- (a) they do not reflect every cash expenditure, future requirements for capital expenditures or contractual commitments;

- (b) Adjusted EBITDA does not reflect the significant interest expense or the cash requirements necessary to service interest or principal payment on our debt;
- (c) although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced or require improvements in the future, and Adjusted Revenue, Adjusted Net Income (Loss) and Adjusted EBITDA do not reflect any cash requirement for such replacements or improvements; and
- (d) they are not adjusted for all non-cash income or expense items that are reflected in our Condensed Consolidated Statements of Cash Flows.

We compensate for these limitations by using our non-GAAP financial measures along with other comparative tools, together with U.S. GAAP measurements, to assist in the evaluation of operating performance. See below for reconciliation of our non-GAAP financial measures to their most comparable U.S. GAAP measures. Additionally, our U.S. GAAP-based measures can be found in the condensed consolidated financial statements and related notes included elsewhere in this Form 10-Q.

***Reconciliation of Adjusted Revenue to Total Revenue, net***

| (\$ in thousands)  | Three Months Ended June 30, |              | Six Months Ended June 30, |              |
|--|-----------------------------|--------------|---------------------------|--------------|
|  | 2023                        | 2022         | 2023                      | 2022         |
| Total revenue, net   | \$ 1,236,227                | \$ 1,392,419 | \$ 1,902,295              | \$ 4,063,015 |
| Change in fair value of MSR's due to valuation assumptions (net of hedges) (1) | (234,556)                   | (266,969)    | (18,498)                  | (1,006,186)  |
| Adjusted Revenue   | \$ 1,001,671                | \$ 1,125,450 | \$ 1,883,797              | \$ 3,056,829 |

- (1) Reflects changes in assumptions including discount rates and prepayment speed assumptions, mostly due to changes in market interest rates, and the effects of contractual prepayment protection associated with sales of MSR's.

***Reconciliation of Adjusted Net Income (Loss) to Net Income (Loss) Attributable to Rocket Companies***

| (\$ in thousands)  | Three Months Ended June 30, |             | Six Months Ended June 30, |             |
|--|-----------------------------|-------------|---------------------------|-------------|
|  | 2023                        | 2022        | 2023                      | 2022        |
| Net income (loss) attributable to Rocket Companies   | \$ 7,438                    | \$ 3,415    | \$ (11,085)               | \$ 57,127   |
| Net income (loss) impact from pro forma conversion of Class D common shares to Class A common shares (1) | 132,293                     | 56,963      | (260,064)                 | 1,040,468   |
| Adjustment to the (provision for) benefit from income tax (2)  | (34,533)                    | (636)       | 61,860                    | (242,786)   |
| Tax-effected net income (loss) (2)   | \$ 105,198                  | \$ 59,742   | \$ (209,289)              | \$ 854,809  |
| Share-based compensation expense (3)   | 50,696                      | 61,267      | 102,656                   | 128,377     |
| Change in fair value of MSR's due to valuation assumptions (net of hedges) (4)                           | (234,556)                   | (266,969)   | (18,498)                  | (1,006,186) |
| Career transition program (5)  | —                           | 61,006      | —                         | 61,006      |
| Change in Tax receivable agreement liability (6)   | —                           | (24,354)    | —                         | (24,354)    |
| Tax impact of adjustments (7)  | 44,660                      | 41,434      | (20,439)                  | 210,872     |
| Other tax adjustments (8)  | 973                         | 935         | 1,946                     | 1,935       |
| Adjusted Net Income (Loss)   | \$ (33,029)                 | \$ (66,939) | \$ (143,624)              | \$ 226,459  |

- (1) Reflects net income (loss) to Class A common stock from pro forma exchange and conversion of corresponding shares of our Class D common shares held by non-controlling interest holders as of June 30, 2023 and 2022.

- (2) Rocket Companies is subject to U.S. Federal income taxes, in addition to state, local and Canadian taxes with respect to its allocable share of any net taxable income (loss) of Holdings. The Adjustment to the (provision for) benefit from income tax reflects the difference between (a) the income tax computed using the effective tax rates below applied to the Income (loss) before income taxes assuming Rocket Companies, Inc. owns 100% of the non-voting common interest units of Holdings and (b) the (Benefit from) provision for income taxes.

|  | Three Months Ended June 30, |          | Six Months Ended June 30, |              |
|--|-----------------------------|----------|---------------------------|--------------|
|  | 2023                        | 2022     | 2023                      | 2022         |
| Net income (loss) attributable to Rocket Companies .....   | \$ 7,438                    | \$ 3,415 | \$ (11,085)               | \$ 57,127    |
| Net income (loss) impact from pro forma conversion of Class D common shares to Class A common shares ..... | 132,293                     | 56,963   | (260,064)                 | 1,040,468    |
| (Benefit from) provision for income taxes ..   | (782)                       | 18,761   | (5,286)                   | 44,610       |
| Adjusted income (loss) before income taxes .....   | 138,949                     | 79,139   | (276,435)                 | 1,142,205    |
| Effective Income Tax Rate for Adjusted Net Income (Loss) .....   | 24.29 %                     | 24.51 %  | 24.29 %                   | 25.16 %      |
| Adjusted provision for (benefit from) income taxes .....   | 33,751                      | 19,397   | (67,146)                  | 287,396      |
| (Benefit from) provision for income taxes ..   | (782)                       | 18,761   | (5,286)                   | 44,610       |
| Adjustment to the (provision for) benefit from income tax .....  | \$ (34,533)                 | \$ (636) | \$ 61,860                 | \$ (242,786) |

|  | Three Months Ended June 30, |         | Six Months Ended June 30, |         |
|--|-----------------------------|---------|---------------------------|---------|
|  | 2023                        | 2022    | 2023                      | 2022    |
| Statutory U.S. Federal Income Tax Rate .....                   | 21.00 %                     | 21.00 % | 21.00 %                   | 21.00 % |
| Canadian taxes .....   | 0.01                        | 0.01    | 0.01                      | 0.01    |
| State and Local Income Taxes (net of federal benefit) .....    | 3.28                        | 3.50    | 3.28                      | 4.15    |
| Effective Income Tax Rate for Adjusted Net Income (Loss) ..... | 24.29 %                     | 24.51 % | 24.29 %                   | 25.16 % |

- (3) The three and six months ended June 30, 2022 amounts exclude the impact of the career transition program.
- (4) Reflects changes in assumptions including discount rates and prepayment speed assumptions, mostly due to changes in market interest rates, and the effects of contractual prepayment protection associated with sales of MSRs.
- (5) Reflects net expenses associated with compensation packages, healthcare coverage, career transition services, and accelerated vesting of certain equity awards.
- (6) Reflects changes in estimates of tax rates and other variables of the Tax receivable agreement liability.
- (7) Tax impact of adjustments gives effect to the income tax related to share-based compensation expense, the change in fair value of MSRs due to valuation assumptions, career transition program, and the change in Tax receivable agreement liability, at the effective tax rates for each quarter.
- (8) Represents tax benefits due to the amortization of intangible assets and other tax attributes resulting from the purchase of Holdings units, net of payment obligations under Tax Receivable Agreement.

**Reconciliation of Adjusted Diluted Weighted Average Shares Outstanding to Diluted Weighted Average Shares Outstanding**

| (\$ in thousands, except shares and per share)                   | Three Months Ended June 30, |               | Six Months Ended June 30, |               |
|--|-----------------------------|---------------|---------------------------|---------------|
|  | 2023                        | 2022          | 2023                      | 2022          |
| Diluted weighted average Class A Common shares outstanding ..... | 1,979,450,651               | 1,971,741,764 | 1,977,148,197             | 1,973,624,016 |
| Assumed pro forma conversion of Class D shares (1) .....         | —                           | —             | —                         | —             |
| Adjusted diluted weighted average shares outstanding .....       | 1,979,450,651               | 1,971,741,764 | 1,977,148,197             | 1,973,624,016 |
| Adjusted Net Income (Loss) .....                                 | \$ (33,029)                 | \$ (66,939)   | \$ (143,624)              | \$ 226,459    |
| Adjusted Diluted Earnings (Loss) Per Share .....                 | \$ (0.02)                   | \$ (0.03)     | \$ (0.07)                 | \$ 0.11       |

- (1) Reflects the pro forma exchange and conversion of non-dilutive Class D common stock to Class A common stock. For the three and six months ended June 30, 2023 and 2022, Class D common shares were dilutive and are included in the diluted weighted average Class A common shares outstanding in the table above.

**Reconciliation of Adjusted EBITDA to Net Income (Loss)**

| (\$ in thousands)  | Three Months Ended June 30, |             | Six Months Ended June 30, |              |
|--|-----------------------------|-------------|---------------------------|--------------|
|  | 2023                        | 2022        | 2023                      | 2022         |
| Net income (loss) .....  | \$ 139,152                  | \$ 59,756   | \$ (272,331)              | \$ 1,096,364 |
| Interest and amortization expense on non-funding debt .....                          | 38,334                      | 38,282      | 76,667                    | 76,946       |
| Income tax (benefit) provision .....   | (782)                       | 18,761      | (5,286)                   | 44,610       |
| Depreciation and amortization .....  | 25,357                      | 24,780      | 56,042                    | 45,822       |
| Share-based compensation expense (1) .....   | 50,696                      | 61,267      | 102,656                   | 128,377      |
| Change in fair value of MSR's due to valuation assumptions (net of hedges) (2) ..... | (234,556)                   | (266,969)   | (18,498)                  | (1,006,186)  |
| Career transition program (3) .....  | —                           | 61,006      | —                         | 61,006       |
| Change in Tax receivable agreement liability (4) .....                               | —                           | (24,354)    | —                         | (24,354)     |
| Adjusted EBITDA .....  | \$ 18,201                   | \$ (27,471) | \$ (60,750)               | \$ 422,585   |

- (1) The three and six months ended June 30, 2022 amounts exclude the impact of the career transition program.
- (2) Reflects changes in assumptions including discount rates and prepayment speed assumptions, mostly due to changes in market interest rates, and the effects of contractual prepayment protection associated with sales of MSR's.
- (3) Reflects net expenses associated with compensation packages, healthcare coverage, career transition services, and accelerated vesting of certain equity awards.
- (4) Reflects changes in estimates of tax rates and other variables of the Tax receivable agreement liability.

## Key Performance Indicators

We monitor a number of key performance indicators to evaluate the performance of our business operations. Our loan production key performance indicators enable us to monitor our ability to generate gain on sale revenue as well as understand how our performance compares to the total mortgage origination market. Our servicing portfolio key performance indicators enable us to monitor the overall size of our servicing portfolio of business, the related value of our mortgage servicing rights, and the health of the business as measured by the average MSR delinquency rate. Other key performance indicators for other Rocket Companies, besides Rocket Mortgage ("Other Rocket Companies"), allow us to monitor both revenues and unit sales generated by these businesses. We also include Rockethomes.com average unique monthly visits, as we believe traffic on the site is an indicator of consumer interest.

The following summarizes key performance indicators of the business:

| (Units and \$ in thousands)   | Three Months Ended June 30, |                   | Six Months Ended June 30, |                   |
|---|-----------------------------|-------------------|---------------------------|-------------------|
|   | 2023                        | 2022              | 2023                      | 2022              |
| <b>Loan Production Data</b>   |                             |                   |                           |                   |
| Closed loan origination volume .....                                | \$ 22,330,333               | \$ 34,543,916     | \$ 39,259,665             | \$ 88,520,731     |
| Direct to Consumer origination volume .....                         | \$ 12,413,898               | \$ 20,298,510     | \$ 22,223,597             | \$ 53,425,046     |
| Partner Network origination volume .....                            | \$ 9,916,435                | \$ 14,245,406     | \$ 17,036,068             | \$ 35,095,685     |
| Gain on sale margin (1) .....                                       | 2.67 %                      | 2.92 %            | 2.54 %                    | 2.98 %            |
| <b>June 30,</b>   |                             |                   |                           |                   |
| <b>2023</b> <b>2022</b>   |                             |                   |                           |                   |
| <b>Servicing Portfolio Data</b>                                     |                             |                   |                           |                   |
| Total serviced UPB (includes subserviced) .....                     | \$ 503,693,198              | \$ 537,854,227    |                           |                   |
| MSRs UPB of loans serviced .....                                    | \$ 461,947,608              | \$ 485,422,026    |                           |                   |
| UPB of loans subserviced and temporarily serviced .....             | \$ 41,745,590               | \$ 52,432,201     |                           |                   |
| Total loans serviced (includes subserviced) .....                   | 2,414.3                     | 2,532.3           |                           |                   |
| Number of MSRs loans serviced .....                                 | 2,312.6                     | 2,396.6           |                           |                   |
| Number of loans subserviced and temporarily serviced .....          | 101.7                       | 135.7             |                           |                   |
| MSR fair value multiple (2) .....                                   | 4.99                        | 4.83              |                           |                   |
| Total serviced MSR delinquency rate (60+) .....                     | 1.10 %                      | 1.12 %            |                           |                   |
| Net client retention rate (trailing twelve months) (3) .....        | 97 %                        | 93 %              |                           |                   |
| <b>Three Months Ended June 30,</b> <b>Six Months Ended June 30,</b> |                             |                   |                           |                   |
| <b>2023</b> <b>2022</b> <b>2023</b> <b>2022</b>                     |                             |                   |                           |                   |
| <b>Other Rocket Companies</b>                                       |                             |                   |                           |                   |
| Amrock closings (units) .....                                       | 42.8                        | 82.6              | 78.7                      | 250.9             |
| Rocket Homes real estate transactions .....                         | 7.1                         | 10.4              | 11.7                      | 18.6              |
| Rockethomes.com average unique monthly visitors (4) .....           | 1,746.2                     | 2,884.8           | 1,429.1                   | 2,738.1           |
| Rocket Loans closed (units) .....                                   | 10.8                        | 7.2               | 19.3                      | 12.5              |
| <b>Total Other Rocket Companies gross revenue .....</b>             | <b>\$ 98,089</b>            | <b>\$ 157,999</b> | <b>\$ 180,201</b>         | <b>\$ 422,259</b> |
| <b>Total Other Rocket Companies net revenue (5) .....</b>           | <b>\$ 96,055</b>            | <b>\$ 157,708</b> | <b>\$ 176,407</b>         | <b>\$ 419,623</b> |

- (1) Gain on sale margin is calculated by dividing Gain on sale of loans, net by the net rate lock volume for the period. Gain on sale of loans, net includes the net gain on sale of loans, fair value of originated MSRs, fair value adjustments on originated loans held for sale and IRLC's, and revaluation of forward commitments economically hedging loans held for sale and IRLCs. This metric is a measure of gain on sale revenue and excludes revenues from Rocket Loans, changes in the loan repurchase reserve and fair value adjustments on repurchased loans held on our balance sheet, such as early buyouts.



- (2) MSR's fair market value multiple is a metric used to determine the relative value of the MSR's asset in relation to the annualized retained servicing fee, which is the cash that the holder of the MSR's asset would receive from the portfolio over such period. It is calculated as the quotient of (a) the MSR's fair market value as of a specified date divided by (b) the weighted average annualized retained servicing fee for our MSR's portfolio as of such date. The weighted average annualized retained servicing fee for our MSR's portfolio was 0.28% and 0.30% as of June 30, 2023 and 2022, respectively. The vast majority of our portfolio consists of originated MSR's and consequently, the impact of purchased MSR's does not have a material impact on our weighted average service fee.
- (3) This metric measures our retention across a greater percentage of our client bases versus our recapture rate. We define "net client retention rate" as the number of clients that were active at the beginning of a period and which remain active at the end of the period, divided by the number of clients that were active at the beginning of the period. This metric excludes clients whose loans were sold during the period as well as clients to whom we did not actively market to due to contractual prohibitions or other business reasons. We define "active" as those clients who do not pay-off their mortgage with us and originate a new mortgage with another lender during the period.
- (4) Rockethomes.com average unique monthly visits is calculated by a third party service that monitors website activity. This metric doesn't necessarily have a direct correlation to revenues and is used primarily to monitor consumer interest in the Rockethomes.com site.
- (5) Net revenue presented above is calculated as gross revenues less intercompany revenue eliminations. A portion of the Other Rocket Companies revenues is generated through intercompany transactions. These intercompany transactions take place with entities that are part of our platform. Consequently, we view gross revenue of individual Other Rocket Companies as a key performance indicator, and we consider net revenue of Other Rocket Companies on a combined basis.

## **Description of Certain Components of Financial Data**

### ***Components of Revenue***

Our sources of revenue include Gain on sale of loans, net, Loan servicing income, net, Interest income, net, and Other income.

#### ***Gain on sale of loans, net***

Gain on sale of loans, net includes all components related to the origination and sale of mortgage loans, including (1) net gain on sale of loans, which represents the premium we receive in excess of the loan principal amount and certain fees charged by investors upon sale of loans into the secondary market, (2) loan origination fees, credits, points and certain costs, (3) provision for or benefit from investor reserves, (4) the change in fair value of interest rate locks ("IRLCs" or "rate lock") and loans held for sale, (5) the gain or loss on forward commitments hedging loans held for sale and IRLCs, and (6) the fair value of originated MSR's. MSR assets are created at the time Mortgage Loans Held for Sale are securitized and sold to investors for cash, while the Company retains the right to service the loan.

#### ***Loan servicing income, net***

Loan servicing fee income consists of the contractual fees earned for servicing the loans and includes ancillary revenue such as late fees and modification incentives. Loan servicing fee income is recorded to income as earned, which is upon collection of payments from borrowers.

#### ***Interest income, net***

Interest income, net is interest earned on mortgage loans held for sale net of the interest expense paid on our loan funding facilities.

### ***Other income***

Other income includes revenues generated from Amrock (title insurance services, property valuation, and settlement services), Rocket Homes (real estate network referral fees), Core Digital Media (third party lead generation revenues), Rocket Connections (third party sales and support revenues), Rocket Money (personal finance subscription revenue), Rocket Loans (personal and solar loans), deposit interest income and professional service fees. The professional service fees represent amounts received in exchange for professional services provided to affiliated companies. Services are provided primarily in connection with technology, facilities, human resources, accounting, training, and security functions. Other income also includes revenues from investment interest income and other miscellaneous income items.

### ***Components of operating expenses***

Our operating expenses as presented in the statement of operations data include Salaries, commissions and team member benefits, General and administrative expenses, Marketing and advertising expenses, and Other expenses.

### ***Salaries, commissions and team member benefits***

Salaries, commissions and team member benefits include all payroll, benefits, and share-based compensation expenses for our team members.

### ***General and administrative expenses***

General and administrative expenses primarily include occupancy costs, professional services, loan processing expenses on loans that do not close or that are not charged to clients on closed loans, commitment fees, fees on loan funding facilities, license fees, office expenses and other operating expenses.

### ***Marketing and advertising expenses***

Marketing and advertising expenses are primarily related to performance and brand marketing.

### ***Other expenses***

Other expenses primarily consist of depreciation and amortization on property and equipment, and mortgage servicing related expenses.

### ***Income taxes***

In calculating the provision for interim income taxes, in accordance with ASC Topic 740 Income Taxes, we apply an estimated annual effective tax rate to year-to-date ordinary income. At the end of each interim period, we estimate the effective tax rate expected to be applicable for the full year. Tax-effects of significant, unusual or infrequently occurring items are excluded from the estimated annual effective tax rate calculation and recognized in the interim period in which they occur.

### ***Tax Receivable Agreement***

Refer to *Note 7, Income Taxes* for more information on Tax Receivable Agreement.

### ***Share-based compensation***

Share-based compensation is comprised of both equity and liability awards and is measured and expensed accordingly under Accounting Standards Codification (“ASC”) 718 *Compensation - Stock Compensation*. As indicated above, share-based compensation expense is included as part of salaries, benefits and team member benefits.

### Non-controlling interest

We are the sole managing member of Holdings and consolidate the financial results of Holdings. Therefore, we report a non-controlling interest based on the Holdings Units of Holdings held by Dan Gilbert, our founder and Chairman (our "Chairman") and RHI on our Condensed Consolidated Balance Sheets. Income or loss is attributed to the non-controlling interests based on the weighted average Holdings Units outstanding during the period and is presented on the Condensed Consolidated Statements of Income (Loss) and Comprehensive Income (Loss). Refer to *Note 12, Non-controlling Interest* for more information on non-controlling interests.

### Results of Operations for the Three and Six Months Ended June 30, 2023 and 2022

#### Summary of Operations

| Condensed Statement of Operations Data<br>(\$ in thousands)      | Three Months Ended June 30, |              | Six Months Ended June 30, |              |
|--|-----------------------------|--------------|---------------------------|--------------|
|  | 2023                        | 2022         | 2023                      | 2022         |
| <b>Revenue</b>   |                             |              |                           |              |
| Gain on sale of loans, net .....                                 | \$ 594,469                  | \$ 806,838   | \$ 1,064,032              | \$ 2,290,623 |
| Servicing fee income .....                                       | 343,591                     | 357,578      | 709,976                   | 723,793      |
| Change in fair value of MSR's .....                              | 42,377                      | (12,522)     | (355,902)                 | 441,858      |
| Interest income, net .....                                       | 36,685                      | 36,490       | 74,369                    | 85,334       |
| Other income .....   | 219,105                     | 204,035      | 409,820                   | 521,407      |
| Total revenue, net .....   | \$ 1,236,227                | \$ 1,392,419 | \$ 1,902,295              | \$ 4,063,015 |
| <b>Expenses</b>  |                             |              |                           |              |
| Salaries, commissions and team member benefits .....             | 579,139                     | 754,125      | 1,182,914                 | 1,608,040    |
| General and administrative expenses .....                        | 200,425                     | 229,706      | 395,815                   | 505,563      |
| Marketing and advertising expenses .....                         | 218,843                     | 231,522      | 400,447                   | 559,580      |
| Interest and amortization expense on non-funding-debt .....      | 38,334                      | 38,282       | 76,667                    | 76,946       |
| Other expenses .....   | 61,116                      | 60,267       | 124,069                   | 171,912      |
| Total expenses .....   | \$ 1,097,857                | \$ 1,313,902 | \$ 2,179,912              | \$ 2,922,041 |
| Income (loss) before income taxes .....                          | 138,370                     | 78,517       | (277,617)                 | 1,140,974    |
| Benefit from (provision for) income taxes .....                  | 782                         | (18,761)     | 5,286                     | (44,610)     |
| Net income (loss) .....  | 139,152                     | 59,756       | (272,331)                 | 1,096,364    |
| Net (income) loss attributable to non-controlling interest ..... | (131,714)                   | (56,341)     | 261,246                   | (1,039,237)  |
| Net income (loss) attributable to Rocket Companies .....         | \$ 7,438                    | \$ 3,415     | \$ (11,085)               | \$ 57,127    |

#### Gain on sale of loans, net

The components of gain on sale of loans for the periods presented were as follows:

| (\$ in thousands)  | Three Months Ended June 30, |              | Six Months Ended June 30, |              |
|--|-----------------------------|--------------|---------------------------|--------------|
|  | 2023                        | 2022         | 2023                      | 2022         |
| Net gain (loss) on sale of loans (1) .....   | \$ 207,937                  | \$ (448,270) | \$ 415,909                | \$ (573,864) |
| Fair value of originated MSR's .....   | 314,840                     | 459,473      | 519,400                   | 1,256,088    |
| Provision for investor reserves .....  | (45,536)                    | (9,846)      | (92,841)                  | (12,232)     |
| Fair value adjustment on loans held for sale and IRLC's .....                                  | (68,215)                    | 258,075      | 108,917                   | (485,426)    |
| Revaluation from forward commitments economically hedging loans held for sale and IRLC's ..... | 185,443                     | 547,406      | 112,647                   | 2,106,057    |
| Gain on sale of loans, net .....   | \$ 594,469                  | \$ 806,838   | \$ 1,064,032              | \$ 2,290,623 |

(1) Net gain (loss) on sale of loans represents the premium received in excess of the UPB, plus net origination fees.

The table below provides details of the characteristics of our mortgage loan production for each of the periods presented:

| (\$ in thousands)                            | Three Months Ended June 30, |               | Six Months Ended June 30, |               |
|--|-----------------------------|---------------|---------------------------|---------------|
|  | 2023                        | 2022          | 2023                      | 2022          |
| Loan origination volume by type:             |                             |               |                           |               |
| Conventional Conforming .....                | \$ 13,706,186               | \$ 27,367,582 | \$ 24,331,421             | \$ 68,747,266 |
| FHA/VA .....                                 | 6,973,614                   | 6,609,832     | 12,039,240                | 15,696,827    |
| Non-Agency .....                             | 1,650,533                   | 566,502       | 2,889,004                 | 4,076,638     |
| Total mortgage loan origination volume ..... | \$ 22,330,333               | \$ 34,543,916 | \$ 39,259,665             | \$ 88,520,731 |
| Portfolio metrics:                           |                             |               |                           |               |
| Average loan amount .....                    | \$ 280                      | \$ 289        | \$ 277                    | \$ 284        |
| Weighted average loan-to-value ratio .....   | 75.65 %                     | 73.63 %       | 75.36 %                   | 70.90 %       |
| Weighted average credit score .....          | 734                         | 732           | 733                       | 735           |
| Weighted average loan rate .....             | 6.29 %                      | 4.56 %        | 6.23 %                    | 3.82 %        |
| Percentage of loans sold:                    |                             |               |                           |               |
| To GSEs and government .....                 | 92.25 %                     | 89.95 %       | 90.85 %                   | 90.96 %       |
| To other counterparties .....                | 7.75 %                      | 10.05 %       | 9.15 %                    | 9.04 %        |
| Servicing-retained .....                     | 98.97 %                     | 98.86 %       | 99.24 %                   | 99.51 %       |
| Servicing-released .....                     | 1.03 %                      | 1.14 %        | 0.76 %                    | 0.49 %        |
| Net rate lock volume (1) .....               | \$ 22,244,339               | \$ 29,385,447 | \$ 41,779,222             | \$ 78,998,947 |
| Gain on sale margin (2) .....                | 2.67 %                      | 2.92 %        | 2.54 %                    | 2.98 %        |

- (1) Net rate lock volume includes the UPB of loans subject to IRLCs, net of the pull-through factor as described in the “Description of Certain Components of Financial Data” section of our most recently filed Form10-K.
- (2) Gain on sale margin is calculated by dividing Gain on sale of loans, net by the net rate lock volume for the period. Gain on sale of loans, net includes the net gain on sale of loans, fair value of originated MSR’s, fair value adjustments on originated loans held for sale and IRLC’s, and revaluation of forward commitments economically hedging loans held for sale and IRLCs. This metric is a measure of gain on sale revenue and excludes revenues from Rocket Loans, changes in the loan repurchase reserve and fair value adjustments on repurchased loans held on our balance sheet, such as early buyouts. See the table above for each of the components of gain on sale of loans, net.

## *Overview of the Gain on sale of loans, net table*

At the time an IRLC is issued, an estimate of the *Gain on sale of loans, net* is recognized in the *Fair value adjustment on loans held for sale and IRLCs* component in the table above. Subsequent changes in the fair value of IRLCs and mortgage loans held for sale are recognized in this same component as the loan progresses through closing, which is the moment that loans move from an IRLC to a loan held for sale, and ultimately through the sale of the loan. We deploy a hedge strategy to mitigate the impact of interest rate changes from the point of the IRLC through the sale of the loan. The changes to the *Fair value adjustment on loans held for sale and IRLCs* in each period is dependent on several factors, including mortgage origination volume, how long a loan remains at a given stage in the origination process and the movement of interest rates during that period as compared to the immediately preceding period. Loans originated during an increasing rate environment generally decrease in value, and loans originated during a decreasing rate environment generally increase in value. When the mortgage loan is sold into the secondary market, any difference between the proceeds received and the current fair value of the loan is recognized and moves from the *Fair value adjustment on loans held for sale and IRLCs* component in the *Net (loss) gain on sale of loans* component in the table above. The *Revaluation from forward commitments economically hedging loans held for sale and IRLCs* component reflects the forward hedge commitments intended to offset the various fair value adjustments that impact the *Fair value adjustment on loans held for sale and IRLCs* and the *Net (loss) gain on sale of loans, net*, as the sum of these components should be evaluated in combination when evaluating *Gain on sale of loans, net*, as the sum of these components are primarily driven by net rate lock volume. Furthermore, at the point of sale of the loan, the *Fair value of originated MSR*s and the *(Provision for) benefit from investor reserves* are recognized each in their respective components shown above.

### **Three months ended June 30, 2023 summary**

Gain on sale of loans, net was \$594.5 million, a decrease of \$212.4 million, or 26%, when compared to \$806.8 million for the same period in 2022. This was driven by a 24% decrease in net rate lock volume during the period, caused by higher interest rates. Net (loss) gain on sale of loans, Fair value adjustment on loans held for sale and IRLCs and Revaluation from forward commitments economically hedging loans held for sale decreased by 32.0 million, or 9%, partially driven by the decrease in net rate lock volume.

In addition, the fair value of MSR's originated was \$314.8 million, a decrease of \$144.6 million, or 31%, when compared to \$459.5 million for the same period in 2022. The decrease was primarily due to a reduction in sold loan volume of \$11.1 billion, or 34%, to \$22.0 billion in 2023 from \$33.1 billion in 2022.

The provision for investor reserves is related to the provision to establish our estimated liabilities associated with the potential repurchase or indemnity of purchasers of loans previously sold due to representation and warranty claims by investors, as well as gains or losses incurred on repurchased loans. The \$35.7 million change from a \$45.5 million provision in 2023, compared to a \$9.8 million provision for the same period in 2022, was primarily due to revisions of our loss assumptions and repurchased loan activity in the current year when compared to the same period in 2022.

### **Six months ended June 30, 2023 summary**

Gain on sale of loans, net was \$1.1 billion, a decrease of \$1.2 billion, or 54%, as compared with \$2.3 billion for the same period in 2022, primarily driven by the changes in Net gain (loss) on sale of loans, Fair value adjustment on loans held for sale and IRLCs and IRLCs and Revaluation from forward commitments economically hedging loans held for sale. Increased interest rates during the period led to a 47% decrease in net rate lock volume, which drove a 39% combined decrease in in these three components.

The fair value of MSR's originated was \$519.4 million, a decrease of \$736.7 million, or 59%, when compared to \$1.3 billion in 2022. The decrease was primarily due to a reduction in sold loan volume of \$57.9 billion, or 61%, to \$37.4 billion in 2023 from \$95.3 billion in 2022.

The provision for investor reserves is related to the provision to establish our estimated liabilities associated with the potential repurchase or indemnity of purchasers of loans previously sold due to representation and warranty claims by investors. The \$80.6 million change from a \$92.8 million provision in 2023, compared to a \$12.2 million provision for the same period in 2022, was primarily due to revisions of our loss assumptions and repurchased loan activity in the current year when compared to the same period in 2022.

### *Loan servicing income, net*

For the periods presented, Loan servicing income, net consisted of the following:

| (\$ in thousands)                                   | Three Months Ended June 30, |            | Six Months Ended June 30, |              |
|---|-----------------------------|------------|---------------------------|--------------|
|   | 2023                        | 2022       | 2023                      | 2022         |
| Retained servicing fee .....                        | \$ 331,062                  | \$ 347,400 | \$ 684,923                | \$ 703,952   |
| Subservicing income .....                           | 2,893                       | 2,434      | 5,181                     | 4,754        |
| Ancillary income .....                              | 9,636                       | 7,744      | 19,872                    | 15,087       |
| Servicing fee income .....                          | 343,591                     | 357,578    | 709,976                   | 723,793      |
| Change in valuation model inputs or assumptions (1) | 240,698                     | 281,816    | 22,225                    | 1,046,539    |
| Change in fair value of MSR hedge .....             | (6,142)                     | (14,847)   | (3,727)                   | (40,353)     |
| Collection / realization of cash flows .....        | (192,179)                   | (279,491)  | (374,400)                 | (564,328)    |
| Change in fair value of MSRs .....                  | 42,377                      | (12,522)   | (355,902)                 | 441,858      |
| Loan servicing income, net .....                    | \$ 385,968                  | \$ 345,056 | \$ 354,074                | \$ 1,165,651 |

(1) Includes the effect of contractual prepayment protection resulting from sales of MSRs prepayment protection

| (\$ in thousands)  | June 30,       |                |
|--|----------------|----------------|
|  | 2023           | 2022           |
| MSRs UPB of loans serviced .....                           | \$ 461,947,608 | \$ 485,422,026 |
| Number of MSRs loans serviced .....                        | 2,312,601      | 2,396,613      |
| UPB of loans subserviced and temporarily serviced .....    | \$ 41,745,590  | \$ 52,432,201  |
| Number of loans subserviced and temporarily serviced ..... | 101,686        | 135,692        |
| Total serviced UPB .....                                   | \$ 503,693,198 | \$ 537,854,227 |
| Total loans serviced .....                                 | 2,414,287      | 2,532,305      |
| MSRs fair value .....                                      | \$ 6,443,632   | \$ 6,657,758   |
| Total serviced delinquency count (60+) as % of total ..... | 1.10%          | 1.12%          |
| Weighted average credit score .....                        | 734            | 736            |
| Weighted average LTV .....                                 | 71.30%         | 70.77%         |
| Weighted average loan rate .....                           | 3.54%          | 3.24%          |
| Weighted average service fee .....                         | 0.28%          | 0.30%          |

#### **Three months ended June 30, 2023 summary**

Loan servicing income, net was \$386.0 million, an increase of \$40.9 million, or 12%, which compares to \$345.1 million for the same period in 2022. The increase was primarily driven by the change of \$192.2 million in collection/ realization of cash flows, which compares to \$279.5 million for the same period in 2022. The change was due to a decrease in the number of loans that were paid off during the three months ended June 30, 2023 compared to the same period in 2022. This was partially offset by a decrease of \$41.1 million, or 15% to the change in valuation model inputs or assumptions.

#### **Six months ended June 30, 2023 summary**

Loan servicing income was \$354.1 million, which compares to \$1.2 billion for the same period in 2022. The changes in valuation model inputs or assumptions was a \$22.2 million increase in 2023, as compared to a \$1.0 billion increase in 2022, predominately due to the decrease in prepayment speed assumptions in 2022, which was a result of increased mortgage rates. This change was partially offset by the change in collection/ realization of cash flows, which was \$374.4 million in 2023, which compares to a change of \$564.3 million for the same period in 2022.

### *Interest income, net*

The components of Interest income, net for the periods presented were as follows:

| (\$ in thousands)                            | Three Months Ended June 30, |           | Six Months Ended June 30, |            |
|--|-----------------------------|-----------|---------------------------|------------|
|  | 2023                        | 2022      | 2023                      | 2022       |
| Interest income .....                        | \$ 80,757                   | \$ 79,196 | \$ 147,501                | \$ 169,737 |
| Interest expense on funding facilities ..... | (44,072)                    | (42,706)  | (73,132)                  | (84,403)   |
| Interest income, net .....                   | \$ 36,685                   | \$ 36,490 | \$ 74,369                 | \$ 85,334  |

#### **Three months ended June 30, 2023 summary**

Interest income, net was \$36.7 million, an increase of \$0.2 million, or 1%, compared to \$36.5 million for the same period in 2022. The increase in interest income, net in 2023 was primarily attributable to an increase in interest rates in 2023, compared to the same period in 2022, partially off-set by less sold loan volume.

#### **Six months ended June 30, 2023 summary**

Interest income, net was \$74.4 million for the six months ended June 30, 2023, a decrease of \$11.0 million, or 13%, as compared to \$85.3 million for the same period in 2022. The decrease in interest income, net in 2023 was primarily attributable to a decrease in sold loan volume, partially off-set by an increase in interest rates.

### *Other income*

| (\$ in thousands)             | Three Months Ended June 30, |            | Six Months Ended June 30, |            |
|-------------------------------|-----------------------------|------------|---------------------------|------------|
|                               | 2023                        | 2022       | 2023                      | 2022       |
| Deposit interest income ..... | \$ 80,399                   | \$ 8,151   | \$ 149,554                | \$ 16,158  |
| Amrock revenue .....          | 69,167                      | 123,026    | 128,163                   | 348,972    |
| Rocket Money revenue .....    | 47,420                      | 30,955     | 92,802                    | 63,966     |
| Rocket Homes revenue .....    | 17,392                      | 1,723      | 20,830                    | 26,287     |
| Rocket Loans revenue .....    | 1,064                       | 32,959     | 8,072                     | 44,365     |
| Other (1) .....               | 3,663                       | 7,221      | 10,399                    | 21,659     |
| Total Other income .....      | \$ 219,105                  | \$ 204,035 | \$ 409,820                | \$ 521,407 |

(1) Other consists of revenue from additional entities and other miscellaneous income.

#### **Three months ended June 30, 2023 summary**

Other income was \$219.1 million, an increase of \$15.1 million, or 7%, compared to \$204.0 million for the same period in 2022. The increase was primarily a result of an increase in deposit interest income of \$72.2 million, attributable to higher interest earnings rates, partially offset by a decrease in revenues at Amrock of \$53.9 million, driven by lower mortgage origination volume.

#### **Six months ended June 30, 2023 summary**

Other income decreased \$111.6 million, or 21%, to \$409.8 million for the six months ended June 30, 2023 as compared to \$521.4 million for same period in 2022. The decrease was primarily a result of a reduction in revenues at Amrock of \$220.8 million or 63%, driven by lower mortgage origination volume, which was partially offset by an increase in deposit interest income of \$133.4 million .

## Expenses

Expenses for the periods presented were as follows:

| (\$ in thousands)   | Three Months Ended June 30, |              | Six Months Ended June 30, |              |
|---|-----------------------------|--------------|---------------------------|--------------|
|   | 2023                        | 2022         | 2023                      | 2022         |
| Salaries, commissions and team member benefits .....        | \$ 579,139                  | \$ 754,125   | \$ 1,182,914              | \$ 1,608,040 |
| General and administrative expenses .....                   | 200,425                     | 229,706      | 395,815                   | 505,563      |
| Marketing and advertising expenses .....                    | 218,843                     | 231,522      | 400,447                   | 559,580      |
| Interest and amortization expense on non-funding debt ..... | 38,334                      | 38,282       | 76,667                    | 76,946       |
| Other expenses .....  | 61,116                      | 60,267       | 124,069                   | 171,912      |
| Total expenses .....  | \$ 1,097,857                | \$ 1,313,902 | \$ 2,179,912              | \$ 2,922,041 |

### Three months ended June 30, 2023 summary

Total expenses were \$1.1 billion, a decrease of \$216.0 million or 16%, compared with \$1.3 billion for the same period in 2022. The decrease was driven by our cost saving measures affecting Salaries, commissions, and team member benefits, General and administrative expenses, and Marketing and advertising expenses. Salaries, commissions, and team member benefits were \$579.1 million in 2023, a decrease of \$175.0 million or 23%, compared with \$754.1 million for the same period in 2022, primarily due to a decrease in team members in production roles and lower variable compensation associated with lower production levels. General and administrative expenses were \$200.4 million, a decrease of \$29.3 million or 13%, compared with \$229.7 million for the same period in 2022, driven primarily by a decrease in loan processing costs. Marketing and advertising expenses were \$218.8 million, a decrease of \$12.7 million, or 5%, compared with \$231.5 million for the same period in 2022, which was driven by a decrease in performance marketing in 2023.

### Six months ended June 30, 2023 summary

Total expenses were \$2.2 billion, a decrease of \$742.1 million or 25%, as compared with \$2.9 billion for the same period in 2022. The decrease was driven by our cost saving measures affecting Salaries, commissions, and team member benefits, General and administrative expenses, Marketing and advertising expenses and Other expenses, including production and other vendor-related costs. Salaries, commissions, and team member benefits was \$1.2 billion in 2023, which was a decrease of \$425.1 million or 26%, primarily due to a decrease in team members in production roles and lower variable compensation associated with a lower production levels. General and administrative expenses was \$395.8 million, which was a decrease of \$109.7 million or 22%, as compared with \$505.6 million, primarily driven by a decrease in loan processing costs and vendor cost saving initiatives. Marketing and advertising expenses were \$400.4 million, a decrease of \$159.1 million, or 28%, compared with \$559.6 million for the same period in 2022, which was driven by a decrease in performance marketing and brand marketing in 2023. Other expenses were \$124.1 million, a decrease of \$47.8 million, or 28%, as compared with \$171.9 million, primarily due to decreases in title related expenses at Amrock.

### **Summary Results by Segment for the Three and Six Months Ended June 30, 2023 and 2022**

Our operations are organized by distinct marketing channels which promote client acquisition into our platform and include two reportable segments: Direct to Consumer and Partner Network. In the Direct to Consumer segment, clients have the ability to interact with the Rocket Mortgage app and/or with our mortgage bankers, consisting of sales team members across our platform. We market to potential clients in this segment through various performance marketing channels. The Direct to Consumer segment derives revenue from originating, closing, selling and servicing predominantly agency-conforming loans, which are pooled and sold to the secondary market. This also includes providing title insurance services, appraisals and settlement services to these clients as part of our end-to-end mortgage origination experience. Servicing activities are fully allocated to the Direct to Consumer segment as they are viewed as an extension of the client experience with the primary objective to establish and maintain positive, regular touchpoints with our clients, which positions us to have high retention and recapture the clients' next refinance, purchase, and personal loan transactions. These activities position us to be the natural choice for clients' next refinance or purchase transaction.



The Rocket Professional platform supports our Partner Network segment, where we leverage our superior client service and widely recognized brand to grow marketing and influencer relationships, and our mortgage broker partnerships through Rocket Pro TPO. Our marketing partnerships consist of well-known consumer-focused companies that find value in our award-winning client experience and want to offer their clients mortgage solutions with our trusted, widely recognized brand. These organizations connect their clients directly to us through marketing channels and a referral process. Our influencer partnerships are typically with companies that employ licensed mortgage professionals that find value in our client experience, technology and efficient mortgage process, where mortgages may not be their primary offering. We also enable clients to start the mortgage process through the Rocket platform in the way that works best for them, including through a local mortgage broker. Rocket Pro TPO works exclusively with mortgage brokers, community banks and credit unions. Rocket Pro TPO's partners provide the face-to-face service their clients desire, while tapping into the expertise, technology and award-winning process of Rocket Mortgage.

We measure the performance of the segments primarily on a contribution margin basis. Contribution margin is intended to measure the direct profitability of each segment and is calculated as Adjusted Revenue less Directly attributable expenses. Adjusted Revenue is a non-GAAP financial measure described above. Directly attributable expenses include Salaries, commissions and team member benefits, General and administrative expenses, Marketing and advertising expenses and Other expenses, such as direct servicing costs and origination costs. For segments, we measure gain on sale margin of sold loans and refer to this metric as 'sold loan gain on sale margin.' A loan is considered sold when it is sold to investors on the secondary market. Sold loan gain on sale margin represents revenues on loans that have been sold divided by the sold UPB amount. Sold loan gain on sale margin is used specifically in the context of measuring the gain on sale margins of our Direct to Consumer and Partner Network segments. Sold loan gain on sale margin is an important metric in evaluating the revenue generating performance of our segments as it allows us to measure this metric at a segment level with a high degree of precision. By contrast, 'gain on sale margin', which we use outside of the segment discussion, measures the gain on sale revenue generation of our combined mortgage business. See below for our overview and discussion of segment results for the three and six months ended June 30, 2023 and 2022. For additional discussion, see *Note 11, Segments* of the notes to the unaudited condensed consolidated financial statements of this Form 10-Q.

#### *Direct to Consumer Results*

| (\$ in thousands)   | Three Months Ended June 30, |               | Six Months Ended June 30, |               |
|---|-----------------------------|---------------|---------------------------|---------------|
|   | 2023                        | 2022          | 2023                      | 2022          |
| Sold Loan Volume .....  | \$ 12,445,951               | \$ 19,538,097 | \$ 21,257,403             | \$ 55,702,825 |
| Sold Loan Gain on Sale Margin .....   | 3.67 %                      | 4.17 %        | 3.69 %                    | 4.06 %        |
| <b>Revenue</b>  |                             |               |                           |               |
| Gain on sale .....  | \$ 476,052                  | \$ 645,453    | \$ 866,394                | \$ 1,862,556  |
| Interest income .....   | 45,484                      | 50,944        | 83,606                    | 108,546       |
| Interest expense on funding facilities .....                                    | (24,509)                    | (27,704)      | (41,316)                  | (54,432)      |
| Service fee income .....  | 342,328                     | 356,779       | 707,545                   | 722,279       |
| Changes in fair value of MSR's .....  | 42,377                      | (12,522)      | (355,902)                 | 441,858       |
| Other income .....  | 134,661                     | 92,910        | 251,181                   | 259,938       |
| Total Revenue, net .....  | \$ 1,016,393                | \$ 1,105,860  | \$ 1,511,508              | \$ 3,340,745  |
| Change in fair value of MSR's due to valuation assumptions, net of hedges ..... | (234,556)                   | (266,969)     | (18,498)                  | (1,006,186)   |
| Adjusted Revenue .....  | \$ 781,837                  | \$ 838,891    | \$ 1,493,010              | \$ 2,334,559  |
| Less: Directly Attributable Expenses (1) .....                                  | 529,222                     | 609,431       | 1,034,805                 | 1,478,641     |
| Contribution Margin .....   | \$ 252,615                  | \$ 229,460    | \$ 458,205                | \$ 855,918    |

- (1) Direct expenses attributable to operating segments exclude corporate overhead, depreciation and amortization, and interest and amortization expense on non-funding debt.

### **Three months ended June 30, 2023 summary**

Direct to Consumer Adjusted Revenue was \$781.8 million, a decrease of \$57.1 million, or 7% when compared to \$838.9 million for the same period in 2022. Gain on sale revenue decreased \$169.4 million, or 26%, due to a decline in sold loan volume and sold loan gain on sale margin. Sold loan volume was \$12.4 billion, a decrease of \$7.1 billion, or 36%. In addition, sold loan gain on sale margin was 3.67%, as compared to 4.17% for the same period in 2022, driven primarily by more price competition related to excess industry capacity. The decrease in Gain on Sale was partially offset by an increase in the change in fair value of MSR of \$54.9 million, which was driven by the change in the collection/realization of cash flows. Additionally, other income increased \$41.8 million, or 45%, driven by an increase in deposit interest income as a result of higher interest earnings rates.

Direct to Consumer Directly Attributable Expenses decreased \$80.2 million, or 13%, to \$529.2 million, compared to \$609.4 million in 2022. The decrease was primarily due to a decreased variable compensation and loan processing costs associated with lower volumes, fewer team members in production roles and reduced marketing spend.

Direct to Consumer Contribution Margin increased \$23.2 million, or 10%, to \$252.6 million, compared to \$229.5 million for the same period in 2022. The increase in Contribution Margin was driven primarily by the decrease in Directly Attributable expenses, coupled with increases in Other income and Collection/realization of cash related to change in fair value of the MSR, which more than offset the decrease in Gain on sale revenue.

### **Six months ended June 30, 2023 summary**

Direct to Consumer Adjusted Revenue was \$1.5 billion, a decrease of \$841.5 million, or 36% when compared to \$2.3 billion for the same period in 2022. Gain on sale revenue decreased \$996.2 million, or 53%, due to a decline in Direct to Consumer sold loan volume and gain on sale margins. Sold loan volume was \$21.3 billion, a decrease of \$34.4 billion, or 62% as compared to 2022. In addition, sold loan gain on sale margin was 3.69%, as compared to 4.06% during the same period in 2022, driven primarily by more price competition related to excess industry capacity. The change in fair value of MSR due to valuation was \$355.9 million loss, a change of \$797.8 million, or 181% when compared to a \$441.9 million increase in the same period in 2022.

Direct to Consumer Directly Attributable Expenses decreased \$443.8 million, or 30%, to \$1.0 billion compared to \$1.5 billion during the same period in 2022. The decline was primarily due to decreased variable compensation and loan processing costs associated with lower volumes, fewer team members in production roles and reduced marketing spend.

Direct to Consumer Contribution Margin decreased \$397.7 million, or 46%, to \$458.2 million, compared to \$855.9 million during the same period in 2022. The decrease in Contribution Margin was driven primarily by the decrease in Direct to Consumer sold loan volume and gain on sale margins noted above.

## Partner Network Results

| (\$ in thousands)                            | Three Months Ended June 30, |               | Six Months Ended June 30, |               |
|--|-----------------------------|---------------|---------------------------|---------------|
|  | 2023                        | 2022          | 2023                      | 2022          |
| Sold Loan Volume .....                       | \$ 9,570,826                | \$ 13,579,618 | \$ 16,154,513             | \$ 39,612,993 |
| Sold Loan Gain on Sale Margin .....          | 0.93 %                      | 1.29 %        | 0.89 %                    | 1.04 %        |
| <b>Revenue</b>                               |                             |               |                           |               |
| Gain on sale .....                           | \$ 108,580                  | \$ 157,459    | \$ 180,574                | \$ 415,515    |
| Interest income .....                        | 36,043                      | 27,547        | 63,715                    | 59,715        |
| Interest expense on funding facilities ..... | (19,466)                    | (14,999)      | (31,664)                  | (29,968)      |
| Other income .....                           | 4,196                       | 7,202         | 7,814                     | 23,679        |
| Total Revenue, net .....                     | \$ 129,353                  | \$ 177,209    | \$ 220,439                | \$ 468,941    |
| Change in fair value of MSR's due to .....   | —                           | —             | —                         | —             |
| Adjusted Revenue .....                       | \$ 129,353                  | \$ 177,209    | \$ 220,439                | \$ 468,941    |
| Less: Directly Attributable Expenses .....   | 66,425                      | 95,701        | 131,784                   | 215,735       |
| Total Contribution Margin .....              | \$ 62,928                   | \$ 81,508     | \$ 88,655                 | \$ 253,206    |

### Three months ended June 30, 2023 summary

Partner Network Adjusted Revenue was \$129.4 million, a decrease of \$47.9 million, or 27% when compared to \$177.2 million for the same period in 2022. Gain on sale revenue decreased \$48.9 million, or 31%, due to a decline in sold loan volumes and sold loan gain on sale margin. Sold loan volume was \$9.6 billion, a decrease of \$4.0 billion, or 30%, compared to the same period in 2022. In addition, sold loan gain on sale margin was 0.93%, as compared to 1.29% for the same period in 2022, a decrease that was driven by more price competition related to excess industry capacity.

Partner Network Directly Attributable Expenses decreased \$29.3 million, or 31%, to \$66.4 million compared to \$95.7 million for the same period in 2022. The decrease was driven primarily due to decreased variable compensation and loan processing costs associated with lower volumes and fewer team members in production roles.

Partner Network Contribution Margin decreased \$18.6 million, or 23%, to \$62.9 million compared to \$81.5 million for the same period in 2022. The decrease in Contribution Margin was driven primarily by the decrease in sold loan volume and gain on sale margin noted above.

### Six months ended June 30, 2023 summary

Partner Network Adjusted Revenue was \$220.4 million, a decrease of \$248.5 million, or 53% when compared to \$468.9 million for the same period in 2022. Gain on sale revenue decreased \$234.9 million, or 57%, due to a decline in sold loan volumes and sold loan gain on sale margin. Sold loan volume was \$16.2 billion, a decrease of \$23.5 billion, or 59%. In addition, sold loan gain on sale margin was 0.89%, as compared to 1.04% for the same period in 2022, a decrease that was driven by more price competition related to excess industry capacity.

Partner Network Directly Attributable Expenses decreased \$84.0 million, or 39%, to \$131.8 million, compared to \$215.7 million for the same period in 2022. The decrease was due to decreased variable compensation and loan processing costs associated with lower volumes and fewer team members in production roles.

Partner Network Contribution Margin decreased \$164.6 million, or 65%, to \$88.7 million compared to \$253.2 million for the same period in 2022. The decrease in Contribution Margin was driven primarily by the decrease in Partner Network sold loan volume and sold loan gain on sale margin noted above.

## Liquidity and Capital Resources

Historically, our primary sources of liquidity have included:

- cash flow from our operations, including:
  - sale of whole loans into the secondary market;
  - sale of mortgage servicing rights into the secondary market;
  - loan origination fees;
  - servicing fee income; and
  - interest income on loans held for sale
- borrowings, including under our funding facilities and other secured and unsecured financing facilities; and
- cash and marketable securities on hand.

Historically, our primary uses of funds have included:

- origination of loans;
- interest expense;
- repayment of debt;
- operating expenses; and
- distributions to RHI including those to fund distributions for payment of taxes by RHI shareholders.

We are also subject to contingencies which may have a significant impact on the use of our cash.

In order to originate and aggregate loans for sale into the secondary market, we use our own working capital and borrow or obtain money on a short-term basis primarily through committed and uncommitted funding facilities, generally established with large global banks.

Our funding facilities are primarily in the form of master repurchase agreements. We also have funding facilities directly with the GSEs. Loans financed under these facilities are generally financed at approximately 97% to 98% of the principal balance of the loan (although certain types of loans are financed at lower percentages of the principal balance of the loan), which requires us to fund the balance from cash generated from operations. Once closed, the underlying residential mortgage loan that is held for sale is pledged as collateral for the borrowing or advance that was made under these funding facilities. In most cases, the loans will remain in one of the funding facilities for only a short time, generally less than one month, until the loans are pooled and sold. During the time the loans are held for sale, we earn interest income from the borrower on the underlying mortgage loan. This income is partially offset by the interest and fees we have to pay under the funding facilities.

When we sell a pool of loans in the secondary market, the proceeds received from the sale of the loans are used to pay back the amounts we owe on the funding facilities. We rely on the cash generated from the sale of loans to fund future loans and repay borrowings under our funding facilities. Delays or failures to sell loans in the secondary market could have an adverse effect on our liquidity position.

As discussed in *Note 5, Borrowings*, of the notes to the unaudited condensed consolidated financial statements included in this Form 10-Q, as of June 30, 2023, we had 16 different funding and financing facilities in different amounts and with various maturities together with the Senior Notes. At June 30, 2023, the aggregate available amount under our facilities was \$21.1 billion, with combined outstanding balances of \$5.3 billion and unutilized capacity of \$15.9 billion.

The amount of financing actually advanced on each individual loan under our funding facilities, as determined by agreed upon advance rates, may be less than the stated advance rate depending, in part, on the market value of the mortgage loans securing the financings. Each of our funding facilities allows the bank providing the funds to evaluate the market value of the loans that are serving as collateral for the borrowings or advances being made. If the bank determines that the value of the collateral has decreased, the bank can require us to provide additional collateral or reduce the amount outstanding with respect to those loans (e.g., initiate a margin call). Our inability or unwillingness to satisfy the request could result in the termination of the facilities and possible default under our other funding facilities. In addition, a large unanticipated margin call could have a material adverse effect on our liquidity.

The amount owed and outstanding on our funding facilities fluctuates significantly based on our origination volume, the amount of time it takes us to sell the loans it originates, and the amount of loans being self-funded with cash. We may from time to time use surplus cash to “buy-down” the effective interest rate of certain funding facilities or to self-fund a portion of our loan originations. Buy-down funds are included in Cash and cash equivalents on the Consolidated Balance Sheets. We have the ability to withdraw these funds at any time, unless a margin call has been made or a default has occurred under the relevant facilities. We will also deploy cash to self-fund loan originations, a portion of which can be transferred to a warehouse line or the early buy out line, provided that such loans meet the eligibility criteria to be placed on such lines. The remaining portion will be funded in normal course over a short period of time, generally less than 45 days.

We remain in a strong liquidity position, with total liquidity of \$8.6 billion as of June 30, 2023, which includes \$0.9 billion of Cash and cash equivalents, \$2.9 billion of corporate cash used to self-fund loan originations, a portion of which could be transferred to funding facilities (warehouse lines) at our discretion, \$3.1 billion of undrawn lines of credit from financing facilities, and \$1.7 billion of undrawn MSR lines. Margin cash held on behalf of counterparties is recorded in Cash and cash equivalents, and the related liability is classified in Other liabilities in the Condensed Consolidated Balance Sheets. Margin cash pledged to counterparties is excluded from Cash and cash equivalents and instead recorded in Other assets, as a receivable, in the Condensed Consolidated Balance Sheets.

Our funding facilities, early buy out facilities, MSRs facility and unsecured lines of credit also generally require us to comply with certain operating and financial covenants and the availability of funds under these facilities is subject to, among other conditions, our continued compliance with these covenants. These financial covenants include, but are not limited to, maintaining (1) a certain minimum tangible net worth, (2) minimum liquidity, (3) a maximum ratio of total liabilities or total debt to tangible net worth and (4) pre-tax net income requirements. A breach of these covenants can result in an event of default under these facilities and as such allows the lenders to pursue certain remedies. In addition, each of these facilities, as well as our unsecured lines of credit, includes cross default or cross acceleration provisions that could result in all facilities terminating if an event of default or acceleration of maturity occurs under any facility. We were in compliance with all covenants as of June 30, 2023 and December 31, 2022.

### **June 30, 2023 compared to June 30, 2022**

#### ***Cash Flows***

Our Cash and cash equivalents and Restricted cash were \$917.8 million at June 30, 2023, a decrease of \$66.3 million, or 7%, compared to \$1.0 billion at June 30, 2022. The decrease was primarily driven by using more cash to self-fund loan originations and our net loss for the period, partially offset by the MSR sales during the period.

#### ***Equity***

Equity was \$8.4 billion as of June 30, 2023, a decrease of \$407.3 million, or 5%, compared to \$8.8 billion as of June 30, 2022. The decrease was primarily a result of a net loss of \$668.8 million, partially offset by an increase in share-based compensation of \$202.6 million.

## ***Distributions***

On February 24, 2022, our board of directors declared a cash dividend (the "2022 Special Dividend") of \$1.01 per share to the holders of our Class A common stock. The 2022 Special Dividend was paid on March 22, 2022 to holders of the Class A common stock of record as of the close of business on March 8, 2022. The Company funded the 2022 Special Dividend from cash distributions of approximately \$2.0 billion by RKT Holdings, LLC to all of its members, including the Company. To the extent the 2022 Special Dividend exceeded our current and accumulated earnings and profits, a portion of the 2022 Special Dividend may be deemed a return of capital or a capital gain to the investors in our Class A common stock. Refer to our risks and uncertainties discussed under the heading "Special Note Regarding Forward-Looking Statements," and in Part II. Item 1A. "Risk Factors" and elsewhere in this Form 10-Q and in our Form 10-K.

During the six months ended June 30, 2023 the Company had no dividend or tax distributions. During the six months ended June 30, 2022 the Company had a \$2.0 billion 2022 Special Dividend and \$166.7 million in tax distributions, for a total of approximately \$2.2 billion of distributions. Except for tax distributions, these distributions are at the discretion of our board of directors.

## **Contractual Obligations, Commercial Commitments, and Other Contingencies**

There were no material changes outside the ordinary course of business to our outstanding contractual obligations as of June 30, 2023 from information and amounts previously disclosed as of December 31, 2022 in our Annual Report on Form 10-K under the caption "Contractual Obligations, Commercial Commitments, and Other Contingencies". Refer to Notes 5, *Borrowings*, and 9, *Commitments, Contingencies, and Guarantees*, of the notes to the condensed consolidated financial statements for further discussion of contractual obligations, commercial commitments, and other contingencies, including legal contingencies.

## **New Accounting Pronouncements Not Yet Effective**

See *Note 1, Business, Basis of Presentation and Accounting Policies* of the notes to the unaudited condensed consolidated financial statements for details of recently issued accounting pronouncements and their expected impact on our condensed consolidated financial statements.

## **Item 3. Quantitative and Qualitative Disclosures about Market Risk**

There have been no material changes to the Company's exposure to market risks since what was disclosed in the Company's December 31, 2022 Annual Report on Form 10-K.

## **Item 4. Controls and Procedures**

### ***Evaluation of Disclosure Controls and Procedures***

Our management, with the participation of our CEO and CFO, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as of the end of the period covered by this Form 10-Q. Based on such evaluation, our CEO and CFO have concluded that as of June 30, 2023, our disclosure controls and procedures are designed at a reasonable assurance level and are effective to provide reasonable assurance that information we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the rules and forms of the SEC, and that such information is accumulated and communicated to our management, including our CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure.

### ***Changes in Internal Control over Financial Reporting***

There were no changes in our internal control over financial reporting identified in our management's evaluation pursuant to Rules 13a-15(d) and 15d-15(d) of the Exchange Act during the period covered by this Form 10-Q that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

### ***Limitations on Effectiveness of Controls and Procedures***

In designing and evaluating the disclosure controls and procedures and internal control over financial reporting, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. Because of inherent limitations, internal controls over financial reporting may not prevent or detect misstatements. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply judgment in evaluating the benefits of possible controls and procedures relative to their costs.

## **PART II. OTHER INFORMATION**

### **Item 1. Legal Proceedings**

In the ordinary course of business, we may from time to time be involved in various pending or threatened legal actions. The litigation process is inherently uncertain and it is possible that the resolution of such matters might have a material adverse effect upon our financial condition and/or results of operations. However, in the opinion of our management, matters currently pending or threatened against us are not expected to have a material adverse effect on our business, financial condition and results of operations. Refer to *Note 9 Commitments, Contingencies, and Guarantees*, to the condensed consolidated financial statements under the heading *Legal* included in this Quarterly Report on Form 10-Q for legal proceedings and related matters.

### **Item 1A. Risk Factors**

There are certain risks and uncertainties in our business that could cause our actual results to differ materially from those anticipated. We included a detailed discussion of our risk factors in “Part I – Item 1A. – Risk Factors” of our 2022 Form 10-K. Our risk factors have not changed significantly from those disclosed in our 2022 Form 10-K. These risk factors should be read carefully in connection with evaluating our business and in connection with the forward-looking statements and other information contained in this Quarterly Report 2023 Form 10-Q. Any of the risks described in our 2022 Form 10-K could materially affect our business, condensed consolidated financial condition or future results and the actual outcome of matters as to which forward-looking statements are made. The risk factors described in our 2022 Form 10-K are not the only risks we face. Additional risks and uncertainties not currently known to us, or that we currently deem to be immaterial, also may materially adversely affect our business, condensed consolidated financial condition and/or future results.

### **Item 2. Unregistered Sales of Equity Securities and Use of Proceeds**

#### ***Share Repurchase Authorization***

On November 10, 2020, our board of directors approved a share repurchase program of up to \$1.0 billion of our Common Stock, including both Class A and Class D, which repurchases may be made, from time to time, in privately negotiated transactions or in the open market, in accordance with applicable securities laws (the “Share Repurchase Program”). The Share Repurchase Program was renewed on November 11, 2022 and will remain in effect for a two-year period. The Share Repurchase Program authorizes but does not obligate the Company to make any repurchases at any specific time. The timing and extent to which the Company repurchases its shares will depend upon, among other things, market conditions, share price, liquidity targets, regulatory requirements and other factors. As of June 30, 2023 approximately \$590.7 million remain available under the Share Repurchase Program. There were no share repurchases during the three months ended June 30, 2023.

As of August 2, 2023, Rocket Companies repurchased 32.1 million shares at a weighted average price of \$12.73. We have returned \$409.3 million to shareholders in aggregate under the \$1.0 billion Share Repurchase Program which was renewed in November 2022.



## **Item 5. Other Information**

On July 7, 2023, Rocket Mortgage, LLC (“Borrower”), a subsidiary of the Company, entered into an increased commitment supplement (the “Supplement”) with Wells Fargo Bank, National Association as new lender (the “New Lender”) and JPMorgan Chase Bank, N.A. as agent (“Agent”). The Supplement modifies the Revolving Credit Agreement by and among the Borrower, the lending institutions and Agent (as amended, modified, or supplemented through the Supplement, the “Credit Agreement”).

The Supplement joins the New Lender to the lending institutions party to the Credit Agreement. In connection with the foregoing, the New Lender is providing an increase in commitments under the Credit Agreement by one hundred fifty million dollars (\$150,000,000).

The Supplement did not modify the financial covenants, negative covenants, mandatory prepayment events or security provisions or arrangements under the Credit Agreement.

The above description of the terms of the Supplement is qualified in its entirety by reference to the full text of the Supplement, a copy of which is filed as an exhibit to this Form 10-Q.

## Item 6. Exhibits

| Exhibit Number | Description   |
|----------------|---|
| 3.1            | <a href="#">Amended and Restated Certificate of Incorporation of Rocket Companies, Inc. (incorporated herein by reference to Exhibit 3.1 to the Company’s Quarterly Report on Form 10-Q, filed on September 2, 2020)</a>                          |
| 3.2            | <a href="#">Amended and Restated Bylaws of Rocket Companies, Inc. (incorporated herein by reference to Exhibit 3.2 to the Company’s Quarterly Report on Form 10-Q, filed on September 2, 2020)</a>  |
| 10.1#*         | <a href="#">Amendment Number Two to Loan and Security Agreement (MSR Facility) dated April 28, 2023 by and between Rocket Mortgage, LLC, as borrower, and Citibank, N.A., as lender</a>   |
| 10.2*          | <a href="#">Employment Agreement by and between RKT Holdings, LLC and Brian Brown, as amended October 2, 2022</a>   |
| 10.3*          | <a href="#">Employment Agreement dated as of October 2, 2022, by and between RKT Holdings, LLC and Tina John</a>  |
| 10.4*          | <a href="#">Employment Agreement dated as of March 27, 2023, by and between RKT Holdings, LLC and Bill Emerson</a>  |
| 10.5*          | <a href="#">Form of Director Restricted Stock Unit Agreement for use with Rocket Companies, Inc. 2020 Omnibus Incentive Plan</a>  |
| 10.6#*         | <a href="#">Increased Commitment Supplement to Revolving Credit Agreement, dated as of August 7, 2023</a>   |
| 31.1*          | <a href="#">Certification of CEO, pursuant to SEC Rule 13a-14(a) and 15d-14(a)</a>  |
| 31.2*          | <a href="#">Certification of CFO, pursuant to SEC Rule 13a-14(a) and 15d-14(a)</a>  |
| 32.1*          | <a href="#">Certification by the CEO, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</a>  |
| 32.2*          | <a href="#">Certification by the CFO, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</a>  |
| 101.INS        | Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document   |
| 101.SCH        | Inline XBRL Taxonomy Extension Schema Document  |
| 101.CAL        | Inline XBRL Taxonomy Extension Calculation Linkbase Document  |
| 101.DEF        | Inline XBRL Taxonomy Extension Definition Linkbase Document   |
| 101.LAB        | Inline XBRL Taxonomy Extension Label Linkbase Document  |
| 101.PRE        | Inline XBRL Taxonomy Extension Presentation Linkbase Document   |
| 104            | Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)  |
| *              | Filed herewith.   |
| #              | Certain portions of this exhibit have been redacted pursuant to Item 601(b)(10)(iv) of Regulation S-K. The Company agrees to furnish supplementally an unredacted copy of the exhibit to the Securities and Exchange Commission upon its request. |



**CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN REDACTED.**

AMENDMENT NUMBER TWO  
to the  
LOAN AND SECURITY AGREEMENT  
dated as of July 27, 2022,  
between  
ROCKET MORTGAGE, LLC, as Borrower  
and  
CITIBANK, N.A., as Lender

This AMENDMENT NUMBER TWO (this “Amendment Number Two”) is made this 28th day of April, 2023, between ROCKET MORTGAGE, LLC (“Borrower”) and CITIBANK, N.A. (“Lender”), to the Loan and Security Agreement, dated as of July 27, 2022, between Borrower and Lender, as such agreement may be further amended from time to time (the “Agreement”). Capitalized terms used but not otherwise defined herein shall have the meanings assigned to such terms in the Agreement.

RECITALS

WHEREAS, Lender and Borrower agree to amend the Agreement as more specifically set forth herein; and

WHEREAS, as of the date hereof, Borrower represents to Lender that Borrower is in full compliance with all of the terms and conditions of the Agreement and each other Program Document and no Default or Event of Default has occurred and is continuing under the Agreement or any other Program Document.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and for the mutual covenants herein contained, the parties hereto hereby agree as follows:

Section 1. Amendments. Effective as of the Amendment Effective Date, the Agreement is hereby amended as follows:

a) Section 1 of the Agreement is hereby amended by deleting the definitions of “Acknowledgment Agreement”, “Pledged Servicing Rights” and “Servicing Rights” in their entirety and replacing them with the following, respectively (bold and stricken text added to evidence changes):

“Acknowledgment Agreement” means, (i) with respect to Fannie Mae Servicing Rights, the **Fannie Mae** Acknowledgement Agreement ~~dated as of July 27, 2022, by and among Fannie Mae, Borrower, and Lender as secured party,~~ pursuant to which Fannie Mae acknowledges the security interest of Lender in the Fannie Mae Servicing Rights, together with any amendments and addenda thereto, and (ii) upon execution thereof, any acknowledgment agreement by and among Freddie Mac, Borrower and Lender as secured party, pursuant to which Freddie Mac acknowledges the security interest of Lender in the Freddie Mac Servicing Rights, together with any amendments and addenda thereto.

“Pledged Servicing Rights” means any Eligible Servicing Rights a security interest in which has been granted to Lender pursuant to this Agreement. **For the avoidance of doubt Pledged Servicing Rights do not include any Excess Yield.**

“Servicing Rights” means with respect to each Mortgage Loan, all Borrower’s right, title and interest in, to and under the related Servicing Contract, whether now or hereafter existing, acquired or created, whether or not yet accrued, earned, due or payable, as well as all other present and future right and interest under such Servicing Contract, including, without limitation, the indivisible, conditional and non-delegable right (i) to service the Mortgage Loans under the

related Servicing Contracts, (ii) to receive the Servicing Fee income payable after the related Funding Date (including without limitation, any Uncollected Fees), (iii) to any and all Ancillary Income received after the related Funding Date, (iv) to hold and administer the Related Escrow Account Balances, (v) to hold and administer, in accordance with the related Servicing Contract, the Related Principal and Interest Custodial Account, the Custodial File, and the Mortgage File arising from or connected to the servicing or subservicing of such Mortgage Loan under this Agreement and (vi) all proceeds, income, profits, rents and products of any of the foregoing including, without limitation, all of Borrower's rights to proceeds of any sale or other disposition of the Servicing Rights. **For the avoidance of doubt, as to Fannie Mae Mortgage Loans, Servicing Contract Rights and Servicing Rights do not include Excess Yield.**

b) Section 1 of the Agreement is hereby further amended by adding the following definitions of "Covered Mortgage", "Excess Yield", "Excess Yield Transaction", "Excess Yield Transaction Date", "EY Transaction", "EYT Notice", "Fannie Mae Acknowledgment Agreement", "Fannie Mae Mortgage Loans", "Margin Deficit", "Minimum Servicing Spread", "Partial Release (Excess Yield)", "Released Excess Yield Mortgages" and "Stripped Interest Certificate" in the appropriate alphabetical order:

"Covered Mortgage" means, with respect to Fannie Mae Mortgage Loans, "Subject Mortgages" as such term is defined in the Fannie Mae Acknowledgment Agreement.

"Excess Yield" means with respect to each Fannie Mae Mortgage Loan that is a Released Excess Yield Mortgage and each monthly payment period for the pools relating to such Released Excess Yield Mortgage, the interest-rate cash flow that remains after subtracting the sum of (i) the applicable pass-through rate for security backed by the related pool ("MBS"), (ii) the guaranty fee rate applied to that mortgage loan in connection with the MBS, (iii) the Minimum Servicing Spread and (iv) the premium amounts for monthly lender-purchased mortgage insurance, if any, required to be paid by Borrower from interest amounts payable on that mortgage loan (such amounts being converted to an annual rate).

"Excess Yield Transaction" a transaction in which Servicer sells Excess Yield to Fannie Mae in exchange for the Stripped Interest Certificate, and, to the extent applicable, Servicer agrees to sell the Stripped Interest Certificate to an underwriter who will offer the Stripped Interest Certificate from time to time in negotiated transactions at varying prices either directly or through designated dealers.

"Excess Yield Transaction Date" shall have the meaning set forth in Section 2.08(d).

"EY Transaction" shall have the meaning set forth in Section 2.08(d).

"EYT Notice" shall have the meaning set forth in Section 2.08(d).

"Fannie Mae Acknowledgment Agreement" means the Acknowledgment Agreement, dated as of July 27, 2022, entered into among Borrower, Lender and Fannie Mae, as amended or modified from time to time.

"Fannie Mae Mortgage Loans" means those Mortgage Loans owned or guaranteed by Fannie Mae.

"Margin Deficit" has the meaning set forth in the Master Repurchase Facility.

"Minimum Servicing Spread" means, as applicable to each Released Excess Yield Mortgage, on a per annum basis, a minimum servicing fee rate equal to [\*\*\*].

"Partial Release (Excess Yield)" means, with respect to an Excess Yield Transaction, that certain separate Partial Release document, executed and delivered by Lender in favor of Fannie Mae, dated effective as of the Excess Yield Transaction Date, which evidences, inter alia, the full release by Lender of its security interest in, to, and under the released excess yield.

“Released Excess Yield Mortgages” means, those Covered Mortgages which, as of the Excess Yield Transaction Date, are listed on Schedule I attached to the Partial Release (Excess Yield).

“Stripped Interest Certificate” means one or more stripped interest certificate(s) that (i) represents an interest in and the right to receive payments equal to the Released Excess Yield of the Released Excess Yield Mortgages, and (ii) is issued and guaranteed by Fannie Mae and sold to Borrower, and may be sold by Borrower to subsequent entities.

c) Section 2.08 of the Agreement is hereby amended by adding the following as a new Subsection (d) immediately following Subsection (c) thereof:

(d) Borrower may request that Lender consent to Borrower entering into an Excess Yield Transaction by delivering notice to Lender (an “EYT Notice”), at least [\*\*\*] prior to the closing date of such Excess Yield Transaction (the “Excess Yield Transaction Date”). Each EYT Notice shall identify the Excess Yield Transaction Date and the proposed Released Excess Yield Mortgages and request that Lender (i) releases its Lien on the portion of the Collateral that will be defined as Excess Yield upon consummation of the Excess Yield Transaction, solely with respect to Released Excess Yield Mortgages, and (ii) consent to the filing of an applicable UCC-3 reflecting such release. Following receipt of an EYT Notice, Lender shall deliver a Borrowing Base Report to Borrower with respect to the Collateral related to the Servicer’s remaining interest in the Servicing Rights after removal of the related Excess Yield. To the extent Lender determines, in its sole reasonable discretion based on such Borrowing Base Report, and as otherwise permitted by Section 2.01 herein, that the Outstanding Aggregate Loan Amount on such day is less than the Borrowing Base on such day, Lender shall release its Lien on the portion of the Collateral that will be defined as Excess Yield upon consummation of the Excess Yield Transaction and consent to the filing of an applicable UCC-3 reflecting such release, solely with respect to the Released Excess Yield Mortgages identified in the Partial Release (Excess Yield); provided that (1) there is no Borrowing Base Deficiency in existence on the Excess Yield Transaction Date after giving effect to any payment made by Borrower to Lender on such Excess Yield Transaction Date, (2) no Default or Event of Default has occurred and is continuing, (3) no Borrowing Base Deficiency, Default or Event of Default would occur due to Lender releasing its Lien on the Excess Yield after giving effect to any payment made by Borrower to Lender on the related Excess Yield Transaction Date and (4) Fannie Mae has consented to the EY Transaction as evidenced by its acknowledgment provided to Lender, of the related Lender Partial Release (Excess Yield). The Partial Release (Excess Yield) states and Borrower hereby acknowledges that no transferee of any such Excess Yield shall have any rights to the Collateral hereunder or any rights pursuant to the Fannie Acknowledgement Agreement.

d) Section 4.01 of the Agreement is hereby amended by deleting the first paragraph of such section in its entirety and replacing it with the following (bold text added to evidence changes):

As security for the prompt payment and performance of all of its Obligations, Borrower hereby assigns and pledges to Lender, and grants a security interest, subject to the interests of Fannie Mae and Freddie Mac as set forth in Section 4.02 and in the related Acknowledgement Agreement, but only to the extent that a related Acknowledgement Agreement has been executed, to Lender, all of Borrower’s right, title and interest, in, to, and under, whether now owned or hereafter acquired, in all of the following, whether now or hereafter existing and wherever located: (i) the Pledged Servicing Rights whether or not yet accrued, earned due or payable as well as all other present and future rights and interests of Borrower in such Pledged Servicing Rights, (ii) the Servicing Contracts and all rights and claims thereunder solely to the extent related to the Pledged Servicing Rights, (iii) all books and records, including, computer disks and other records or physical or virtual data or information, relating to the foregoing (but specifically excluding all servicing systems, computer programs, hardware, and other information and assets of Borrower not exclusively relating to the Collateral), (iv) each Controlled Account and all amounts on deposit therein, and (v) all monies due or to become due with respect to the foregoing and all proceeds of the foregoing (collectively, the “Collateral”); provided that Borrower shall not assign or pledge to Lender, or grant a security interest in Borrower’s right, title and interest, in, to or under any right of Borrower to reimbursement for any servicing advances (P&I, taxes or

insurance escrows, corporate or otherwise) related to Servicing Rights subject to any Servicing Contract or Excess Yield.

e) Section 4.05 of the Agreement is hereby amended by adding the following paragraph as the initial paragraph of Section 4.05:

In connection with an Excess Yield Transaction and to the extent permitted in accordance with the provisions of Section 2.08(d) hereof, the Lender shall release its security interest in that portion of the Collateral that will be defined as Excess Yield upon consummation of the Excess Yield Transaction solely with respect to the Released Excess Yield Mortgages identified in the Partial Release (Excess Yield). Lender shall execute the Partial Release (Excess Yield) in favor of Fannie Mae and Fannie Mae shall provide to Lender acknowledgement of such Partial Release (Excess Yield). Notwithstanding anything contained herein to the contrary, in no event shall any release (referenced above or in Section 2.08(d)) of Lender include any Collateral pledged hereunder related to the Servicer's remaining interest in the Servicing Rights regarding such Released Excess Yield Mortgage after removal of the related Excess Yield.

Section 2. Condition Precedent; Effectiveness. This Amendment shall become effective on the date on which Lender shall have received and Borrower shall have completed, or shall have caused to be completed, counterparts hereof duly executed by each of the parties hereto (such date, the "Amendment Effective Date").

Section 3. Fees and Expenses. Borrower agrees to pay to Lender all reasonable out of pocket costs and expenses incurred by Lender in connection with this Amendment Number Two (including all reasonable fees and out of pocket costs and expenses of Lender's legal counsel) in accordance with Sections 12 and 14 of the Agreement.

Section 4. Representations. Borrower hereby represents to Lender that as of the date hereof, Borrower is in full compliance with all of the terms and conditions of the Agreement and each other Program Document and no Default or Event of Default has occurred and is continuing under the Agreement or any other Program Document.

Section 5. Binding Effect; Governing Law. This Amendment Number Two shall be binding and inure to the benefit of the parties hereto and their respective successors and permitted assigns. THIS AMENDMENT NUMBER TWO SHALL BE CONSTRUED IN ACCORDANCE WITH, AND GOVERNED BY, THE LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO THE CONFLICT OF LAWS PRINCIPLES THEREOF (EXCEPT FOR SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW WHICH SHALL GOVERN).

Section 6. Counterparts. This Amendment Number Two may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument, and any of the parties hereto may execute this Amendment Number Two by signing any such counterpart. Each counterpart shall be deemed to be an original, and all counterparts shall constitute one and the same instrument. The parties agree this Amendment Number Two, any documents to be delivered pursuant to this Amendment Number Two and any notices hereunder may be transmitted between them by e-mail. The parties intend that electronically imaged signatures such as .pdf files and signatures executed using third party electronic signature capture service providers, which comply with the Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act or any other similar state law based on the Uniform Electronic Transactions Act, shall constitute original signatures and are binding on all parties. The original documents shall be promptly delivered, if requested.

Section 7. Limited Effect. Except as amended hereby, the Agreement shall continue in full force and effect in accordance with its terms. Reference to this Amendment Number Two need not be made in the Agreement or any other instrument or document executed in connection therewith, or in any certificate, letter or communication issued or made pursuant to, or with respect to, the Agreement, any reference in any of such items to the Agreement being sufficient to refer to the Agreement as amended hereby.

[Signature Page Follows]

IN WITNESS WHEREOF, Borrower and Lender have caused this Amendment Number Two to be executed and delivered by their duly authorized officers as of the Amendment Effective Date.

ROCKET MORTGAGE, LLC,  
(Borrower)

By: /s/ Brian Brown  
Name: Brian Brown  
Title: Treasurer



CITIBANK, N.A.  
(Lender)

By: /s/ Arunthathi Theivakumaran  
Name: Arunthathi Theivakumaran  
Title: Vice President

Conformed Through Amendment 2 (April 28, 2023)

**CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN REDACTED.**

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**LOAN AND SECURITY AGREEMENT**

**Dated as of July 27, 2022**

**Between:**

**CITIBANK, N.A., as Lender,**

**and**

**ROCKET MORTGAGE, LLC, as Borrower**

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LOAN AND SECURITY AGREEMENT, dated as of July 27, 2022, between Rocket Mortgage, LLC, a Michigan limited liability company as borrower ("Borrower"), and CITIBANK, N.A., a national banking association as lender ("Lender").

## BACKGROUND

Borrower wishes to obtain financing from time to time to provide funding for the origination or acquisition of certain Eligible Servicing Rights (as defined herein), which Eligible Servicing Rights shall secure Loans (as defined herein) to be made by Lender hereunder.

Lender has agreed, subject to the terms and conditions of this Agreement (as defined herein), to provide such financing to Borrower.

Accordingly, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

### Article I. DEFINITIONS AND ACCOUNTING MATTERS

- (a) Defined Terms. As used herein, the following terms have the following meanings (all terms defined in this Section 1 or in other provisions of this Agreement in the singular to have the same meanings when used in the plural and vice versa):

"Accepted Servicing Practices" shall mean with respect to any Mortgage Loan, those accepted mortgage servicing practices (including collection procedures) of prudent mortgage lending institutions which service mortgage loans, as applicable, of the same type as the Loans in the jurisdiction where the related Mortgaged Property is located, and which are in accordance with applicable Agency servicing practices and procedures for Agency mortgage backed securities pool mortgages, as defined in the Agency Guidelines including future updates.

"Account Control Agreement" shall mean each shifting interest deposit account control agreement entered into among Lender, Borrower and the Control Bank with respect to a Controlled Account, in form and substance acceptable to Lender to establish Lender's "control" (as such term is defined in the UCC) over each such account.

"Acknowledgement Agreement" means, (i) with respect to Fannie Mae Servicing Rights, the Fannie Mae Acknowledgement Agreement, pursuant to which Fannie Mae acknowledges the security interest of Lender in the Fannie Mae Servicing Rights, together with any amendments and addenda thereto, and (ii) upon execution thereof, any acknowledgment agreement by and among Freddie Mac, Borrower and Lender as secured party, pursuant to which Freddie Mac acknowledges the security interest of Lender in the Freddie Mac Servicing Rights, together with any amendments and addenda thereto.

"Adjusted Tangible Net Worth" shall mean, with respect to any Person at any date, the excess of the total assets over the total liabilities of such Person on such date, each to be determined in accordance with GAAP consistent with those applied in the preparation of Borrower's financial statements less the sum of the following (without duplication): (a) the book value of all investments in non-consolidated subsidiaries, and (b) any other assets of Borrower and consolidated Subsidiaries that would be treated as intangibles under GAAP including, without limitation, goodwill, research and development costs, trademarks, trade names, copyrights, patents, rights to refunds and indemnification and unamortized debt discount and expenses. Notwithstanding the foregoing, servicing rights shall be included in the calculation of total assets.

"Affiliate" shall mean, with respect to any Person, any other Person which, directly or indirectly, controls, is controlled by, or is under common control with, such Person, and which shall include any Subsidiary of such Person. For purposes of this definition, "control" (together with the correlative meanings of "controlled by" and "under common control with") means possession, directly or indirectly,

of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by contract, or otherwise.

“Agency” shall mean each of Fannie Mae, Freddie Mac and Ginnie Mae.

“Agency Approval” shall have the meaning provided in Section 7.01(y).

“Agency Guidelines” shall mean the Ginnie Mae Guide, the Fannie Mae Guide and/or the Freddie Mac Guide, as the context may require, in each case as such guidelines have been or may be amended, supplemented or otherwise modified from time to time by Ginnie Mae, Fannie Mae or Freddie Mac, as applicable.

“Agency Obligations” means with respect to any Mortgage Loans, (a) all repurchase requests made by an Applicable Agency that have been outstanding for more than one hundred twenty (120) calendar days, (b) if at any time all outstanding repurchase requests made by an Applicable Agency exceed [\*\*\*] of the Outstanding Aggregate Loan Amount, then all repurchase requests made by an Applicable Agency that are outstanding during such time that the repurchase requests exceed such threshold, and (c) if a Stop-Loss Cap Failure has occurred and is continuing, (i) any obligation, cost, fee, claim or liability (actual or contingent) of Borrower, servicer or Subservicer in respect of such Mortgage Loan to indemnify Fannie Mae for any losses incurred in respect of any Mortgage Loan that was determined at the time of sale to have been ineligible for sale to Fannie Mae due to a breach of one or more representations and warranties but accepted for purchase subject to any waiver and indemnity obligations, and (ii) any and all other obligations, costs, fees, claims or liabilities described from time to time as being sold “with recourse” as such term (or terms of similar meaning) are defined in the Fannie Mae Guide, as amended or supplemented from time to time, and any successor publications thereto having the same general contents and purpose.

“Agreement” shall mean this Loan and Security Agreement (including all exhibits, schedules and other addenda hereto or thereto), as supplemented by the Pricing Side Letter, as it may be amended, restated, further supplemented or otherwise modified from time to time.

“Alternate Rate” shall mean, with respect to each Interest Period, (a) the per annum rate of interest of the applicable Benchmark Replacement, determined by Lender for such Interest Period, plus (b) the Applicable Margin.

“Alternate Rate Loan” shall mean the Loan at such time as interest thereon accrues at a per annum rate of interest equal to the Alternate Rate.

“Ancillary Income” means all money which is due and payable in connection with each Mortgage Loan other than the Servicing Fee and specifically including, without limitation, late charge fees, assignment transfer fees, insufficient funds check charges, amortization schedule fees, interest from escrow accounts and all other incidental fees and charges and any Float Benefit, in each case, to the extent such amounts are allocable to a Mortgage Loan.

“Anti-Money Laundering Laws” shall have the meaning provided in Section 6.01(cc) hereof.

“Anti-Terrorism Laws” shall mean any Requirements of Law relating to terrorism, trade sanctions programs and embargoes, import/export licensing, money laundering or bribery, and any regulation, order, or directive promulgated, issued or enforced pursuant to such Requirements of Law, all as amended, supplemented or replaced from time to time.

“Applicable Agency” means, (i) with respect to Fannie Mae Servicing Rights, Fannie Mae and (ii) with respect to Freddie Mac Servicing Rights, Freddie Mac.

“Applicable Agency Guide” shall mean (i) with respect to Fannie Mae, the Fannie Mae Guide, (ii) with respect to Freddie Mac, the Freddie Mac Guide and (iii) with respect to Ginnie Mae, the Ginnie Mae Guide.

“Applicable Law” shall mean as to any Person, any law, treaty, rule or regulation (including the Investment Company Act of 1940, as amended) or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

“Applicable Margin” shall have the meaning set forth in the Pricing Side Letter.

“Attributed Rate” shall have the meaning set forth in the Pricing Side Letter.

“Available Loan Amount” means, on any Business Day, an amount equal to the least of (a)(i) the then current Committed Amount plus the Uncommitted Amount minus (ii) the Outstanding Aggregate Loan Amount, (b) the Borrowing Base and (c) the Maximum Loan Amount.

“Basel III” means “A Global Regulatory Framework for More Resilient Banks and Banking Systems” developed by the Basel Committee on Banking Supervision (or any successor or similar authority), initially published in December 2010.

“Benchmark” shall mean, (a) initially, the Term SOFR Reference Rate; and (b) if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the Term SOFR Reference Rate or the then current Benchmark, then the applicable Benchmark Replacement. Notwithstanding anything to the contrary herein, Lender shall have the sole discretion to re-set the Benchmark to the then quoted rate thereof on a daily basis.

“Benchmark Replacement” shall mean, with respect to any Benchmark Transition Event, the sum of (a) the alternate benchmark rate that has been selected by Lender giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a rate of interest as a replacement for the then-current Benchmark for U.S. dollar-denominated syndicated or bilateral credit facilities at such time and (b) the Benchmark Replacement Adjustment; provided that, in no event shall the Benchmark Replacement for any Interest Period be deemed to be less than zero.

“Benchmark Replacement Adjustment” shall mean, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement, the spread adjustment, or method for calculating or determining such spread adjustment (which may be a positive or negative value or zero) that has been selected by Lender giving due consideration to (a) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or (b) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then current Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar denominated syndicated or bilateral credit facilities at such time.

“Benchmark Replacement Date” shall mean the earlier to occur of the following events with respect to the then current Benchmark:

(a) in the case of clause (a) or (b) of the definition of “Benchmark Transition Event,” the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of the Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide the Benchmark (or such component thereof); and

(b) in the case of clause (c) of the definition of “Benchmark Transition Event,” the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by or on behalf of the administrator of such Benchmark (or such component thereof) or the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be non-representative or non-compliant with or non-aligned with the International Organization of Securities Commissions (IOSCO) Principles for Financial Benchmarks; provided that



such non-representativeness, non-compliance or non-alignment will be determined by reference to the most recent statement or publication referenced in such clause (c) and even if any available tenor of such Benchmark (or such component thereof) continues to be provided on such date.

“Benchmark Transition Event” shall mean the occurrence of one or more of the following events with respect to the then-current Benchmark:

(a) a public statement or publication of information by or on behalf of the administrator of the Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide the Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component thereof);

(b) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark (or the published component used in the calculation thereof), the central bank for the currency of the Benchmark, an insolvency official with jurisdiction over the administrator for the Benchmark (or such component), a resolution authority with jurisdiction over the administrator for the Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark (or such component), which states that the administrator of the Benchmark (or such component) has ceased or will cease to provide the Benchmark (or such component thereof) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component thereof); or

(c) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) or the regulatory supervisor for the administrator of such Benchmark (or such component thereof) announcing that the Benchmark (or such component thereof) is not, or as of a specified future date will not be, representative or in compliance with or aligned with the International Organization of Securities Commissions (IOSCO) Principles for Financial Benchmarks.

“Benchmark Unavailability Period” shall mean, unless and until a Benchmark Replacement is implemented with respect to the then-current Benchmark pursuant to Section 2.10(e)(i) (rather than pursuant to Section 2.10(c)), each (if any) Interest Period for which Lender determines that (a) adequate and reasonable means do not exist for ascertaining the component of the Interest Rate based on Term SOFR (or the then-current Benchmark if the Loan is then an Alternate Rate Loan) (including, if the Benchmark is the Term SOFR Reference Rate, that Term SOFR cannot be determined in accordance with the definition thereof) or (b) it is unlawful to use the then-current Benchmark to determine the applicable Interest Rate for any Interest Period.

“Borrower Funding Request” means the request to fund a Loan on any Funding Date, substantially in the form of Exhibit 2.03, delivered in accordance with Section 2.03.

“Borrowing Base” means, as of any date of determination, an amount equal to (a) the aggregate Collateral Value of all Collateral that has been and remains pledged to Lender hereunder, minus (b) any Agency Obligations that are due to any Applicable Agency but have not yet been paid by Borrower, whether under the Servicing Contracts or otherwise, minus (c) the Facility Stop-Loss Amount.

“Borrowing Base Deficiency” has the meaning set forth in Section 2.08(b).

“Borrowing Base Report” means the borrowing base report, substantially in a format agreed upon by Borrower and Lender, delivered by Lender in accordance with Section 2.04.

“Borrowing Base Shortfall Day” has the meaning set forth in Section 2.08(b).

“Business Day” shall mean any day other than (a) a Saturday or Sunday, (b) a day on which the New York Stock Exchange, the Federal Reserve Bank of New York, the Custodian’s offices, banking and savings and loan institutions in the State of New York, Connecticut, Michigan or Delaware, the City of New York, the State of California or the city or state in which the offices of Lender are located are closed, or (c) a day on which trading in securities on the New York Stock Exchange or any other major securities exchange in the United States is not conducted.

“Capital Adequacy Notice” shall have the meaning assigned thereto in Section 2.06 hereof.

“Capital Lease Obligations” shall mean, for any Person, all obligations of such Person to pay rent or other amounts under a lease of (or other agreement conveying the right to use) Property to the extent such obligations are required to be classified and accounted for as a capital lease on a balance sheet of such Person under GAAP, and, for purposes of this Agreement, the amount of such obligations shall be the capitalized amount thereof, determined in accordance with GAAP.

“Cash Equivalents” shall mean (a) securities with maturities of [\*\*\*] or less from the date of acquisition issued or fully guaranteed or insured by the United States Government or any agency thereof, (b) certificates of deposit and eurodollar time deposits with maturities of [\*\*\*] or less from the date of acquisition and overnight bank deposits of any commercial bank having capital and surplus in excess of [\*\*\*], (c) repurchase obligations of any commercial bank satisfying the requirements of clause (b) of this definition, having a term of not more than seven days with respect to securities issued or fully guaranteed or insured by the United States Government, (d) commercial paper of a domestic issuer rated at least A-1 or the equivalent thereof by Standard and Poor’s Ratings Group (“S&P”) or P-1 or the equivalent thereof by Moody’s Investors Service, Inc. (“Moody’s”) and in either case maturing within [\*\*\*] after the day of acquisition, (e) securities with maturities of [\*\*\*] or less from the date of acquisition issued or fully guaranteed by any state, commonwealth or territory of the United States, by any political subdivision or taxing authority of any such state, commonwealth or territory or by any foreign government, the securities of which state, commonwealth, territory, political subdivision, taxing authority or foreign government (as the case may be) are rated at least A by S&P or A by Moody’s, (f) securities with maturities of [\*\*\*] or less from the date of acquisition backed by standby letters of credit issued by any commercial bank satisfying the requirements of clause (b) of this definition, (g) shares of money market mutual or similar funds, (h) [\*\*\*] of the unencumbered marketable securities in Borrower’s accounts (or the account of Borrower’s Affiliates), or (i) the aggregate amount of unused capacity available (taking into account applicable haircuts) under committed and uncommitted mortgage loan and mortgage-backed securities warehouse and servicing and servicer advance facilities, or lines of credit collateralized by mortgage or mortgage servicing rights assets for which the seller or borrower thereunder has adequate eligible collateral pledged or to pledge thereunder, or under unsecured lines of credit available to Borrower.

“Change in Law” means the occurrence after the date of this Agreement of (i) the adoption or effectiveness of any law, rule, regulation, judicial ruling, judgment, mandate or treaty, (ii) any change in any law, rule, regulation, mandate or treaty or in the administration, interpretation, implementation or application by any Governmental Authority of any law, rule, mandate, regulation or treaty, or (iii) the making or issuance by any Governmental Authority of any request, rule, guideline or directive, whether or not having the force of law; provided that, notwithstanding anything herein to the contrary (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, as amended and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines or directives concerning capital adequacy promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities shall, in each case, be deemed to be a “Change in Law,” regardless of the date enacted, adopted or issued (each of (x) and (y), a “DF/Basel Change”), it being agreed and understood that, notwithstanding any of the foregoing, to the extent that (A) any DF/Basel Change has been fully enacted, adopted and issued prior to the Effective Date and (B) there is no change in the terms of such DF/Basel Change or in the interpretation or administration thereof by any Governmental Authority charged with the interpretation or administration thereof after the date hereof, then such DF/Basel Change shall not be deemed to be a “Change in Law.”

“Change of Control” shall mean, with respect to Borrower, the acquisition by any other Person, or two or more other Persons acting as a group, of beneficial ownership (within the meaning of Rule 13d-3 of the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended) of outstanding shares of voting stock of Borrower at any time if after giving effect to such acquisition Rock Holdings Inc. does not own, directly or indirectly, more than [\*\*\*] of Borrower’s outstanding voting equity interests.

“COBRA” shall have the meaning assigned thereto in Section 6.01(p) hereof.

“Code” shall mean the Internal Revenue Code of 1986, as amended from time to time.

“Collateral” has the meaning set forth in Section 4.01.

“Collateral Account” shall mean a reserve account required by an Applicable Agency to be established by the Borrower due to concerns by the Applicable Agency with the Borrower’s ability to originate or service Mortgage Loans in accordance with Agency Guidelines, and/or due to concerns regarding the financial condition of the Borrower.

“Collateral Reporting Date” has the meaning set forth in Section 2.03(a).

“Collateral Substitution” has the meaning set forth in Section 4.05.

“Collateral Value” means, for purposes of determining the value of the Borrowing Base from time to time, with respect to the Eligible Servicing Rights (i) the Attributed Rate for Eligible Servicing Rights, multiplied by (ii) the Market Value of the Eligible Servicing Rights as determined by Lender in its sole discretion, exercised in good faith.

“Committed Amount” shall have the meaning assigned thereto in the Pricing Side Letter.

“Compliance Certificate” means a certificate in form acceptable to Lender substantially in the form of Exhibit B to the Pricing Side Letter.

“Conforming Changes” shall mean, with respect to either the use or administration of Term SOFR or the use, administration, adoption or implementation of any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Business Day,” “Determination Date,” “Interest Period,” “Payment Date,” and “U.S. Government Securities Business Day,” timing and frequency of determining rates and making payments of interest, preceding and succeeding business day conventions and other administrative or operational matters) that Lender determines may be appropriate or necessary to reflect the adoption and implementation of any such rate or to permit the use and administration thereof by Lender in a manner substantially consistent with market practice (or, if Lender decides that adoption of any portion of such market practice is not administratively feasible or if Lender determines that no market practice for the administration of any such rate exists, in such other manner of administration as Lender decides is reasonably necessary in connection with the administration of this Agreement and the other Program Documents).

“Contractual Obligation” shall mean as to any Person, any material provision of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound or any material provision of any security issued by such Person.

“Control Bank” shall mean JPMorgan Chase Bank, N.A., its permitted successors and assigns.

“Controlled Account” shall mean each account established pursuant to Section 7.01(dd).

“Costs” shall have the meaning provided in Section 12(a) hereof.

“Covered Entity” shall mean (a) Borrower and each of its Subsidiaries, all owners of the foregoing and all brokers or other agents of Borrower acting in any capacity in connection with any

Servicing Agreement and (b) each Person that, directly or indirectly, is in control of a Person described in clause (a) above. For purposes of this definition, control of a Person shall mean the direct or indirect (x) ownership of, or power to vote, 25% or more of the issued and outstanding Equity Interests having ordinary voting power for the election of directors of such Person or other Persons performing similar functions for such Person, or (y) power to direct or cause the direction of the management and policies of such Person whether by ownership of Equity Interests, contract or otherwise.

“Covered Mortgage” means, with respect to Fannie Mae Mortgage Loans, “Subject Mortgages” as such term is defined in the Fannie Mae Acknowledgment Agreement.

“Custodial File” means with respect to any Mortgage Loan, a file pertaining to such Mortgage Loan being held by the Custodian that contains the mortgage documents pertaining to such Mortgage Loan.

“Custodian” means any financial institution that holds documents for any of the Mortgage Loans on behalf of any Applicable Agency related thereto.

“Cut-off Date” shall mean the close of business on the last day of the immediately preceding calendar month.

“Daily Simple SOFR” means, for any day, SOFR, with the conventions for this rate (which will include a lookback) being established by Lender in accordance with the conventions for this rate recommended by the Relevant Governmental Body for determining “Daily Simple SOFR” for bilateral business loans; provided, that if Lender decides that any such convention is not administratively feasible for Lender, then Lender may establish another convention in its reasonable discretion.

“Default” shall mean an Event of Default or any event that, with the giving of notice or the passage of time or both, would become an Event of Default.

“Determination Date” shall mean, with respect to any Interest Period, (a) if the Loan is a SOFR Loan, the Periodic Term SOFR Determination Day for such Interest Period, or (b) if the Loan is an Alternate Rate Loan, the date and time determined by Lender in accordance with the Conforming Changes.

“Dodd-Frank Act” means the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, Pub. L. No. 111-203 and any successor statute.

“Dollars” or “\$” shall mean lawful money of the United States of America.

“Effective Date” means the date on which all of the conditions set out in Section 5.01 are satisfied.

“Eligible Servicing Rights” means, Servicing Rights owned by Borrower that are related to Mortgage Loans pooled in securitizations by (i) Fannie Mae or (ii) Freddie Mac, provided in each case, that the related Acknowledgment Agreement has been executed by the parties hereto and the related Agency, and such Servicing Rights comply with the eligibility criteria set forth in Schedule 6.02.

“ERISA” shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time, and the regulations promulgated and administrative rulings issued thereunder.

“ERISA Affiliate” shall mean any entity, whether or not incorporated, that is a member of any group of organizations described in Section 414(b), (c), (m) or (o) of the Code of which Borrower is a member.

“Event of Default” shall have the meaning provided in Section 8.01.

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<sup>1</sup> See Amendment No. 2 to Loan and Security Agreement, dated April 28, 2023.

“Event of ERISA Termination” means, with respect to Borrower or any ERISA Affiliate, (i) a Reportable Event with respect to any Plan, (ii) the withdrawal of Borrower or any ERISA Affiliate from a Plan during a plan year in which it is a substantial employer, as defined in Section 4001(a)(2) of ERISA), (iii) the failure by Borrower or any ERISA Affiliate to meet the minimum funding standard of Section 412 of the Code or Section 302 of ERISA with respect to any Plan, including, without limitation, the failure to make on or before its due date a required installment under Section 412(m) of the Code (or Section 430(j) of the Code) or Section 302(e) of ERISA (or Section 303(j) of ERISA), (iv) the distribution under Section 4041 of ERISA of a notice of intent to terminate any Plan or any action taken by Borrower or any ERISA Affiliate to terminate any Plan; (v) the failure to meet the requirements of Section 436 of the Code, (vi) the institution by the PBGC of proceedings under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Plan, (vii) the receipt by Borrower or any ERISA Affiliate of a notice from a Multiemployer Plan that action of the type described in clause (vi) has been taken by the PBGC with respect to such Multiemployer Plan, or (viii) any event or circumstance exists which may reasonably be expected to constitute grounds for Borrower or any ERISA Affiliate to incur liability under Title IV of ERISA or under Sections 412(b) or 430(k) of the Code with respect to any Plan.

<sup>2</sup>“Excess Yield” means with respect to each Fannie Mae Mortgage Loan that is a Released Excess Yield Mortgage and each monthly payment period for the pools relating to such Released Excess Yield Mortgage, the interest-rate cash flow that remains after subtracting the sum of (i) the applicable pass-through rate for security backed by the related pool (“MBS”), (ii) the guaranty fee rate applied to that mortgage loan in connection with the MBS, (iii) the Minimum Servicing Spread and (iv) the premium amounts for monthly lender-purchased mortgage insurance, if any, required to be paid by Borrower from interest amounts payable on that mortgage loan (such amounts being converted to an annual rate).

<sup>3</sup>“Excess Yield Transaction” a transaction in which Servicer sells Excess Yield to Fannie Mae in exchange for the Stripped Interest Certificate, and, to the extent applicable, Servicer agrees to sell the Stripped Interest Certificate to an underwriter who will offer the Stripped Interest Certificate from time to time in negotiated transactions at varying prices either directly or through designated dealers.

<sup>4</sup>“Excess Yield Transaction Date” shall have the meaning set forth in Section 2.08(d).

“Executive Order” shall mean Executive Order 13224 -- Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism.

<sup>5</sup>“EY Transaction” shall have the meaning set forth in Section 2.08(d).

<sup>6</sup>“EYT Notice” shall have the meaning set forth in Section 2.08(d).

“Facility” means the loan facility provided to Borrower by Lender pursuant to this Agreement.

“Facility Stop-Loss Amount” means, (a) prior to such time that the Lender and the Other Facility Lenders have entered into an Intercreditor Agreement, [\*\*\*] of the Stop-Loss Cap, and (b) during such time that the Lender and any Other Facility Lender are party to an Intercreditor Agreement, the result of (i) the Stop-Loss Cap, minus (ii) the portion of the Stop-Loss Cap that has been allocated to Other Facility Lenders pursuant to the terms of such Intercreditor Agreement.

“Fannie Mae” shall mean Fannie Mae, or any successor thereto.

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<sup>2</sup> See Amendment No. 2 to Loan and Security Agreement, dated April 28, 2023.

<sup>3</sup> See Amendment No. 2 to Loan and Security Agreement, dated April 28, 2023.

<sup>4</sup> See Amendment No. 2 to Loan and Security Agreement, dated April 28, 2023.

<sup>5</sup> See Amendment No. 2 to Loan and Security Agreement, dated April 28, 2023.

<sup>6</sup> See Amendment No. 2 to Loan and Security Agreement, dated April 28, 2023.

<sup>7</sup>“Fannie Mae Acknowledgment Agreement” means the Acknowledgment Agreement, dated as of July 27, 2022, entered into among Borrower, Lender and Fannie Mae, as amended or modified from time to time.

“Fannie Mae Guide” means the Fannie Mae Selling Guide and the Fannie Mae Servicing Guide, as amended from time to time, and any related announcements, directives and correspondence issued by Fannie Mae.

“Fannie Mae Lender Contract” shall have the meaning set forth in Section 4.02.

<sup>8</sup>“Fannie Mae Mortgage Loans” means those Mortgage Loans owned or guaranteed by Fannie Mae.

“Fannie Mae Servicing Rights” means all Servicing Rights with respect to Fannie Mae.

“FCA” shall have the meaning set forth in Section 2.10(a).

“Financial Covenants” shall mean Borrower’s financial covenants set forth in Section 3 of the Pricing Side Letter.

“Federal Reserve Board” means the Board of Governors of the Federal Reserve System of the United States.

“Float Benefit” means the net economic benefit resulting from investments of funds representing escrow and custodial deposits held for the account of Borrower or Subservicer, or the Applicable Agency relating to the Mortgage Loans.

“Foreign Lender” shall have the meaning set forth in Section 2.07 hereof.

“Freddie Mac” shall mean Freddie Mac, or any successor thereto.

“Freddie Mac Conditions” shall have the meaning set forth in Section 5.03 hereof.

“Freddie Mac Guides” shall mean the Freddie Mac Seller/Servicer Guide, and all amendments and additions thereto.

“Freddie Mac Servicing Rights” means all Servicing Rights with respect to Freddie Mac.

“Funding Date” shall mean the date on which Lender makes any Loan hereunder.

“Funding Notice Date” means the date on which Borrower shall deliver a Borrower Funding Request, which shall be no later than (i) [\*\*\*] prior to any Funding Date in which no new Eligible Servicing Rights are being added to the Collateral and (ii) [\*\*\*] prior to each Funding Date where new Eligible Servicing Rights are to be added to the Collateral.

“GAAP” shall mean generally accepted accounting principles in effect from time to time in the United States of America.

“Ginnie Mae” shall mean the Government National Mortgage Association and its successors in interest, a wholly-owned corporate instrumentality of the government of the United States of America.

“Ginnie Mae Guide” shall mean the Ginnie Mae Handbook 5500.3 and all amendments and additions thereto.

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<sup>7</sup> See Amendment No. 2 to Loan and Security Agreement, dated April 28, 2023.

<sup>8</sup> See Amendment No. 2 to Loan and Security Agreement, dated April 28, 2023.

“Governmental Authority” shall mean with respect to any Person, any nation or government, any state or other political subdivision, agency or instrumentality thereof, any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government and any court or arbitrator having jurisdiction over such Person, any of its Subsidiaries or any of its properties.

“Guarantee” shall mean, as to any Person, any obligation of such Person directly or indirectly guaranteeing any Indebtedness of any other Person or in any manner providing for the payment of any Indebtedness of any other Person or otherwise protecting the holder of such Indebtedness against loss (whether by virtue of partnership arrangements, by agreement to keep-well, to purchase assets, goods, securities or services, or to take-or-pay or otherwise), provided that the term “Guarantee” shall not include (i) endorsements for collection or deposit in the ordinary course of business, or (ii) obligations to make servicing advances for delinquent taxes and insurance, or other obligations in respect of a Mortgaged Property. The amount of any Guarantee of a Person shall be deemed to be the amount of the corresponding liability shown on such Person’s consolidated balance sheet calculated in accordance with GAAP as determined by such Person in good faith. The terms “Guarantee” and “Guaranteed” used as verbs shall have correlative meanings.

“HUD” means the United States Department of Housing and Urban Development, or any successor thereto.

“IBA” shall have the meaning set forth in Section 2.10(a).

“Indebtedness” shall mean, for any Person: (a) obligations created, issued or incurred by such Person for borrowed money (whether by loan, the issuance and sale of debt securities or the sale of Property to another Person subject to an understanding or agreement, contingent or otherwise, to repurchase such Property from such Person); (b) obligations of such Person to pay the deferred purchase or acquisition price of Property or services, other than trade accounts payable (other than for borrowed money) arising, and accrued expenses incurred, in the ordinary course of business; (c) indebtedness of others secured by a Lien on the Property of such Person, whether or not the respective indebtedness so secured has been assumed by such Person; (d) obligations (contingent or otherwise) of such Person in respect of letters of credit or similar instruments issued or accepted by banks and other financial institutions for the account of such Person; (e) Capital Lease Obligations of such Person; (f) obligations of such Person under repurchase agreements or like arrangements; (g) indebtedness of others Guaranteed by such Person; (h) all obligations of such Person incurred in connection with the acquisition or carrying of fixed assets by such Person; (i) indebtedness of general partnerships of which such Person is a general partner; and (j) any other indebtedness of such Person evidenced by a note, bond, debenture or similar instrument, provided that, for purposes of this definition, the following shall not be included as “Indebtedness”: loan loss reserves, deferred taxes arising from capitalized excess service fees, operating leases, liabilities associated with Borrower’s or its Subsidiaries’ securitized Home Equity Conversion Mortgage (HECM) loan inventory where such securitization does not meet the GAAP criteria for sale treatment, obligations under Hedging Arrangements, obligations related to treasury management, brokerage or trading-related arrangements, or transactions for the sale and/or repurchase of loans.

“Indemnified Party” shall have the meaning provided in Section 12.

“Initial Borrowing Base Report” means the initial borrowing base report delivered by Lender in accordance with Section 2.04 based on the information set forth in the related Servicing Schedule with respect to the Collateral then pledged to Lender hereunder.

“Initial Borrower Funding Request” means the request to fund the Loan on the Initial Funding Date, substantially in the form of Exhibit 2.03, delivered in accordance with Section 2.03.

“Initial Funding Date” means the Funding Date on which the first Loan is made pursuant to this Agreement, as specified in the Initial Borrower Funding Request.

“Intercreditor Agreement” shall mean any intercreditor agreement, in a form acceptable to Lender in its reasonable discretion, entered into by the Lender, Borrower, and one or more Other Facility Lenders

(as amended, restated, supplemented, modified, replaced or extended from time to time) relating to mortgage servicing rights of the Applicable Agency as approved by such Applicable Agency in its sole and absolute discretion.

“Interest Period” means, for any Loan, (i) an initial period beginning on the Funding Date for such Loan and ending on the last day of the calendar month in which such Funding Date occurs; and (ii) subsequent consecutive periods thereafter, beginning on the first day of each subsequent calendar month and ending on the earlier of (x) the last day of the same calendar month in which such Interest Period began and (y) the Loan Repayment Date.

“Interest Rate” shall mean, with respect to each Interest Period, a rate per annum equal to the sum of (a) the greater of (i) [\*\*\*] and (ii) Term SOFR (or the applicable Benchmark Replacement) determined by Lender as of the Determination Date for such Interest Period, plus (b) the Applicable Margin; provided that if the foregoing would result in an interest rate in excess of the maximum rate permitted by applicable law, the Interest Rate shall be limited to the maximum rate permitted by applicable law.

“Investment Company Act” shall mean the Investment Company Act of 1940, as amended, including all rules and regulations promulgated thereunder.

“IRS” shall have the meaning set forth in Section 2.07(c) hereof.

“Lien” means with respect to any property or asset of any Person (a) any mortgage, lien, pledge, charge or other security interest or encumbrance of any kind in respect of such property or asset or (b) the interest of a vendor or lessor arising out of the acquisition of or agreement to acquire such property or asset under any conditional sale agreement, lease purchase agreement or other title retention agreement, and in each case, other than the interest of the Applicable Agency’s rights and interests in the Eligible Servicing Rights.

“Liquidity” means with respect to any Person, the sum of (i) its unrestricted cash, plus (ii) its unrestricted Cash Equivalents.

<sup>9</sup>“Loan Repayment Date” means, the earlier to occur of (i) [\*\*\*], or (ii) such earlier date as may be notified by Lender in accordance with Section 8.02(a) or Section 8.02(b).

“Loans” has the meaning set forth in Section 2.01.

“Margin Call” shall have the meaning assigned thereto in Section 2.08 hereof.

<sup>10</sup>“Margin Deficit” has the meaning set forth in the Master Repurchase Facility.

“Margin Payment Deadline” shall mean, (i) if the Borrowing Base Deficiency is (a) a Stop-Loss Cap Failure Borrowing Base Deficiency, or (b) less than or equal to the Margin Payment Extension Threshold, and Lender delivers a Margin Call to Borrower (I) on or prior to 10:00 a.m. (New York City time) on any Business Day, no later than 5:00 p.m. (New York City time) on the date that is [\*\*\*] after Borrower’s receipt of such Margin Call, (I) after 10:00 a.m. (New York City time) on any Business Day, no later than 5:00 p.m. (New York City time) on the date that is [\*\*\*] after Borrower’s receipt of such Margin Call, and (ii) if the Borrowing Base Deficiency (other than a Stop-Loss Cap Failure Borrowing Base Deficiency) is greater than the Margin Payment Extension Threshold, no later than 5:00 p.m. (New York City time) on the date that is [\*\*\*] after Borrower’s receipt of such Margin Call.

“Margin Payment Extension Threshold” shall have the meaning assigned thereto in the Pricing Side Letter.

“Margin Threshold” shall have the meaning assigned thereto in the Pricing Side Letter.

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<sup>9</sup> See Amendment No. 1 to Loan and Security Agreement, dated September 9, 2022.

<sup>10</sup> See Amendment No. 2 to Loan and Security Agreement, dated April 28, 2023.



“Market Value” shall mean, as of any date of determination, with respect to (i) any Eligible Servicing Right included in the Borrowing Base, the value of such asset on such date as determined in good faith by Lender consistent with the MV Criteria, as marked to market as often as daily, and (ii) a Servicing Right which is not an Eligible Servicing Right included in the Borrowing Base, zero. Lender’s determination of Market Value shall be conclusive upon the parties, absent manifest error on the part of Lender; provided that Lender’s determination of Market Value shall be in accordance with the MV Criteria.

Borrower acknowledges that Lender’s determination of Market Value is for the limited purpose of determining Collateral Value for lending purposes hereunder without the ability to perform customary purchaser’s due diligence and is not necessarily equivalent to a determination of the fair market value of the Eligible Servicing Rights achieved by obtaining competing bids in an orderly market in which Borrower is not in default under a revolving debt facility and the bidders have adequate opportunity to perform customary loan and servicing and subservicing due diligence. For the purpose of determining the related Market Value on any Funding Date, Lender shall have the right to use a third party valuation of the Eligible Servicing Rights delivered pursuant to Section 2.04 provided by Borrower, or a valuation obtained by Lender, or both, but Lender shall have no obligation to use any third-party valuation and shall have the right to determine the Market Value of the Eligible Servicing Rights at any time in its sole discretion, exercised in good faith in accordance with the MV Criteria. Subsequently, Lender shall have the right to reasonably request from Borrower, an updated valuation for each Eligible Servicing Right on a quarterly basis, in a form acceptable to Lender in its reasonable discretion; provided that Lender shall not be obligated to rely on any third-party valuation and shall have the right to determine the Market Value of the Eligible Servicing Rights at any time in its sole discretion, exercised in good faith in accordance with the MV Criteria.

“Master Repurchase Facility” shall mean that certain repurchase facility provided under the Master Repurchase Agreement (including all exhibits, schedules and other addenda hereto or thereto), as supplemented by the Pricing Side Letter, as it may be amended, restated, further supplemented or otherwise modified from time to time, each entered into as of September 4, 2019, between Lender and Borrower.

“Material Adverse Effect” shall mean (a) a material adverse change in Borrower’s consolidated financial condition or business operations or Property, (b) any event which adversely affects Borrower’s ability to perform under the Program Documents to which it is a party or satisfy, in all material respects, its obligations, representations, warranties and covenants under the Program Documents to which it is a party, taken as a whole, or (c) any material adverse effect on the Collateral, taken as a whole, or (d) any material adverse effect on the validity, perfection, priority or enforceability of Lender’s security interest in the Collateral.

“Maximum Leverage Ratio” shall have the meaning assigned thereto in the Pricing Side Letter.

“Maximum Loan Amount” shall have the meaning assigned thereto in the Pricing Side Letter.

“MBS” means Mortgage Backed Security.

“Minimum Adjusted Tangible Net Worth” shall have the meaning assigned to such term in the Pricing Side Letter.

“Minimum Liquidity Amount” shall have the meaning assigned to such term in the Pricing Side Letter.

<sup>11</sup>“Minimum Servicing Spread” means, as applicable to each Released Excess Yield Mortgage, on a per annum basis, a minimum servicing fee rate equal to [\*\*\*].

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<sup>11</sup> See Amendment No. 2 to Loan and Security Agreement, dated April 28, 2023.

“Monthly Settlement Date” means the 15<sup>th</sup> day of each calendar month or, if such 15<sup>th</sup> is not a Business Day, the first Business Day thereafter, or such other date occurring at least once each month as may be agreed to by Borrower and Lender, commencing in the month immediately following the month in which the initial Loan is funded.

“Mortgage” means a mortgage, mortgage deed, deed of trust, or other instrument creating a first lien on or first priority security interest in an estate in fee simple in real property securing a Mortgage Note including any riders, assumption agreements or modifications relating thereto.

“Mortgage File” means, with respect to any Mortgage Loan, a file or files pertaining to such Mortgage Loan that contains the mortgage documents pertaining to such Mortgage Loan and incorporated herein by reference, and any additional mortgage documents pertaining to such Mortgage Loan required by the related Applicable Agency Guide.

“Mortgage Loan” means any mortgage loan serviced by Borrower pursuant to any Servicing Contract.

“Mortgage Note” means the note or other evidence of indebtedness of a Mortgagor secured by a Mortgage pertaining to a Mortgage Loan.

“Mortgagor” shall mean the obligor or obligors on a Mortgage Note, including any person who has assumed or guaranteed the obligations of the obligor thereunder.

“Multiemployer Plan” shall mean a multiemployer plan defined as such in Section 3(37) of ERISA to which contributions have been or are required to be made by Borrower or any ERISA Affiliate or as to which Borrower or any ERISA Affiliate has any actual or potential liability or obligation and that is covered by Title IV of ERISA.

“MV Criteria” shall mean, with respect to Lender’s determination of Market Value, that it is based on the pricing that Lender uses for comparable assets in comparable facilities, taking into account such factors as Lender deems appropriate, including without limitation, available objective indications of value, to the extent deemed by Lender to be reliable and applicable to the related Servicing Right and Borrower.

“Net Income” shall mean, for any period, the net income of the applicable Person for such period as determined in accordance with GAAP.

“Non-Exempt Person” shall mean any Person other than a Person who is either (a) a U.S. Person or (b) has provided for the relevant year such duly-executed form(s) or statement(s) which may, from time to time, be prescribed by law and which, pursuant to applicable provisions of (i) any income tax treaty between the United States and the country of residence of such Person, (ii) the Code, or (iii) any applicable rules or regulations in effect under clauses (a) or (b) above, permit the Borrower or Subservicer to make such payments free of any obligation or liability for withholding.

“Note” means the promissory note of Borrower issued to Lender, in substantially the form of Exhibit 2.02(a), as amended from time to time, and any replacement thereof or substitution therefor.

“Obligations” shall mean (a) the Outstanding Aggregate Loan Amount, all accrued interest thereon and all other obligations and liabilities of Borrower to Lender or its Affiliates arising under or in connection with this Agreement, the Note or any other Program Document, whether now existing or hereafter arising; (b) any and all sums paid by Lender or on behalf of Lender pursuant to the Program Documents in order to preserve any Collateral or its interest therein; (c) in the event of any proceeding for the collection or enforcement of Borrower’s indebtedness, obligations or liabilities referred to in clause (a), the reasonable out-of-pocket expenses of retaking, holding, collecting, preparing for sale, selling or otherwise disposing of or realizing on any Collateral, or of any exercise by Lender or any Affiliate of Lender of its rights under the Program Documents, including without limitation, reasonable attorneys’

fees and disbursements and court costs; and (d) Borrower's indemnity obligations to Lender pursuant to the Program Documents.

"OFAC" shall mean the Office of Foreign Assets Control of the United States Department of the Treasury.

"Optional Prepayment Date" has the meaning set forth in Section 2.09.

"Other Facility" shall mean any other financing facility between Borrower and an Other Facility Lender in which Borrower has pledged any Applicable Agency eligible servicing rights or excess servicing spread to such Other Facility Lender as collateral thereunder, and with respect to which the Lender and the Other Facility Lenders have entered into an Intercreditor Agreement.

"Other Facility Lenders" shall mean any lender or an administrative agent on behalf of any lender that becomes a party to an Intercreditor Agreement in its capacity as a lender or administrative agent to Borrower.

"Other Taxes" shall mean any and all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes or any excise, sales, goods and services or transfer taxes, charges or similar levies arising from any payment made hereunder or from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Program Document.

"Outstanding Aggregate Loan Amount" means, at any time, the aggregate principal amount of the Loans funded by Lender, minus the aggregate amount of payments received by Lender prior to such time and applied to reduce the principal amount of the Loans.

<sup>12</sup>"Partial Release (Excess Yield)" means, with respect to an Excess Yield Transaction, that certain separate Partial Release document, executed and delivered by Lender in favor of Fannie Mae, dated effective as of the Excess Yield Transaction Date, which evidences, inter alia, the full release by Lender of its security interest in, to, and under the released excess yield.

"Payment" shall have the meaning set forth in Section 32(a)(i).

"Payment Notice" shall have the meaning set forth in Section 32(b)(i).

"P&I" means principal and interest.

"PBGC" shall mean the Pension Benefit Guaranty Corporation or any entity succeeding to any or all of its functions under ERISA.

"Periodic Term SOFR Determination Day" shall have the meaning set forth in the definition of "Term SOFR."

"Person" shall mean any individual, corporation, company, voluntary association, partnership, joint venture, limited liability company, trust, unincorporated association or government (or any agency, instrumentality or political subdivision thereof).

"Plan" shall mean an employee benefit or other plan established, maintained, or contributed to by Borrower or any ERISA Affiliate that is covered by Title IV of ERISA or Section 412 of the Code, other than a Multiemployer Plan.

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<sup>12</sup> See Amendment No. 2 to Loan and Security Agreement, dated April 28, 2023.

<sup>13</sup>“Pledged Servicing Rights” means any Eligible Servicing Rights a security interest in which has been granted to Lender pursuant to this Agreement. For the avoidance of doubt Pledged Servicing Rights do not include any Excess Yield.

“Pool” means a group of Mortgage Loans, which are the security for a MBS issued by an Agency.

“Post-Default Rate” shall have the meaning assigned thereto in the Pricing Side Letter.

“Prepayment Notice” means a notice substantially in the form of Exhibit 2.08(b).

“Pricing Side Letter” shall mean the most recently executed pricing side letter, between Borrower and Lender referencing this Agreement and setting forth the pricing terms and certain additional terms with respect to this Agreement, as the same may be amended, restated, supplemented or otherwise modified from time to time, and the terms of which are incorporated herein as if fully set forth.

“Prime Rate” shall mean rate of interest published in The Wall Street Journal from time to time as the “Prime rate” for the U.S. If more than one such “Prime rate” is published in The Wall Street Journal for a day, the average of such “Prime rates” shall be used, and such average shall be rounded up to the nearest [\*\*\*]. If The Wall Street Journal ceases to publish the “Prime rate” for the U.S., Lender shall select an equivalent publication that publishes such “Prime rate,” and if such “Prime rates” are no longer generally published or are limited, regulated or administered by a governmental or quasigovernmental body, then Lender shall select a comparable interest rate index. Notwithstanding the foregoing, in no event will the Prime Rate be deemed to be less than zero.

“Program Documents” shall mean this Agreement, the Note, Account Control Agreement, each Acknowledgement Agreement, the Pricing Side Letter, each Subservicer Acknowledgment Letter (if any), Subservicing Agreement (if any), and all notices, certificates, financing statements and other documents to be executed and delivered by Borrower in connection with the transactions contemplated by this Agreement.

“Prohibited Jurisdiction” shall mean, any country or jurisdiction, from time to time, that is the subject of a prohibition order (or any similar order or directive), sanctions or restrictions promulgated or administered by any Governmental Authority of the United States.

“Prohibited Person” shall mean any Person:

(i) listed in the Annex to the Executive Order, or otherwise subject to the provisions of, the Executive Order;

(ii) that is owned or controlled by, or acting for or on behalf of, any person or entity that is listed in the Annex to, or is otherwise subject to the provisions of, the Executive Order;

(iii) with whom Lender is prohibited from dealing or otherwise engaging in any transaction by any terrorism or money laundering law, including the Executive Order;

(iv) that commits, threatens or conspires to commit or supports “terrorism” as defined in the Executive Order;

(v) that is named as a “specially designated national and blocked person” on the most current list published by the OFAC at its official website, <http://www.treas.gov/ofac/t11sdn.pdf> or at any replacement website or other replacement official publication of such list; or

(vi) that is an Affiliate of a Person listed above.

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<sup>13</sup> See Amendment No. 2 to Loan and Security Agreement, dated April 28, 2023.

“Property” shall mean any right or interest in or to property of any kind whatsoever, whether real, personal or mixed and whether tangible or intangible.

“Purchase Documents” means (i) the Purchase Contract (as defined in the Freddie Mac Guides), including a Purchase Contract confirmation, by and between Borrower and Freddie Mac, (ii) the Freddie Mac Guides, (iii) any Bulletins (as defined in the Freddie Mac Guides), (iv) any agreement pursuant to which Borrower provides a guaranty or any form of credit enhancement in connection with the sale of Mortgage Loans to Freddie Mac, (v) the Servicer Success Scorecard (as defined in the Freddie Mac Guides), (vi) any other document designated to be a Purchase Document by Freddie Mac, (vii) the Guide Plus Additional Provisions (as defined in the Freddie Mac Guides), as amended from time to time, and (viii) any other additional terms applicable to the sale of Mortgage Loans, such as written waivers, amendments or supplements to the Freddie Mac Guides that are made available to Borrower by Freddie Mac through electronic means including sources designated by Freddie Mac for distribution of the Freddie Mac Guides.

“Related Escrow Account Balances” means the balance, on the related Funding Date, of any escrow or impound accounts maintained by Borrower which relate to any Mortgage Loan, including, without limitation, items escrowed for mortgage insurance, property taxes (either real or personal), hazard insurance, flood insurance, ground rents, or any other escrow or impound items required by any Mortgage Note or Mortgage, reduced by any unpaid real estate taxes or insurance premiums required to be paid by Borrower, with respect to which amounts have been escrowed by the related Mortgagor.

“Related Principal and Interest Custodial Accounts” means all principal and interest custodial accounts maintained by Borrower that relate to any Mortgage Loan or Pool.

<sup>14</sup>“Released Excess Yield Mortgages” means, those Covered Mortgages which, as of the Excess Yield Transaction Date, are listed on Schedule I attached to the Partial Release (Excess Yield).

“Relevant Governmental Body” shall mean the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto.

“Repayment Notice” means a notice substantially in the form of Exhibit 2.08(a).

“Reportable Event” shall mean any of the events set forth in Section 4043(b) of ERISA, other than those events as to which the thirty day notice period is waived under subsections .21, .22, .23, .24, .28, .29, .31, or .32 of PBGC Reg. § 4043 (provided that a failure to meet the minimum funding standard of Section 412 of the Code or Sections 302 or 303 of ERISA, including, without limitation, the failure to make on or before its due date a required installment under Section 430(j) of the Code or Section 303(j) of ERISA, shall be a Reportable Event regardless of the issuance of any waivers in accordance with Section 412(c) of the Code).

“Requirement of Law” shall mean as to any Person, any law, treaty, rule or regulation or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

“Responsible Officer” shall mean, as to any Person, the chief executive officer, general counsel or, with respect to financial matters, the chief financial officer of such Person; provided, that in the event any such officer is unavailable at any time he or she is required to take any action hereunder, Responsible Officer shall mean any officer authorized to act on such matter.

“Sanctioned Country” shall mean a country subject to a sanctions program maintained under any Anti-Terrorism Laws.

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<sup>14</sup> See Amendment No. 2 to Loan and Security Agreement, dated April 28, 2023.

“Sanctioned Person” shall mean any individual person, group, regime, entity or thing listed or otherwise recognized as a specially designated, prohibited, sanctioned or debarred person, group, regime, entity or thing, or subject to any limitations or prohibitions (including but not limited to the blocking of property or rejection of transactions), under any Anti-Terrorism Laws.

“Servicer” shall mean Rocket Mortgage, LLC.

“Servicing Contracts” means (i) with respect to all Fannie Mae Servicing Rights, the Fannie Mae Lender Contract and (ii) with respect to all Freddie Mac Servicing Rights, the Purchase Documents; and (iii) any other agreement in any form between Borrower and any Applicable Agency with respect to the servicing of any Pools regarding the Applicable Agency, in each case as such agreements may be amended, amended and restated, supplemented or otherwise modified from time to time.

“Servicing Fee” means the total amount of the fee payable to Servicer as compensation for servicing and administering the Mortgage Loans.

<sup>15</sup>“Servicing Rights” means with respect to each Mortgage Loan, all Borrower’s right, title and interest in, to and under the related Servicing Contract, whether now or hereafter existing, acquired or created, whether or not yet accrued, earned, due or payable, as well as all other present and future right and interest under such Servicing Contract, including, without limitation, the indivisible, conditional and non-delegable right (i) to service the Mortgage Loans under the related Servicing Contracts, (ii) to receive the Servicing Fee income payable after the related Funding Date (including without limitation, any Uncollected Fees), (iii) to any and all Ancillary Income received after the related Funding Date, (iv) to hold and administer the Related Escrow Account Balances, (v) to hold and administer, in accordance with the related Servicing Contract, the Related Principal and Interest Custodial Account, the Custodial File, and the Mortgage File arising from or connected to the servicing or subservicing of such Mortgage Loan under this Agreement and (vi) all proceeds, income, profits, rents and products of any of the foregoing including, without limitation, all of Borrower’s rights to proceeds of any sale or other disposition of the Servicing Rights. For the avoidance of doubt, as to Fannie Mae Mortgage Loans, Servicing Contract Rights and Servicing Rights do not include Excess Yield.

“Servicing Schedule” shall mean an electronically delivered schedule delivered by Borrower to Lender or its designee (including any Person identified on Schedule 7.01(a)) in accordance with Section 2.03(a), and otherwise from time to time on a monthly basis or as otherwise requested by Lender with respect to all Collateral to be pledged to Lender hereunder. Each Servicing Schedule shall contain updated information with respect to the Collateral as of the date specified on such schedule.

“SOFR” shall mean a rate equal to the secured overnight financing rate as administered by the SOFR Administrator.

“SOFR Administrator” shall mean the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

“SOFR Loan” shall mean the Loan at such time as interest thereon accrues at a rate of interest equal to the SOFR Rate.

“SOFR Rate” shall mean the sum of (a) Term SOFR applicable to such Interest Period and (b) the Applicable Margin.

“Stop-Loss Cap” has the meaning set forth in the Acknowledgement Agreement.

“Stop-Loss Cap Failure” shall mean any event whereby the Stop-Loss Cap is no longer applicable to the Acknowledgement Agreement.

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<sup>15</sup> See Amendment No. 2 to Loan and Security Agreement, dated April 28, 2023.

“Stop-Loss Cap Failure Borrowing Base Deficiency” shall mean a Borrowing Base Deficiency arising from the occurrence of a Stop-Loss Cap Failure, including, but not limited to, the related reduction of the Attributed Rate for Eligible Servicing Rights or the updated Agency Obligations report delivered in connection with Section 7.01(p).

“Stripped Interest Certificate” means one or more stripped interest certificate(s) that (i) represents an interest in and the right to receive payments equal to the Released Excess Yield of the Released Excess Yield Mortgages, and (ii) is issued and guaranteed by Fannie Mae and sold to Borrower, and may be sold by Borrower to subsequent entities.

“Subservicer” shall mean any Person engaged by Borrower, but only to the extent that (i) Lender has provided its prior written consent to the appoint of such Subservicer and (ii) Lender and Borrower have executed a Subservicer Acknowledgment Letter with respect to such appointment; to subservice the Mortgage Loans, together with its permitted successors and assigns.

“Subservicing Agreement” means any subservicing agreement between Borrower and any Subservicer to the extent of any Subservicer other than Borrower.

“Subsidiary” shall mean, with respect to any Person, any corporation, partnership or other entity of which at least a majority of the securities or other ownership interests having by the terms thereof ordinary voting power to elect a majority of the board of directors or other persons performing similar functions of such corporation, partnership or other entity (irrespective of whether or not at the time securities or other ownership interests of any other class or classes of such corporation, partnership or other entity shall have or might have voting power by reason of the happening of any contingency) is at the time directly or indirectly owned or controlled by such Person or one or more Subsidiaries of such Person or by such Person and one or more Subsidiaries of such Person.

“Taxes” shall mean any and all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“Term SOFR” shall mean, with respect to each day in an Interest Period, the Term SOFR Reference Rate determined daily for a one-month period on such day (such day, the “Periodic Term SOFR Determination Day”), as such rate is published by the Term SOFR Administrator; provided, that if as of 5:00 p.m. (New York City time) on any Periodic Term SOFR Determination Day the Term SOFR Reference Rate for a one-month period has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for a one-month period as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for a one-month period was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Periodic Term SOFR Determination Day. Notwithstanding the foregoing, in no event will Term SOFR be deemed to be less than zero.

“Term SOFR Administrator” shall mean CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by Lender in its reasonable discretion).

“Term SOFR Reference Rate” shall mean the one-month forward-looking term rate based on SOFR, currently identified on the CME Group’s website at <https://www.cmegroup.com/market-data/cme-group-benchmark-administration/term-sofr.html>.

“Unadjusted Benchmark Replacement” shall mean the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

“Uncollected Fees” With respect to any Mortgage Loan, any accrued late charges, NSF fees, assumption fees, and other fees charged to Mortgagors in connection with the servicing or subservicing of

such Mortgage Loan which have not been collected by Borrower or Subservicer as of the related Funding Date.

“Uncommitted Amount” shall have the meaning assigned thereto in the Pricing Side Letter.

“Uniform Commercial Code” or “UCC” shall mean the Uniform Commercial Code as in effect on the date hereof in the State of New York; provided that if by reason of mandatory provisions of law, the perfection or the effect of perfection or non-perfection of the security interest in any Eligible Servicing Rights and related Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than New York, “Uniform Commercial Code” shall mean the Uniform Commercial Code as in effect in such other jurisdiction for purposes of the provisions hereof relating to such perfection or effect of perfection or non-perfection.

“Unintended Recipient” shall have the meaning set forth in Section 32(a)(i).

“U.S. Government Securities Business Day” shall mean any day except for (a) a Saturday, (b) a Sunday, or (c) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

“U.S. Person” shall mean (1) a citizen or resident of the United States, (2) a corporation or partnership organized in or under the laws of the United States or any state thereof or the District of Columbia (other than a partnership that is not treated as a U.S. person under any applicable U.S. Department of Treasury Regulations), (3) an estate the income of which is includible in gross income for United States tax purposes, regardless of its source, or (4) a trust if a court within the United States is able to exercise primary supervision over the administration of such trust and one or more such U.S. persons have authority to control all substantial decisions of such trust. Notwithstanding the preceding sentence, to the extent provided in applicable U.S. Department of Treasury Regulations, certain trusts in existence on August 20, 1996, and treated as U.S. persons prior to such date that elect to continue to be so treated also will be considered U.S. persons.

“Valuation Agent” shall mean a qualified, unaffiliated third party (acceptable to Lender in its reasonable discretion including but not limited to Phoenix Analytic Services, Inc. or any independent third party appointed by Lender in its reasonable discretion) that specializes in establishing a fair market value of servicing portfolios with respect to mortgage loans substantially similar to the mortgage loans originated, serviced or acquired by Borrower.

“Valuation Assumptions” shall mean, with respect to a determination of Market Value, the assumptions made regarding prepayment speed, discount rate, escrow earnings rate, delinquency percentages (30, 60, 90, and 120 days), default rate, cost to service, delinquency costs (30, 60, 90, and 120 days), and foreclosure costs.

“Yield Protection Notice” shall have the meaning assigned thereto in Section 2.06 hereof.

- (b) Accounting Terms and Determinations. Except as otherwise expressly provided herein, all accounting terms used herein shall be interpreted, and all financial statements and certificates and reports as to financial matters required to be delivered to Lender hereunder shall be prepared, in accordance with GAAP.
- (c) Interpretation. The following rules of this subsection (c) apply unless the context requires otherwise. A gender includes all genders. Where a word or phrase is defined, its other grammatical forms have a corresponding meaning. A reference to a subsection, Section, Annex or Exhibit is, unless otherwise specified, a reference to a Section of, or annex or exhibit to, this Agreement. A reference to a party to this Agreement or another agreement or document includes the party’s successors and permitted substitutes or assigns. A reference to an agreement or document (including any Program Document) is to the agreement or document as amended, modified, novated, supplemented or replaced, except to the extent prohibited thereby or by any



Program Document and in effect from time to time in accordance with the terms thereof. A reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it. A reference to writing includes an electronic or facsimile transmission and any means of reproducing words in a tangible and permanently visible form. A reference to conduct includes, without limitation, an omission, statement or undertaking, whether or not in writing. The words “hereof”, “herein”, “hereunder” and similar words refer to this Agreement as a whole and not to any particular provision of this Agreement. The term “including” is not limiting and means “including without limitation”. In the computation of periods of time from a specified date to a later specified date, the word “from” means “from and including”, the words “to” and “until” each mean “to but excluding”, and the word “through” means “to and including”.

A reference to an agreement includes any applicable security interest, guarantee, agreement or legally enforceable arrangement whether or not in writing related to such agreement. All terms used in Article 9 of the UCC, and not specifically defined herein, are used herein as defined in such Article 9.

A reference to a document includes an agreement (as so defined) in writing or a certificate, notice, instrument or document, or any information recorded in computer disk form. Where Borrower is required to provide any document to Lender under the terms of this Agreement, the relevant document shall be provided in writing or printed form unless Lender requests otherwise. At the request of Lender, the document shall be provided in computer disk form or both printed and computer disk form.

This Agreement is the result of negotiations among, and has been reviewed by counsel to, Lender and Borrower, and is the product of all parties. In the interpretation of this Agreement, no rule of construction shall apply to disadvantage one party on the ground that such party proposed or was involved in the preparation of any particular provision of this Agreement or this Agreement itself. Except where otherwise expressly stated, Lender may give or withhold, or give conditionally, approvals and consents and may form opinions and make determinations at its absolute discretion. Any requirement of discretion or judgment by Lender shall not be construed to require Lender to request or await receipt of information or documentation not available when required from or with respect to Borrower or the Collateral.

## **Article II. LOANS, BORROWING, PREPAYMENT**

Section 1.01 Loans. On the terms and subject to the conditions set forth in this Agreement, Lender (i) shall make loans in an aggregate amount not to exceed the Committed Amount, and (ii) in the event that the Outstanding Aggregate Loan Amount is equal to or greater than the Committed Amount, may, in its sole discretion, make loans on an uncommitted basis in an aggregate amount not to exceed the Uncommitted Amount (each loan under the preceding subclauses (i) and (ii), a “Loan”) to Borrower from time to time. Lender shall distribute the proceeds of such Loan to Borrower on the related Funding Date in accordance with Section 2.03.

Section 1.02 Note.

- (a) The Loans made by Lender shall be evidenced by a single promissory note of Borrower substantially in the form of Exhibit 2.02(a) hereto (the “Note”), dated the date hereof, payable to Lender in a principal amount not to exceed the sum of the Committed Amount plus the Uncommitted Amount
- (b) The date, amount, and interest rate of each Loan made by Lender to Borrower, and each payment made on account of the principal thereof, shall be recorded by Lender on its books and, prior to any transfer of the Note, noted by Lender on the grid attached to the Note or any continuation thereof, provided, that failure of Lender to make any such recordation or notation shall not affect the obligations of Borrower to make a payment when due of any amount hereunder or under the Note in respect of the Loans.

Section 1.03 Servicing Schedules and Funding Requests.

- (a) On any Funding Notice Date, Borrower may request Lender to make a Loan on the related Funding Date by delivering to Lender a Borrower Funding Request no later than 3:00 p.m. (New York City time) on such Funding Notice Date which shall become irrevocable by Borrower on or after 2:00 p.m. (New York City time) [\*\*\*] prior to the related Funding Date. The amount of any Loan requested pursuant to a Borrower Funding Request shall be not greater than the related Available Loan Amount and shall not result in the Outstanding Aggregate Loan Amount exceeding the least of (i) the Borrowing Base, (ii) the sum of the Committed Amount plus the Uncommitted Amount and (iii) the Maximum Loan Amount. Lender shall have the obligation, subject to the terms and conditions of the Program Documents, to enter into Loans with an aggregate outstanding amount of up to the Committed Amount and shall have no obligation to enter into Loans with respect to the Uncommitted Amount; provided that Lender shall provide Borrower with at least [\*\*\*] prior written notice before exercising its discretion to cease entering into Loans with Borrower for all or any portion of the Uncommitted Amount. Unless otherwise agreed to between Lender and Borrower in writing, all outstanding Loans at any one time shall be first deemed committed up to the Committed Amount and then the remainder, if any, shall be deemed uncommitted up to the Uncommitted Amount. Lender shall not have the right, however, to terminate any Loans with respect to the Uncommitted Amount after the related Funding Date until the related Loan Repayment Date.

No later than [\*\*\*] prior to each Funding Date (including the Initial Funding Date) where new Eligible Servicing Rights are to be added to the Collateral, Borrower shall deliver to Lender a Servicing Schedule (as of the related Cut-off Date) identifying all Eligible Servicing Rights to be pledged to Lender as Collateral under the terms and conditions of this Agreement and all Agency Obligations outstanding on the related Funding Date. Regardless of whether Borrower delivers a Borrower Funding Request during any calendar month, Borrower shall deliver to Lender or its designee (including any Person identified on Schedule 7.01(a) no later than the [\*\*\*] of each month or as otherwise agreed to by Lender and Borrower (any such Business Day, the “Collateral Reporting Date”), (x) an Agency Obligations report, in a form mutually agreed to by Lender and Borrower, identifying all Agency Obligations outstanding on the date such report is submitted to Lender and (y) additional updated Servicing Schedules (as of the related Cut-off Date) with respect to all Eligible Servicing Rights that constitute the Collateral under the terms and conditions of this Agreement, which shall include all updates to the Collateral as reasonably requested by Lender since the delivery of the preceding Servicing Schedule. Notwithstanding anything contained herein to the contrary, all delivery requirements (including without limitation the Servicing Schedule) described above shall apply to each Borrower Funding Request.

In Lender’s determination of Collateral Value for any of the Eligible Servicing Rights hereunder, it shall apply the Market Value of the Eligible Servicing Rights in a related Borrowing Base Report. Any excess of the amount funded on such Loan over the Borrowing Base as reflected in the related Borrowing Base Report shall result in a Borrowing Base Deficiency as set forth in Section 2.08(b) of this Agreement.

Notwithstanding anything to the contrary contained in this Section 2.03(a), Lender shall have the right to determine Market Value at any time in its sole discretion, exercised in good faith, and deliver an updated Borrowing Base Report to Borrower, reflecting such determination at any time. For purposes of preparing each Borrowing Base Report, Lender shall calculate the Collateral Value of the Eligible Servicing Rights described in the Servicing Schedule. Upon reasonable request by the Borrower, the Lender shall, from time to time, provide reasonable information regarding the Valuation Assumptions made for purposes of its determination of Market Value in any Borrowing Base Report, as well as is necessary to demonstrate that such Market Value has been determined in accordance with the MV Criteria.

- (b) By delivering a Borrower Funding Request, Borrower represents and warrants to Lender that, after taking into account the amount of the requested Loan, all conditions precedent to such Loan specified in Section 5.02 of this Agreement have been satisfied.

Section 1.04 Borrowing Base Reports. Lender shall determine the Market Value of the Eligible Servicing Rights to be pledged as security for a Loan on each Funding Date. In connection with such determination, Borrower shall provide to Lender the most recent quarterly servicing valuation conducted by a Valuation Agent with respect to the value of Borrower's servicing portfolio in accordance with GAAP, and shall provide such valuations on a quarterly basis (or more frequently, at Borrower's sole discretion) upon such valuation becoming available. In addition to the foregoing, in connection with the determination of the Borrowing Base on each Funding Date, the Lender shall obtain a third party valuation by a Valuation Agent of the related Eligible Servicing Rights to be included in the Borrowing Base on such Funding Date. Notwithstanding the foregoing, Lender shall have no obligation to use any valuation obtained or delivered by Borrower as set forth above and shall have the right to determine the Market Value of the related Eligible Servicing Rights at any time in its sole discretion in accordance with the MV Criteria; provided, however, that the Borrower may request (and the Lender shall provide) reasonable information regarding the Valuation Assumptions made for purposes of its determination of Market Value in any Borrowing Base Report, as well as is necessary to demonstrate that such Market Value has been determined in accordance with the MV Criteria. For purposes of preparing each Borrowing Base Report, Lender shall calculate the Collateral Value and related Borrowing Base of the Eligible Servicing Rights described in the related Servicing Schedule and Agency Obligations report.

Section 1.05 Interest. Interest on the Loans and other amounts outstanding hereunder shall accrue daily from the Effective Date at the Interest Rate or such other rate provided for hereunder (including the Post-Default Rate, if applicable), until repaid in accordance with the applicable terms and conditions hereof. Interest shall be payable on each Monthly Settlement Date in arrears with respect to each Loan through the final day of each Interest Period (regardless of whether such day is a Business Day), such amount to be payable on each Monthly Settlement Date. Lender shall determine the Benchmark for each Loan, which may be calculated or reset on a daily basis by Lender, and provide notice of such determination to Borrower. Lender shall also calculate the amount of interest or other amounts due to be paid by Borrower from time to time hereunder (including in connection with any prepayment or repayment of Loans permitted hereunder) and shall provide a written statement thereof to Borrower at least [\*\*\*] prior to the due date of such payments (or the relevant repayment or prepayment after having received a notice thereof); provided, that failure to provide such statements on a timely basis shall not relieve Borrower of the obligation to pay any interest and principal due on the applicable payment date (based upon its good faith calculation of the amount due, such amount to be promptly reconciled after receipt of a subsequent statement from Lender) and other such amounts hereunder promptly upon receipt of such statement.

Section 1.06 Increased Capital Costs. If Lender determines in its sole discretion acting in good faith that any Change in Law:

- (a) shall subject Lender to any tax of any kind whatsoever with respect to this Agreement or any Loans made pursuant to it (excluding net income taxes) or change the basis of taxation of payments to Lender in respect thereof;
- (b) shall impose, modify or hold applicable any reserve, special deposit, compulsory advance or similar requirement against assets held by deposits or other liabilities in or for the account of Loans or extensions of credit by, or any other acquisition of funds by any office of Lender which is not otherwise included in the determination of the Benchmark hereunder; or
- (c) shall impose on Lender any other condition affecting this Agreement or the Loans hereunder;

and the result of any of the foregoing is to increase the cost to Lender, by an amount which Lender deems to be material, of effecting or maintaining Loans hereunder, or to reduce any amount receivable hereunder

in respect thereof, then, in any such case, Lender shall promptly notify Borrower by delivering to Borrower a certificate with reasonable detail as to any additional amounts payable pursuant to this subsection as calculated by Lender in good faith (a “Yield Protection Notice”). Borrower shall, within [\*\*\*] of receipt of the Yield Protection Notice, advise Lender of its intent to either terminate this Agreement (without the imposition of any form of penalty, breakage costs or exit fees (excluding all outstanding Obligations, including all unpaid fees and expenses)) or pay Lender such additional amount or amounts as will compensate Lender for such increased cost or reduced amounts receivable thereafter incurred (provided that Borrower shall only be obligated to pay those amounts pursuant to this Section 2.06 to the extent incurred by Lender (i) within [\*\*\*] prior to delivery of the Yield Protection Notice to Borrower and (ii) on or after delivery of the Yield Protection Notice to Borrower). In the event that Borrower elects to terminate this Agreement in accordance with the foregoing, it shall pay the outstanding Obligations, including all unpaid fees and expenses due to Lender, within [\*\*\*] of receipt of the Yield Protection Notice; provided, that if Borrower elects to terminate this Agreement, in no event shall Borrower pay (i) any increased costs specified in the Yield Protection Notice or (ii) any increased costs accrued during the [\*\*\*] prior to receipt of such Yield Protection Notice. Additionally, if Borrower elects to terminate this Agreement in accordance with this Section 2.06, following such date that is [\*\*\*] after receipt of the Yield Protection Notice, Borrower shall not be permitted to effect additional Loans hereunder.

If Lender shall have determined in its sole discretion acting in good faith that there is a Change in Law and such change shall have the effect of reducing the rate of return on Lender’s or such corporation’s capital to a level below that which Lender or such corporation (taking into consideration Lender’s or such corporation’s policies with respect to capital adequacy) by an amount deemed in good faith by Lender to be material, then Lender shall promptly notify Borrower by delivering to Borrower a certificate with reasonable detail as to any additional amounts payable pursuant to this subsection as calculated by Lender in good faith (a “Capital Adequacy Notice”). Borrower shall, within [\*\*\*] of receipt of the Capital Adequacy Notice, advise Lender of its intent to either terminate this Agreement (without the imposition of any form of penalty, breakage costs or exit fees (excluding all outstanding Obligations, including all unpaid fees and expenses)) or pay Lender such additional amount or amounts as will compensate Lender for such increased cost or reduced amounts receivable thereafter incurred (provided that Borrower shall only be obligated to pay those amounts pursuant to this Section 2.06 to the extent incurred by Lender (i) within [\*\*\*] prior to delivery of the Yield Protection Notice to Borrower and (ii) on or after delivery of the Capital Adequacy Notice to Borrower). In the event that Borrower elects to terminate this Agreement in accordance with the foregoing, it shall pay the outstanding Obligations, including all unpaid fees and expenses due to Lender, within [\*\*\*] of receipt of the Capital Adequacy Notice; provided, that if Borrower elects to terminate this Agreement, in no event shall Borrower pay (i) any increased costs specified in the Capital Adequacy Notice or (ii) any increased costs accrued during the [\*\*\*] prior to receipt of such Capital Adequacy Notice. Additionally, if Borrower elects to terminate this Agreement in accordance with this Section 2.06, following such date that is [\*\*\*] after receipt of the Capital Adequacy Notice, Borrower shall not be permitted to effect additional Loans hereunder.

If Lender becomes entitled to claim any additional amounts pursuant to this Section 2.06, it shall promptly notify Borrower of the event by reason of which it has become so entitled. A certificate containing reasonable detail as to any additional amounts payable pursuant to this subsection submitted by Lender to Borrower shall be conclusive in the absence of manifest error.

#### Section 1.07 Taxes.

- (a) All payments made by Borrower to Lender or a Lender assignee under this Agreement or under any Program Document shall be made free and clear of, and without deduction or withholding for or on account of any Taxes, excluding income taxes, branch profits taxes, franchise taxes or any other tax imposed on the net income by the United States, a state or a foreign jurisdiction under the laws of which Lender is organized or of its applicable lending office, or any political subdivision thereof, all of which shall be paid by Borrower for its own account not later than the date when due. If Borrower is required by law or regulation to deduct or withhold any Taxes or

Other Taxes from or in respect of any amount payable to Lender or Lender assignee, Borrower shall: (i) make such deduction or withholding; (ii) pay the full amount so deducted or withheld to the appropriate Governmental Authority in accordance with the requirements of the applicable law or regulation not later than the date when due; (iii) deliver to Lender or Lender assignee, promptly, original tax receipts and other evidence satisfactory to Lender of the payment when due of the full amount of such Taxes or Other Taxes; and (iv) pay to Lender or Lender assignee such additional amounts as may be necessary so that after making all required deductions and withholdings (including deductions and withholding applicable to additional sums payable under this Section 2.07), such Lender or Lender assignee receives, free and clear of all Taxes and Other Taxes, an amount equal to the amount it would have received under this Agreement, as if no such deduction or withholding had been made.

- (b) Borrower agrees to indemnify Lender or any Lender assignee, promptly on reasonable demand, for the full amount of Taxes (including additional amounts with respect thereto) and Other Taxes, and the full amount of Taxes and Other Taxes of any kind imposed by any jurisdiction on amounts payable under this Section 2.07, and any liability (including penalties, interest and expenses) arising therefrom or with respect thereto.
- (c) To the extent Lender or Lender assignee is not organized under the laws of the United States, any State thereof, or the District of Columbia (a "Foreign Lender"), such Foreign Lender shall provide Borrower whichever of the following is applicable: (i) in the case of such Foreign Lender or Foreign Lender assignee claiming the benefits of an income tax treaty to which the United States is a party, a properly completed United States Internal Revenue Service ("IRS") Form W-8BEN or W-8BEN-E or any successor form prescribed by the IRS, certifying that such Foreign Lender is entitled to a zero percent or reduced rate of U.S. federal income withholding tax on payments made hereunder or (ii) a properly completed IRS Form W-8ECI or any successor form prescribed by the IRS, certifying that the income receivable pursuant to this Agreement is effectively connected with the conduct of a trade or business in the United States. Each Foreign Lender or Foreign Lender assignee will deliver the appropriate IRS form on or prior to the date on which such person becomes a Foreign Lender or Foreign Lender assignee under this Agreement. Each Foreign Lender or Foreign Lender assignee further agrees that upon learning that the information on any tax form or certification it previously delivered is inaccurate or incorrect in any respect, it shall update such form or certification or promptly notify Borrower in writing of its legal inability to do so. For any period with respect to which a Foreign Lender has failed to provide Borrower with the appropriate form or other relevant document pursuant to this Section 2.07 (unless such failure is due to a change in treaty, law, or regulation occurring subsequent to the date on which a form originally was required to be provided), such Foreign Lender shall not be entitled to any "gross-up" of Taxes or indemnification under Section 2.07(b) with respect to Taxes imposed by the United States; provided, however, that should a Foreign Lender, which is otherwise exempt from a withholding tax, become subject to Taxes because of its failure to deliver a form required hereunder, Borrower shall take such steps as such Foreign Lender shall reasonably request to assist such Foreign Lender to recover such Taxes.
- (d) Without prejudice to the survival or any other agreement of Borrower hereunder, the agreements and obligations of Borrower contained in this Section 2.07 shall survive the termination of this Agreement and any assignment of rights by, or the replacement of, Lender or a Lender assignee, and the repayment, satisfaction or discharge of all obligations under any Program Document. Nothing contained in this Section 2.07 shall require Lender to make available any of its tax returns or other information that it deems to be confidential or proprietary.
- (e) Each party to this Agreement acknowledges that it intends, and agrees, for United States federal, state and local income and franchise tax purposes, to treat and report the Loans as indebtedness issued by Borrower secured by the Collateral and, consistent therewith, to treat and report the Collateral as assets owned by Borrower in the absence of an Event of Default by Borrower that is not cured. All parties to this Agreement hereby agree to take no action inconsistent with the tax



treatment and tax reporting of the Loan and Collateral, as described above, unless and only to the extent required by applicable United States federal, state or local income or franchise tax law.

Section 1.08 Mandatory Repayment of Loans. Borrower may, at its option, prepay any Loan advanced hereunder in full or in part on any Business Day.

- (a) Borrower shall repay the Outstanding Aggregate Loan Amount with respect to all Loans and all other amounts due under this Agreement in full on the Loan Repayment Date. Loans may be prepaid in accordance with the terms of Section 2.09 hereof and, to the extent prepaid, may be re-borrowed hereunder in accordance with the terms hereof (including satisfaction of all conditions precedent contained in Section 5.02).
- (b) If, on any Business Day (a “Borrowing Base Shortfall Day”), Lender provides written notice to Borrower that Lender has determined in its sole discretion, exercised in good faith, consistent with its valuation practices for comparable assets in comparable facilities, based on the Borrowing Base Report most recently delivered by Lender pursuant to Section 2.04 that the Outstanding Aggregate Loan Amount on such day exceeds the lesser of (i) the Borrowing Base and (ii) the Committed Amount plus the Uncommitted Amount on such day (such circumstance, a “Borrowing Base Deficiency”), then subject to the last sentence of this paragraph, Lender shall, by notice to Borrower (a “Margin Call”), require Borrower to transfer to Lender cash, or by a Collateral Substitution approved by Lender in its sole discretion, in each case, in an amount necessary to eliminate such Borrowing Base Deficiency prior to the Margin Payment Deadline. Notwithstanding the foregoing, provided that no Default or Event of Default shall have occurred and be continuing, and provided further that the Outstanding Aggregate Loan Amount is equal to or greater than [\*\*\*], Lender shall not require the Borrower to satisfy a Margin Call and no Margin Call shall be required to be made unless (A) the sum of (i) the aggregate Borrowing Base Deficiency and (ii) any Margin Deficit (as such term is defined in the Master Repurchase Facility), in each case, as of such date of determination, shall equal or exceed (B) the Margin Threshold, as determined by Lender in its reasonable, good faith discretion. Notwithstanding the foregoing, a Stop-Loss Cap Failure Borrowing Base Deficiency shall not be subject to the Margin Threshold or other provisions set forth in the preceding sentence. Any Borrowing Base Deficiency shall be cured, and the related Margin Call satisfied, in either cash or by a Collateral Substitution.
- (c) Lender may, in its sole discretion, reduce all or any portion of the Uncommitted Amount or accelerate the Loan Repayment Date of any Loans with respect to the Uncommitted Amount by providing written notice to Borrower no less than nine (9) months prior to the effective date of such reduction or acceleration. Within nine (9) months of receipt of such notice, Borrower agrees to repay the Outstanding Aggregate Loan Amount of such Loans with respect to the Uncommitted Amount then subject to the Facility and all other amounts due under this Agreement with respect to such Loans.
- (d) <sup>16</sup>Borrower may request that Lender consent to Borrower entering into an Excess Yield Transaction by delivering notice to Lender (an “EYT Notice”), at least [\*\*\*] prior to the closing date of such Excess Yield Transaction (the “Excess Yield Transaction Date”). Each EYT Notice shall identify the Excess Yield Transaction Date and the proposed Released Excess Yield Mortgages and request that Lender (i) releases its Lien on the portion of the Collateral that will be defined as Excess Yield upon consummation of the Excess Yield Transaction, solely with respect to Released Excess Yield Mortgages, and (ii) consent to the filing of an applicable UCC-3 reflecting such release. Following receipt of an EYT Notice, Lender shall deliver a Borrowing Base Report to Borrower with respect to the Collateral related to the Servicer’s remaining interest in the Servicing Rights after removal of the related Excess Yield. To the extent Lender determines, in its sole reasonable discretion based on such Borrowing Base Report, and as otherwise permitted by Section 2.01 herein, that the Outstanding Aggregate Loan Amount on

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<sup>16</sup> See Amendment No. 2 to Loan and Security Agreement, dated April 28, 2023.

such day is less than the Borrowing Base on such day, Lender shall release its Lien on the portion of the Collateral that will be defined as Excess Yield upon consummation of the Excess Yield Transaction and consent to the filing of an applicable UCC-3 reflecting such release, solely with respect to the Released Excess Yield Mortgages identified in the Partial Release (Excess Yield); provided that (1) there is no Borrowing Base Deficiency in existence on the Excess Yield Transaction Date after giving effect to any payment made by Borrower to Lender on such Excess Yield Transaction Date, (2) no Default or Event of Default has occurred and is continuing, (3) no Borrowing Base Deficiency, Default or Event of Default would occur due to Lender releasing its Lien on the Excess Yield after giving effect to any payment made by Borrower to Lender on the related Excess Yield Transaction Date and (4) Fannie Mae has consented to the EY Transaction as evidenced by its acknowledgment provided to Lender, of the related Lender Partial Release (Excess Yield). The Partial Release (Excess Yield) states and Borrower hereby acknowledges that no transferee of any such Excess Yield shall have any rights to the Collateral hereunder or any rights pursuant to the Fannie Acknowledgement Agreement.

Section 1.09 Optional Prepayment. Borrower may, at its option, prepay any Loan advanced hereunder in full or in part on any Business Day (each an “Optional Prepayment Date”). Any such prepayment received by Lender by 1:00 p.m. (New York City time) on such Optional Prepayment Date shall be applied by Lender on such Business Day. Any such prepayment received by Lender after 1:00 p.m. (New York City time) on such Optional Prepayment Date shall be applied by Lender on the following Business Day.

Section 1.10 Determination of Interest Rate.

- (a) Interest Rate. The Interest Rate of the Loan shall be based on: (i) the SOFR Rate with respect to the applicable Interest Period if the Loan is a SOFR Loan or (ii) the Alternate Rate with respect to the applicable Interest Period if the Loan is an Alternate Rate Loan.
- (b) Term SOFR Conforming Changes. In connection with the use or administration of Term SOFR, Lender will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Program Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of Borrower or any other party to this Agreement or any other Program Document. Lender will promptly notify Borrower of the effectiveness of any Conforming Changes in connection with the use or administration of Term SOFR.
- (c) Benchmark Unavailability Period. During a Benchmark Unavailability Period, the component of the Interest Rate based on Term SOFR (or the then-current Benchmark if the Loan is then an Alternate Rate Loan) shall during such Benchmark Unavailability Period be replaced with the Prime Rate.
- (d) Subject to the terms and conditions hereof, the Loan shall be either a SOFR Loan or an Alternate Rate Loan, as applicable, and Borrower shall pay interest on the outstanding principal balance of the Loan at the SOFR Rate or at the Alternate Rate, as applicable, for each day in the applicable Interest Period. Each determination by Lender of the Interest Rate shall be conclusive and binding upon Borrower for all purposes, absent manifest error. If and to the extent part of the Conforming Changes, any change in the rate of interest hereunder due to a change in the Benchmark shall become effective as of the opening of business on the first day on which such change in the Benchmark shall become effective.
- (e) Effect of Benchmark Transition Event.
  - (i) Notwithstanding anything to the contrary herein or in any other Program Document, if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the Periodic Term SOFR Determination Day (or if the Benchmark is not the Term SOFR

Reference Rate, the Determination Date for such other Benchmark) for any day in any Interest Period, the Benchmark Replacement will replace the then-current Benchmark for all purposes hereunder or under any Program Document in respect of such determination and all determinations on all subsequent dates (without any amendment to, or further action or consent of any other party to, this Agreement).

- (ii) Benchmark Replacement Conforming Changes. In connection with the use, administration, adoption, or implementation of a Benchmark Replacement, Lender will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Program Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of Borrower or any other party to this Agreement or any other Program Document.
- (iii) Lender will promptly notify Borrower of (A) the Benchmark Replacement Date, (B) the implementation of any Benchmark Replacement, (C) the effectiveness of any Conforming Changes, and/or (D) any Benchmark Unavailability Period (a “Rate Change Notice”). Any determination, decision or election that may be made by Lender pursuant to this Section 2.10, including any determination with respect to a rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its sole discretion and without consent from Borrower.
- (iv) Notwithstanding any provision of this Agreement to the contrary, in no event shall Borrower have the right to convert a SOFR Loan to an Alternate Rate Loan.
- (f) Disclaimer. Lender does not warrant or accept any responsibility for, and shall not have any liability with respect to (i) the administration, submission or any other matter related to Term SOFR or with respect to any alternative or successor rate thereto, or replacement rate thereof (including, without limitation any Benchmark Replacement implemented hereunder), (ii) the composition or characteristics of any Benchmark Replacement, including whether it is similar to, or produces the same value or economic equivalence to Term SOFR (or any other Benchmark) or have the same volume or liquidity as did Term SOFR (or any other Benchmark), (iii) any actions or use of its discretion or other decisions or determinations made with respect to any matters covered by this Section 2.10 including, without limitation, whether or not a Benchmark Transition Event has occurred, the removal or lack thereof of unavailable or non-representative tenors, the implementation or lack thereof of any Conforming Changes, the delivery or non-delivery of any notices required by this Section 2.10 or otherwise in accordance herewith, and (iv) the effect of any of the foregoing provisions of this Section 2.10.
- (g) Borrower Repayment. In the event that Borrower determines that either the Benchmark Replacement or the Conforming Changes are unacceptable, Borrower shall provide notice of same to Lender within [\*\*\*] of receipt of the related Rate Change Notice and Borrower shall have the right to terminate this Agreement, on or prior to the date that is [\*\*\*] following receipt of such Rate Change Notice (such date, the “Optional Repayment Date”), without the imposition of any form of penalty, breakage costs or exit fees. In the event that Borrower elects to terminate this Agreement in accordance with the foregoing, it shall pay the outstanding Obligations, including all unpaid fees and expenses due to Lender, on or prior to the Optional Repayment Date.

**Section 1.11**            Limitation on Types of Loans; Illegality. Anything herein to the contrary notwithstanding, if, on or prior to the determination of any Benchmark:

- (a) Lender determines, which determination shall be conclusive, that quotations of interest rates for the relevant deposits referred to in the definition of any Benchmark in Section 1.01 hereof are not being provided in the relevant amounts or for the relevant maturities for purposes of determining



rates of interest for Loans as provided herein but that a Benchmark Transition Event has not occurred; or

- (b) Lender determines, which determination shall be conclusive, that the Interest Rate is not likely to adequately cover the cost to Lender of making or maintaining Loans; or
- (c) it becomes unlawful for Lender to make or maintain Loans hereunder using such Benchmark;

then Lender shall give Borrower prompt notice thereof and, so long as such condition remains in effect, (i) Lender shall not make additional Loans unless, in the case of clauses (a) and (b), Borrower agrees to pay to Lender, a rate per annum as determined by Lender which in the case of clause (b), shall take into account the increased cost to Lender of making and maintaining the Loans and using an index rate comparable to that used by Lender in connection with other comparable facilities provided by Lender, and (ii) Borrower shall, at its option, either prepay any existing Loans or pay interest to Lender on such Loans at a rate per annum as determined by Lender (which in the case of clause (b) shall take into account the increased cost to Lender of making and maintaining the Loans) and using an index rate comparable to that used by Lender in connection with other comparable facilities provided by Lender.

### **Article III. PAYMENTS AND COMPUTATIONS**

Section 1.01 Payments and Computations, Etc. Unless otherwise expressly stated herein, all amounts to be paid or deposited hereunder shall be paid or deposited in accordance with the terms hereof no later than 5:00 p.m. (New York time) on the day when due in lawful money of the United States of America in same day funds.

- (a) Borrower shall, to the extent permitted by law, pay interest on all amounts (including principal, interest and fees) due but not paid on the date such payment is due hereunder as provided herein, for the period from, and including, such due date until, but excluding, the date paid, at the Post-Default Rate, payable on demand; provided, however that such interest rate shall not at any time exceed the maximum rate permitted by Applicable Law.
- (b) All computations of interest and fees hereunder shall be made on the basis of a year of 360 days for the actual number of days elapsed (including the first day but excluding the last day) occurring in the period for which payable.
- (c) Borrower agrees that the principal of and interest on the Loans shall be a recourse obligation of Borrower.
- (d) All payments made by Borrower under this Agreement shall be made without set-off or counterclaim.

### **Article IV. SECURITY INTEREST**

Section 1.01 <sup>17</sup>Security Interest. As security for the prompt payment and performance of all of its Obligations, Borrower hereby assigns and pledges to Lender, and grants a security interest, subject to the interests of Fannie Mae and Freddie Mac as set forth in Section 4.02 and in the related Acknowledgment Agreement, but only to the extent that a related Acknowledgment Agreement has been executed, to Lender, all of Borrower's right, title and interest, in, to, and under, whether now owned or hereafter acquired, in all of the following, whether now or hereafter existing and wherever located: (i) the Pledged Servicing Rights whether or not yet accrued, earned due or payable as well as all other present and future rights and interests of Borrower in such Pledged Servicing Rights, (ii) the Servicing Contracts and all rights and claims thereunder solely to the extent related to the Pledged Servicing Rights, (iii) all books and records, including, computer disks and other records or physical or virtual data or information,

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<sup>17</sup> See Amendment No. 2 to Loan and Security Agreement, dated April 28, 2023.

relating to the foregoing (but specifically excluding all servicing systems, computer programs, hardware, and other information and assets of Borrower not exclusively relating to the Collateral), (iv) each Controlled Account and all amounts on deposit therein, and (v) all monies due or to become due with respect to the foregoing and all proceeds of the foregoing (collectively, the “Collateral”); provided that Borrower shall not assign or pledge to Lender, or grant a security interest in Borrower’s right, title and interest, in, to or under any right of Borrower to reimbursement for any servicing advances (P&I, taxes or insurance escrows, corporate or otherwise) related to Servicing Rights subject to any Servicing Contract or Excess Yield.

Borrower acknowledges and agrees that its rights with respect to the Collateral (including without limitation, any security interest Borrower may have in the Collateral and any other collateral granted by Borrower to Lender pursuant to any other agreement) are and shall continue to be at all times junior and subordinate to the rights of Lender hereunder.

Borrower agrees to keep computer records of the interests granted to Lender hereunder. For the avoidance of doubt, it is acknowledged and agreed by Borrower that the grant of a security interest by Borrower to Lender in any Collateral shall not be released or otherwise affected solely due to the fact that any Collateral is not Eligible Servicing Rights or that the Market Value thereof is zero dollars or is reduced, including if it is reduced to zero dollars, at any time.

Section 1.02 Subordination of Pledge of Eligible Servicing Rights . Notwithstanding anything to the contrary in this Agreement or any of the other Program Documents, the security interest of Lender created hereby with respect to the Pledged Servicing Rights is subject to the following provision to be included in each financing statement filed in respect hereof:

*For Fannie Mae Servicing Rights:* The security interest described herein is subordinate to all rights of Fannie Mae under (i) the terms of an Acknowledgment Agreement, with respect to the security interest among Fannie Mae, Rocket Mortgage, LLC (the “Debtor”) and Citibank, N.A., and (ii) the Mortgage Selling and Servicing Contract, the Fannie Mae Selling Guide, the Fannie Mae Servicing Guide and all supplemental servicing instructions or directives provided by Fannie Mae, all applicable master agreements, recourse agreements, repurchase agreements, indemnification agreements, loss-sharing agreements, and any other agreements between Fannie Mae and the Debtor, and all as amended, restated or supplemented from time to time (collectively, the “Fannie Mae Lender Contract”), which rights include the right of Fannie Mae to terminate the Fannie Mae Lender Contract with or without cause and the right to sell, or have transferred, the Servicing Rights.

*For Freddie Mac Servicing Rights:* The security interest publicized or perfected by this financing statement is subject and subordinate in each and every respect (a) to all rights, powers and prerogatives of the Federal Home Loan Mortgage Corporation (“Freddie Mac”) under and in connection with the Purchase Documents, as that term is defined in the Freddie Mac Single-Family Seller/Servicer Guide, which rights include, without limitation, the right of Freddie Mac to disqualify (in whole or in part) the debtor named herein as an approved Freddie Mac Seller/Servicer, with or without cause, and the right to terminate (in whole or in part) the unitary, indivisible master servicing contract and to transfer and sell all or any portion of said servicing contract rights, as provided in the Purchase Documents; and (b) to all claims of Freddie Mac arising out of or relating to any and all breaches, defaults and outstanding obligations of the debtor to Freddie Mac

Section 1.03 Authorization of Financing Statements. At any time and from time to time, upon the written request of Lender, and at the sole expense of Borrower, Borrower will promptly and duly execute and deliver, or will promptly cause to be executed and delivered, such further instruments and documents and take such further action as Lender may reasonably request for the purpose of obtaining or preserving the full benefits of this Agreement and of the rights and powers herein granted, including, without limitation, the filing of any financing or continuation statements under the Uniform Commercial Code in effect in any jurisdiction with respect to the Collateral and the liens created hereby. Borrower also hereby authorizes Lender to file any such financing or continuation statement to the extent permitted by

applicable law. A carbon, photographic or other reproduction of this Agreement shall be sufficient as a financing statement for filing in any jurisdiction. This Agreement shall constitute a security agreement under applicable law.

Borrower shall not (i) change its name or corporate structure (or the equivalent), or (ii) reincorporate or reorganize under the laws of another jurisdiction unless it shall have given Lender at least [\*\*\*] prior written notice thereof and shall have delivered to Lender all Uniform Commercial Code financing statements and amendments thereto as Lender shall request and taken all other actions deemed reasonably necessary by Lender to continue its perfected status in the Collateral with the same or better priority.

#### Section 1.04 Lender's Appointment as Attorney In Fact.

- (a) Borrower hereby irrevocably constitutes and appoints Lender and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of Borrower and in the name of Borrower or in its own name, from time to time in Lender's discretion, if an Event of Default, shall have occurred and be continuing, for the purpose of protecting, preserving and realizing upon the Collateral, carrying out the terms of this Agreement (or any Servicing Contracts), to take any action on behalf of Borrower pursuant to the Acknowledgement Agreements and to take any and all appropriate action and to execute any and all documents and instruments which may be necessary or desirable to protect, preserve and realize upon the Collateral, accomplish the purposes of this Agreement (or any Servicing Contracts) to the extent such actions are permitted to be taken by Lender under any Acknowledgement Agreement, and filing such financing statement or statements relating to the Collateral as Lender at its option may deem appropriate and, without limiting the generality of the foregoing, Borrower hereby gives Lender the power and right, on behalf of Borrower, without assent by, but with notice to, Borrower, if an Event of Default shall have occurred and be continuing, to do the following (subject to limitations contained in any Acknowledgement Agreement):
- (i) in the name of Borrower or its own name, or otherwise, to take possession of and endorse and collect any checks, drafts, notes, acceptances or other instruments for the payment of moneys due under any mortgage insurance or with respect to any other Collateral and to file any claim or to take any other action or proceeding in any court of law or equity or otherwise deemed appropriate by Lender for the purpose of collecting any and all such moneys due under any such mortgage insurance or with respect to any other Collateral whenever payable;
- (ii) (A) to direct any party liable for any payment under any Collateral to make payment of any and all moneys due or to become due thereunder directly to Lender or as Lender shall direct; (B) to ask or demand for, collect, receive payment of and receipt for, any and all moneys, claims and other amounts due or to become due at any time in respect of or arising out of any Collateral; (C) to sign and endorse any invoices, assignments, verifications, notices and other documents in connection with any of the Collateral; (D) to commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect the Collateral or any part thereof and to enforce any other right in respect of any Collateral; (E) to defend any suit, action or proceeding brought against Borrower with respect to any Collateral; (F) to settle, compromise or adjust any suit, action or proceeding described in clause (E) above and, in connection therewith, to give such discharges or releases as Lender may deem appropriate; and (G) generally, to sell, transfer, pledge and make any agreement with respect to or otherwise deal with any of the Collateral as fully and completely as though Lender were the absolute owner thereof for all purposes, and to do, at Lender's option and Borrower's expense, at any time, or from time to time, all acts and things which Lender deems necessary to protect, preserve or realize upon the Collateral and Lender's Liens thereon and to effect the intent of this Agreement, all as fully and effectively as Borrower might do; and

- (iii) perform or cause to be performed, Borrower's obligations under any Servicing Contract to the extent permitted by the related Acknowledgement Agreement.

Borrower hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof. This power of attorney is a power coupled with an interest and shall be irrevocable but shall terminate upon release of Lender's security interest as provided in Section 4.05. This power of attorney shall not revoke any prior powers of attorney granted by Borrower. In addition to the foregoing, Borrower agrees to execute a Power of Attorney to be delivered on the date hereof. Notwithstanding the foregoing, the power of attorney hereby granted may be exercised only during the occurrence and continuance of any Event of Default hereunder.

- (b) Borrower also authorizes Lender, if an Event of Default shall have occurred and be continuing, to execute, in connection with the sale provided for in Section 8.02(b) hereof, any endorsements, assignments or other instruments of conveyance or transfer with respect to the Collateral; provided that the exercise of such powers are in accordance with the Acknowledgement Agreements.
- (c) The powers conferred on Lender are solely to protect Lender's interest in the Collateral and shall not impose any duty upon Lender to exercise any such powers. Lender shall be accountable only for amounts that it actually receives as a result of the exercise of such powers, and neither Lender nor any of its officers, directors, or employees shall be responsible to Borrower for any act or failure to act hereunder, except for its or their own gross negligence or willful misconduct; provided that Lender shall exercise such powers only in accordance with the Acknowledgement Agreements.
- (d) If Borrower fails to perform or comply with any of its agreements contained in the Program Documents and Lender may itself perform or comply, or otherwise cause performance or compliance, with such agreement, the reasonable out-of-pocket expenses of Lender incurred in connection with such performance or compliance, together with interest thereon at a rate per annum equal to the Post-Default Rate, shall be payable by Borrower to Lender on demand and shall constitute Obligations.
- (e) All authorizations and agencies herein contained with respect to the Collateral are irrevocable and powers coupled with an interest.
- (f) Lender's duty with respect to the custody, safekeeping and physical preservation of the Collateral in its possession, under Section 9-207 of the Uniform Commercial Code or otherwise, shall be to deal with it in the same manner as Lender deals with similar property for its own account. Neither Lender nor any of its directors, officers or employees shall be liable for failure to demand, collect or realize upon all or any part of the Collateral or for any delay in doing so or shall be under any obligation to sell or otherwise dispose of any Collateral upon the request of Borrower or otherwise.

#### Section 1.05 Release of Security Interest.

<sup>18</sup>In connection with an Excess Yield Transaction and to the extent permitted in accordance with the provisions of Section 2.08(d) hereof, the Lender shall release its security interest in that portion of the Collateral that will be defined as Excess Yield upon consummation of the Excess Yield Transaction solely with respect to the Released Excess Yield Mortgages identified in the Partial Release (Excess Yield). Lender shall execute the Partial Release (Excess Yield) in favor of Fannie Mae and Fannie Mae shall provide to Lender acknowledgement of such Partial Release (Excess Yield). Notwithstanding anything contained herein to the contrary, in no event shall any release (referenced above or in Section 2.08(d)) of Lender include any Collateral pledged hereunder related to the Servicer's remaining interest in

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<sup>18</sup> See Amendment No. 2 to Loan and Security Agreement, dated April 28, 2023.

the Servicing Rights regarding such Released Excess Yield Mortgage after removal of the related Excess Yield.

Upon termination of this Agreement and repayment to Lender of all Obligations and the performance of all obligations under the Program Documents, Lender shall release its security interest in any remaining Collateral by executing and delivering a release of security interest in the form of Exhibit 4.05 attached hereto; provided that if any payment, or any part thereof, of any of the Obligations is rescinded or must otherwise be restored or returned by Lender upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of Borrower, or upon or as a result of the appointment of a receiver, intervener or conservator of, or a trustee or similar officer for Borrower or any substantial part of its Property, or otherwise, this Agreement, all rights hereunder and the Liens created hereby shall continue to be effective, or be reinstated, until such payments have been made.

Lender shall, upon (a) [\*\*\*], with respect to a Collateral Substitution or (b) [\*\*\*], in all other instances, advance written request from Borrower, release its interest in a pool of Pledged Servicing Rights; provided, however, that (i) prior to such release, Lender shall have been paid the full amount of any Loans outstanding and any accrued interest and other Obligations hereunder with respect to such Pledged Servicing Rights, or (ii) such removal will not result in a Borrowing Base Deficiency (due to excess Collateral Value and/or due to a substitution of Eligible Assets approved by Lender in its sole discretion (a “Collateral Substitution”)). Notwithstanding the foregoing, Lender shall have no obligation to release any Collateral hereunder to the extent (a) any Default or Borrowing Base Deficiency has occurred and is continuing or (b) such release would result in a (i) Borrowing Base Deficiency or (ii) a Default.

#### **Article V. CONDITIONS PRECEDENT**

Section 1.01 As conditions precedent to the initial Loan, Lender shall have received on or before the date on which such initial Loan is consummated the following, in form and substance satisfactory to Lender and duly executed by each party thereto (as applicable):

- (a) Program Documents. The Program Documents (other than the Account Control Agreement), duly executed and delivered by Borrower thereto and being in full force and effect, free of any modification, breach or waiver.
- (b) Organizational Documents. An Officer’s Certificate in a form acceptable to Lender together with a good standing certificate and certified copies of the charter and by-laws (or equivalent documents) of Borrower, in each case, dated as of a recent date, but in no event more than [\*\*\*] prior to the date of such initial Loan and resolutions or other corporate authority for Borrower with respect to the execution, delivery and performance of the Program Documents and each other document to be delivered by Borrower from time to time in connection herewith (and Lender may conclusively rely on such certificate until it receives notice in writing from Borrower, as the context may require to the contrary).
- (c) Incumbency Certificate. An incumbency certificate of the secretary of Borrower certifying the names, true signatures and titles of Borrower’s respective representatives duly authorized to request Loans hereunder and to execute the Program Documents and the other documents to be delivered thereunder;
- (d) Legal Opinion. Such opinions of counsel to Borrower as Lender may require in its sole discretion as to corporate and enforceability issues, perfection and priority of security interest and Investment Company Act issues.
- (e) Filings, Registrations, Recordings. (i) Any documents (including, without limitation, financing statements) required to be filed, registered or recorded in order to create, in favor of Lender, a perfected, first-priority security interest in the Eligible Servicing Rights and related Collateral,



subject to no Liens other than those created hereunder, shall have been properly prepared and executed for filing (including the applicable county(ies) if Lender determines such filings are necessary in its reasonable discretion), registration or recording in each office in each jurisdiction in which such filings, registrations and recordations are required to perfect such first-priority security interest; and (ii) Uniform Commercial Code lien searches, dated as of a recent date, in no event more than [\*\*\*] prior to the date of such initial Loan, in such jurisdictions as shall be applicable to Borrower and the Eligible Servicing Rights and related Collateral, the results of which shall be satisfactory to Lender.

- (f) Fees and Expenses. Lender shall have received all fees and expenses required to be paid by Borrower on or prior to the Initial Funding Date, which fees and expenses may be netted out of any purchase proceeds paid by Lender hereunder.
- (g) Financial Statements. Lender shall have received the financial statements referenced in Section 7.01(a).
- (h) Consents, Licenses, Approvals, etc. Lender shall have received copies certified by Borrower of all consents, licenses and approvals, if any, required in connection with the execution, delivery and performance by Borrower of, and the validity and enforceability of, the Program Documents, which consents, licenses and approvals shall be in full force and effect.
- (i) Insurance. Lender shall have received evidence in form and substance satisfactory to Lender showing compliance by Borrower as of such Initial Funding Date with Section 7.01(r) hereof. █
- (j) No Notice that Could Result in a Material Adverse Effect. Neither Borrower nor any Subservicer has received any notice by any Agency or Government Authority that could reasonably be expected to have a Material Adverse Effect on any of Borrower, the Subservicer or any Pledged Servicing Rights.
- (k) Power of Attorney. Borrower shall have delivered a power of attorney with respect to the powers described in Section 4.04 in a form acceptable to Lender.
- (l) Other Documents. Lender shall have received such other documents as Lender or its counsel may reasonably request.

Section 1.02 The obligation of Lender to enter into each Loan with respect to the Committed Amount pursuant to this Agreement (including the initial Loan and including, any automatic continuation of a Loan upon the conclusion of an Interest Period) is subject to the further conditions precedent set forth below, both immediately prior to making any Loan and also after giving effect thereto and to the intended use thereof. Lender has no obligation to make any Loan on account of the Uncommitted Amount, however, to the extent Lender elects to do so, such Loan is subject to the conditions precedent set forth below, both immediately prior to making such Loan and also after giving effect thereto and to the intended use thereof:

- (a) No Default or Event of Default shall have occurred and be continuing.
- (b) Both immediately prior to making such Loan and also after giving effect thereto and to the intended use of the proceeds thereof, the representations and warranties made by Borrower in Section 6 hereof, and in each of the other Program Documents, shall be true and complete on and as of the Funding Date in all material respects with the same force and effect as if made on and as of such date (or, if any such representation or warranty is expressly stated to have been made as of a specific date, as of such specific date).
- (c) If the Loan is with respect to the Committed Amount, the Outstanding Aggregate Loan Amount then subject to the Facility with respect to the Committed Amount, when added to the amount of

the requested Loan with respect to the Committed Amount, shall not exceed the Committed Amount as of such date. If the Loan is with respect to the Uncommitted Amount, the Outstanding Aggregate Loan Amount then subject to the Facility with respect to the Uncommitted Amount, when added to the amount of the requested Loan with respect to the Uncommitted Amount, shall not exceed the Uncommitted Amount as of such date.

- (d) The making of such Loan, and the application of the proceeds thereof, shall not result in the Outstanding Aggregate Loan Amount exceeding the lesser of (i) the Borrowing Base or (ii) the sum of the Committed Amount plus the Uncommitted Amount;
- (e) Subject to Lender's right to perform one or more Due Diligence Reviews pursuant to Section 30 hereof, Lender shall have completed its Due Diligence Review of such documents, records, agreements, instruments or information relating to the Collateral as Lender in its reasonable discretion deems appropriate to review and such review shall be satisfactory to Lender in its reasonable discretion.
- (f) Lender or its designee shall have received on or before the Funding Date with respect to any Loan (unless otherwise specified in this Agreement) the following, in form and substance satisfactory to Lender and (if applicable) duly executed:
  - (a) a duly executed copy of the Borrower Funding Request for such Loan in accordance with Section 2.03; and
  - (b) (i) with respect to the Initial Borrower Funding Request, the initial Servicing Schedule and an Agency Obligations report with respect to all Collateral to be pledged on the initial Funding Date; and
    - (ii) with respect to any subsequent Borrower Funding Request, an updated Servicing Schedule with respect to all Collateral to be pledged on the related Funding Date on or prior to time required by Section 2.03.
- (g) None of the following shall have occurred and be continuing:
  - (i) an event or events resulting in the inability of Lender to finance assets with traditional counterparties at rates which would have been reasonable prior to the occurrence of such event or events or a material adverse change in the financial condition of Lender which affects (or can reasonably be expected to affect) materially and adversely the ability of Lender to fund its obligations under or otherwise comply with the terms of this Agreement; or
  - (ii) any other event beyond the control of Lender which Lender reasonably determines would likely result in Lender's inability to perform its obligations under this Agreement including, without limitation, acts of God, strikes, lockouts, riots, acts of war or terrorism, epidemics, nationalization, expropriation, currency restrictions, fire, communication line failures, computer viruses, power failures, earthquakes, or other disasters of a similar nature to the foregoing;

provided that (x) Lender shall not invoke subclause (A) or subclause (B) with respect to Borrower unless Lender generally invokes similar clauses contained in other similar agreements between Lender and other persons, and involving substantially similar assets and (y) Lender shall base its decision to invoke subclause (A) and/or subclause (B) on factors it deems relevant in its good faith discretion, which may include its assessment of objective factors ascertainable by it in the market and are shared with Borrower at Borrower's request.

- (h) Lender shall have determined that all actions necessary or, in the good faith, reasonable opinion of Lender, desirable to maintain Lender's perfected interest in the Collateral have been taken, including, without limitation, duly filed Uniform Commercial Code financing statements on Form UCC-1.
- (i) Borrower shall have paid to Lender all fees and expenses then due and payable to Lender in accordance with this Agreement and any other Program Document.
- (j) At the time immediately prior to making a new Loan, no Margin Call has remained unpaid, (i) if Lender delivered such Margin Call on or prior to 10:00 a.m. (New York City time) on such Funding Date, as of the close of business on such Funding Date, or (ii) if Lender delivered such Margin Call after 10:00 a.m. (New York City time) on such Funding Date, for [\*\*\*] following delivery of notice of such Margin Call.
- (k) To the extent that Lender has consented to the appointment of any Subservicer other than Borrower, (i) Lender shall have approved such Subservicer and the related subservicing agreement in writing, and (ii) Borrower and Lender shall have executed a Subservicer Acknowledgment Letter to reflect the addition of such Subservicer.
- (l) To the extent that a Stop-Loss Cap Failure has occurred and is continuing, (i) Borrower shall have delivered to Lender an updated Agency Obligations report in accordance with Section 7.01(p), (ii) Lender shall have recalculated the Borrowing Base based on such updated Agency Obligations report and (iii) any resulting Borrowing Base Deficiency has been cured.
- (m) The Account Control Agreement duly executed and delivered by Borrower thereto and being in full force and effect, free of any modification, breach or waiver, along with such opinions of counsel to Borrower as Lender may require in its sole discretion as to corporate and enforceability issues and perfection of security interest in connection with such Account Control Agreement.

Lender shall notify Borrower as soon as practicable on a Funding Date if any of the conditions in this Section 5 have not been satisfied and Lender is not making the related Loans.

**Section 1.03** It shall be a condition precedent of both the Lender and the Borrower entering into any transactions hereunder concerning Servicing Rights or other Collateral relating to Mortgage Loans owned by Freddie Mac that the parties shall have first entered into the applicable Acknowledgment Agreement and Intercreditor Agreement with Freddie Mac (the "Freddie Mac Conditions"). For the avoidance of doubt, and notwithstanding language herein to the contrary, no such assets may be pledged hereunder, nor restricted by the terms hereof, until the Freddie Mac Conditions have been satisfied. The parties hereto acknowledge that the provisions of this Agreement have been negotiated to include reference to Freddie Mac for convenience only, and that such verbiage is not intended to be effective until the Freddie Mac Conditions are met, at which time such provisions shall be in full force and effect and the applicable Servicing Rights or other Collateral may become subject to this Agreement.

## **Article VI. REPRESENTATIONS AND WARRANTIES**

**Section 1.01** Representations and Warranties of Borrower. Borrower represents and warrants to Lender that throughout the term of this Agreement:

- (1) Existence. Borrower (a) is a limited liability company validly existing and in good standing under the laws of the State of Michigan, (b) has all requisite corporate or other power, and has all governmental licenses, authorizations, consents and approvals, necessary to own its assets and carry on its business as now being or as proposed to be conducted, except where the lack of such licenses, authorizations, consents and approvals would not be reasonably likely have a Material Adverse Effect, (c) is qualified to do business and is in good standing in all other jurisdictions in which the nature of the



business conducted by it makes such qualification necessary, except where failure so to qualify would not be reasonably likely (either individually or in the aggregate) to have a Material Adverse Effect, and (d) is in compliance in all material respects with all Requirements of Law.

- (2) Financial Condition. Borrower has heretofore furnished to Lender a copy of its audited consolidated balance sheets as at December 31, 2021, with the opinion thereon of Ernst & Young LLP, a copy of which has been provided to Lender. Borrower has also heretofore furnished to Lender the related consolidated statements of income, of changes in Shareholders' Equity and of cash flows for the year ended December 31, 2021. All such financial statements are complete and correct in all material respects and fairly present the consolidated financial condition of Borrower and its Subsidiaries and the consolidated results of their operations for the year ended on said date, all in accordance with GAAP.
- (3) Litigation. Except as set forth in Schedule 6.01(c), there are no actions, suits, arbitrations, investigations or proceedings pending or, to its knowledge, threatened against Borrower or any of its Subsidiaries or Subservicer or affecting any of their property before any Governmental Authority, (i) as to which individually or in the aggregate there is a reasonable likelihood of an adverse decision which would be reasonably likely to result in a decrease in excess of [\*\*\*] of Borrower's Adjusted Tangible Net Worth, or (ii) which challenges the validity or enforceability of any of the Program Documents.
- (4) No Breach. Neither (a) the execution and delivery of the Program Documents, nor (b) the consummation of the transactions therein contemplated in compliance with the terms and provisions thereof will result in a breach of the charter or by-laws (or equivalent documents) of Borrower, or violate any applicable law, rule or regulation, or violate any order, writ, injunction or decree of any Governmental Authority applicable to Borrower, or result in a breach of other material agreement or instrument to which Borrower, or any of its Subsidiaries, is a party or by which any of them or any of their property is bound or to which any of them or their property is subject, or constitute a default under any such material agreement or instrument, or (except for the Liens created pursuant to this Agreement) result in the creation or imposition of any Lien upon any property of Borrower or any of its Subsidiaries, pursuant to the terms of any such agreement or instrument.
- (5) Action. Borrower has all necessary limited liability company power, authority and legal right to execute, deliver and perform its obligations under each of the Program Documents to which it is a party; the execution, delivery and performance by Borrower of each of the Program Documents to which it is a party has been duly authorized by all necessary limited liability company action on its part; and each Program Document has been duly and validly executed and delivered by Borrower and constitutes a legal, valid and binding obligation of Borrower, enforceable against Borrower in accordance with its terms, except as such enforceability may be affected by bankruptcy, by other insolvency laws, or by general principles of equity.
- (6) Approvals. No authorizations, approvals, consents of, and no filings or registrations with, Governmental Authority or any other Person, including Fannie Mae, Freddie Mac, HUD or Ginnie Mae, is required for Borrower's or Subservicer's due execution, delivery or performance of any Program Document to which it is a party or for the legality, validity or enforceability thereof, except for (i) consents that have been obtained in connection with transactions contemplated by the Program Documents, including consents obtained from Freddie Mac and Fannie Mae pursuant to the Acknowledgment Agreements, (ii) filings to perfect the security interest created by this Agreement, and (iii) consents and approvals that may be required by Fannie Mae, Freddie Mac, HUD or Ginnie Mae from time to time after the Effective Date.
- (7) Taxes. Borrower and its Subsidiaries have filed all federal income tax returns and all other material tax returns that are required to be filed by them and have paid all taxes due pursuant to such returns or pursuant to any assessment received by any of them, except for any such taxes, if any, that are being appropriately contested in good faith by appropriate proceedings diligently conducted and with respect to which adequate reserves have been provided. The charges, accruals and reserves on the

books of Borrower and its Subsidiaries in respect of taxes and other governmental charges are, in the opinion of Borrower, adequate. Any taxes, fees and other governmental charges payable by Borrower in connection with a Loan and the execution and delivery of the Program Documents have been or will be paid when due. There are no Liens for Taxes, except for statutory liens for Taxes not yet delinquent.

- (8) Investment Company Act. Neither Borrower nor any of its Subsidiaries are required to register as (or will be required to register after giving effect to the transactions under this Agreement) an “investment company” or a company controlled by an “investment company” within the meaning of the Investment Company Act. Borrower (i) has been structured so as not to constitute, and is not a “covered fund” for purposes of Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Volcker Rule”), and (ii) is relying upon an exception or exemption from the registration requirements of the Investment Company Act set forth in Section 3(c)(5)(C) of the Investment Company Act.
- (9) No Legal Bar. The execution, delivery and performance of this Agreement, the other Program Documents, the sales hereunder and the use of the proceeds thereof will not violate any Requirement of Law applicable to Borrower or Contractual Obligation of Borrower or of any of its Subsidiaries and will not result in, or require, the creation or imposition of any Lien (other than the Liens created hereunder) on any of its or their respective properties or revenues pursuant to any such Requirement of Law or Contractual Obligation.
- (10) Compliance with Law. Except as set forth in Schedule 6(j), no practice, procedure or policy employed or proposed to be employed by Borrower in the conduct of its business violates any law, regulation, judgment, agreement, regulatory consent, order or decree applicable to it which, if enforced, would result in a Material Adverse Effect with respect to Borrower.
- (11) No Default. Neither Borrower nor any of its Subsidiaries is in default under or with respect to any of its Contractual Obligations in any respect which should reasonably be expected to have a Material Adverse Effect. No Default or Event of Default has occurred and is continuing.
- (12) Chief Executive Office; Chief Operating Office; Jurisdiction of Incorporation. Borrower’s chief executive and chief operating office on the Effective Date are located at 1050 Woodward Avenue, Detroit, Michigan 48226. Borrower’s jurisdiction of formation on the Effective Date is Michigan.
- (13) Location of Books and Records. The location where Borrower keeps its books and records including all computer tapes and records relating to the Collateral is its chief executive office or chief operating office.
- (14) True and Complete Disclosure. The information, reports, financial statements, exhibits, schedules and certificates furnished in writing by or on behalf of Borrower to Lender in connection with the negotiation, preparation or delivery of this Agreement and the other Program Documents or included herein or therein or delivered pursuant hereto or thereto, when taken as a whole, do not contain any untrue statement of material fact or omit to state any material fact necessary to make the statements herein or therein, in light of the circumstances under which they were made, not misleading. All written information furnished after the date hereof by or on behalf of Borrower to Lender in connection with this Agreement and the other Program Documents and the transactions contemplated hereby and thereby will be true, complete and accurate in every material respect, or (in the case of projections) based on reasonable estimates, on the date as of which such information is stated or certified.
- (15) Financial Covenants. Borrower is in compliance with the Financial Covenants.
- (16) ERISA. Except as would not reasonably be expected to have a Material Adverse Effect, (i) each Plan, and, to the knowledge of Borrower, each Multiemployer Plan, is in compliance in all respects with, and has been administered in all respects in compliance with, the applicable provisions of

ERISA, the Code and any other federal or state law, (ii) no Plan has incurred any “accumulated funding deficiency” as defined in Section 412(a) of the Code and Section 302(a)(2) of ERISA, whether or not waived, and Borrower and each ERISA Affiliate have met all applicable minimum funding requirements under Section 412 of the Code and Section 302 of ERISA in respect of each Plan, (iii) none of Borrower or any of its Subsidiaries has any expense for providing medical or health benefits to any of its respective former employees as an employer, other than as required by the Consolidated Omnibus Budget Reconciliation Act, as amended, or similar state or local law at no cost to the employer (collectively, “COBRA”), (iv) no liability under Sections 4062, 4063, 4064, or 4069 of ERISA has been incurred or is expected by Borrower or any ERISA Affiliate to be incurred with respect to any Plan and (v) neither Borrower, nor any ERISA Affiliate, has incurred or reasonably expects to incur any withdrawal liability as a result of a complete or partial withdrawal from a Multiemployer Plan.

- (17) Reserved.
- (18) No Burdensome Restrictions. No change in any Requirement of Law or Contractual Obligation of Borrower or any of its Subsidiaries after the date of this Agreement has a Material Adverse Effect.
- (19) Subsidiaries. All of the Subsidiaries of Borrower are listed on Schedule 6.01(s) to this Agreement.
- (20) No Adverse Selection. Borrower has used no selection procedures that identified the Collateral as being less desirable or valuable than other comparable Collateral owned by Borrower.
- (21) Borrower Solvent; Fraudulent Conveyance. As of the date hereof and immediately after giving effect to each Loan, the fair value of the assets of Borrower is greater than the fair value of the liabilities (including, without limitation, contingent liabilities if and to the extent required to be recorded as a liability on the financial statements of Borrower in accordance with GAAP) of Borrower and Borrower is and will be solvent, is and will be able to pay its debts as they mature and, after giving effect to the transactions contemplated by this Agreement and the other Program Documents, will not be rendered insolvent or left with an unreasonably small amount of capital with which to conduct its business and perform its obligations. Borrower does not intend to incur, or believe that it has incurred, debts beyond its ability to pay such debts as they mature. Borrower is not contemplating the commencement of insolvency, bankruptcy, liquidation or consolidation proceedings or the appointment of a receiver, liquidator, conservator, trustee or similar official in respect of Borrower or any of its assets. Borrower is not transferring any Loans with any intent to hinder, delay or defraud any of its creditors.
- (22) No Broker. Borrower has not dealt with any broker, investment banker, agent, or other person, except for Lender, who may be entitled to any commission or compensation in connection with the transactions pursuant to this Agreement, or if Borrower has dealt with any broker, investment banker, agent, or other person, except for Lender, who may be entitled to any commission or compensation in connection with the transactions pursuant to this Agreement, such commission or compensation shall have been paid in full by Borrower.
- (23) Agency Approvals. Borrower has all requisite Approvals and is in good standing with each Agency and HUD, to the extent necessary to conduct its business as then being conducted, with no event having occurred which would make Borrower unable to comply with the eligibility requirements for maintaining all such applicable Approvals.
- (24) Fannie Mae/Freddie Mac/Ginnie Mae/HUD. Borrower is a seller/servicer approved by and has all consents and licenses necessary to originate and service loans on behalf of Fannie Mae, Ginnie Mae, HUD and Freddie Mac, in good standing to originate and service mortgages and has remained at all times in material compliance with the guidelines of Fannie Mae, Ginnie Mae, HUD and Freddie Mac to the extent applicable to it and has not been suspended as a mortgagee or servicer by Fannie Mae, Ginnie Mae, HUD or Freddie Mac on and after the date on which Borrower first obtained such

approval from Fannie Mae, Ginnie Mae, HUD or Freddie Mac, as applicable. Neither Borrower nor any Subservicer is under review or investigation (other than routine reviews and investigations in the ordinary course of business) or has knowledge of imminent or future investigations (other than routine reviews and investigations in the ordinary course of business), by Fannie Mae, Ginnie Mae, HUD or Freddie Mac on and after the date on which Borrower or Subservicer became a Fannie Mae, Ginnie Mae, HUD or Freddie Mac approved seller/servicer or lender, as the context may require.

- (25) No Adverse Actions. Neither Borrower nor Subservicer has received a notice from any of Fannie Mae, Freddie Mac or Ginnie Mae indicating any adverse fact or circumstance in respect of Borrower or Subservicer which adverse fact or circumstance would reasonably be expected to entitle any of Fannie Mae, Freddie Mac, and Ginnie Mae, as the case may be, to terminate Borrower as an approved seller/servicer (as applicable) or Subservicer with cause or with respect to which such adverse fact or circumstance has caused any of Fannie Mae, Freddie Mac, or Ginnie Mae to threaten to terminate Borrower or Subservicer in such notice.
- (26) Servicing. Borrower has adequate financial standing, servicing facilities, procedures and experienced personnel necessary for the sound servicing of mortgage loans of the same types as may from time to time constitute Mortgage Loans and in accordance with Accepted Servicing Practices. Each Mortgage Loan has been serviced in all material respects in accordance with all applicable laws and Accepted Servicing Practices.
- (27) No Reliance. Borrower has made its own independent decisions to enter into the Program Documents and make each Loan and as to whether such Loan is appropriate and proper for it based upon its own judgment and upon advice from such advisors (including without limitation, legal counsel and accountants) as it has deemed necessary. Borrower is not relying upon any advice from Lender as to any aspect of the Loans, including without limitation, the legal, accounting or tax treatment of such Loans.
- (28) Plan Assets. Borrower is not an employee benefit plan as defined in Section 3(3) of ERISA that is subject to Title I of ERISA, or a plan described in and subject to Section 4975 of the Code, or an entity whose assets constitute “plan assets” within the meaning of 29 CFR §2510.3-101, as modified by Section 3(42) of ERISA, and transactions under this Agreement by or with Borrower are not subject to any state or local statute regulating investments of, or fiduciary obligations with respect to, governmental plans (within the meaning of Section 3(32) of ERISA) or church plans (within the meaning of Section 3(33) of ERISA) that are invested in Borrower.
- (29) USA Patriot Act; OFAC. Neither Borrower, nor any of their Affiliates, is a Prohibited Person and Borrower is in full compliance with all applicable orders, rules, regulations and recommendations of OFAC. Neither Borrower nor any of their members, directors, executive officers, parents or Subsidiaries: (1) is subject to U.S. or multilateral economic or trade sanctions currently in force; (2) is owned or controlled by, or acts on behalf of, any governments, corporations, entities or individuals that are subject to U.S. or multilateral economic or trade sanctions currently in force; (3) is a Prohibited Person or is otherwise named, identified or described on any blocked persons list, designated nationals list, denied persons list, entity list, debarred party list, unverified list, sanctions list or other list of individuals or entities with whom U.S. Persons may not conduct business, including but not limited to lists published or maintained by OFAC, lists published or maintained by the U.S. Department of Commerce, and lists published or maintained by the U.S. Department of State. Borrower has established an anti-money laundering compliance program as required by all applicable anti-money laundering laws and regulations, including, without limitation, the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (Public Law 107-56) (the “USA Patriot Act”) (collectively, the “Anti-Money Laundering Laws”).
- (30) Anti-Money Laundering. The operations of Borrower and each of its Subsidiaries are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements, including the Currency and Foreign Transactions Reporting Act of 1970, as amended,

the applicable Anti-Money Laundering Laws of all jurisdictions where Borrower or any of its Subsidiaries conduct business, and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving Borrower or any of its Subsidiaries with respect to the Anti-Money Laundering Laws is pending or, to the best knowledge of Borrower, threatened.

- (31) Non-Exempt Person. Borrower is not a Non-Exempt Person.
- (32) Anti-Money Laundering/International Trade Law Compliance. As of the date of this Agreement, and at all times until this Agreement has been terminated and all Obligations hereunder have been paid in full: (A) no Covered Entity (1) is a Sanctioned Person; (2) has any of its assets in a Sanctioned Country or in the possession, custody or control of a Sanctioned Person in violation of any Anti-Terrorism Law; (3) does business in or with, or derives any of its income from investments in or transactions with, any Sanctioned Country or Sanctioned Person in violation of any Anti-Terrorism Law; or (4) engages in any dealings or transactions prohibited by any Anti-Terrorism Law; (B) the proceeds of any Program Document will not be used to fund any operations in, finance any investments or activities in, or make any payments to, a Sanctioned Country or Sanctioned Person in violation of any law; (C) the funds used to pay Servicer or Lender are not derived from any unlawful activity; and (D) each Covered Entity is in compliance with, and no Covered Entity engages in any dealings or transactions prohibited by, any Requirements of Law, including but not limited to any Anti-Terrorism Laws. Borrower covenants and agrees that it shall immediately notify Lender in writing upon the occurrence of a Reportable Compliance Event.
- (33) Assessment and Understanding. Borrower is capable of assessing the merits of (on its own behalf or through independent professional advice), and understands and accepts, the terms, conditions and risks associated with this Agreement and the Loans associated therewith. In addition, Borrower is capable of assuming and does assume the risks of this Agreement, the other Program Documents and the Loans associated herewith and therewith.
- (34) Status of Parties. Borrower agrees that Lender is not acting as a fiduciary for Borrower or as an advisor to Borrower in respect of this Agreement, the other Program Documents or the Loans associated therewith.
- (35) Borrower's Existing Financing Facilities. As of the date hereof, each of Borrower's financing facilities currently in place for the financing of any mortgage servicing rights (other than the Collateral) or servicing advances owned by Borrower are listed in detail on Schedule 6.01(ii) attached hereto. Borrower shall provide any updates to Schedule 6.01(ii) to Lender at the time it delivers each monthly Compliance Certificate hereunder.
- (36) Margin Regulations. No Borrower is nor will be engaged in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulation T, U or X), and no proceeds of any Loan will be used to purchase or carry any margin stock or to extend credit to others for the purpose of purchasing or carrying any margin stock or for any purpose that violates, or is inconsistent with, the provisions of Regulation T, U and X.
- (37) Agency Set Off Rights. Except with respect to any matter for which Borrower provides notice to Lender pursuant to Section 7.01(f), Borrower has no actual notice, including any notice received from any Applicable Agency, or any reason to believe, that, other than in the normal course of Borrower's business, any circumstances exist that would result in Borrower being liable to any Applicable Agency for any amount due that would reasonably be expected to have a Material Adverse Effect by reason of: (i) any breach of servicing or subservicing obligations or breach of mortgage selling warranty to such Applicable Agency under any Servicing Contract or any other similar contracts relating to Borrower's servicing or subservicing portfolio (including without limitation any unmet mortgage repurchase obligation), (ii) any unperformed obligation with respect to mortgages in an MBS pool that Borrower is servicing is subservicing for an Applicable Agency under the regular servicing or subservicing option or other mortgages subject to recourse agreements, (iii) any loss or

damage to any Applicable Agency by reason of any inability to transfer to a purchaser of the Servicing Rights Borrower's selling and servicing subservicing representations, warranties and obligations, as well as any existing MBS recourse (regular servicing option) obligations, or other recourse obligations, and (iv) any other unmet obligations to an Applicable Agency under any Servicing Contract or to any other Person under any other servicing contract relating to Borrower's servicing portfolio.

- (38) Use of Subservicers. Borrower shall not use a subservicer, other than the Subservicer, with respect to any Mortgage Loan without Lender's prior written consent and unless such Subservicer is approved to subservice by an Applicable Agency. Borrower shall provide prior notice to Lender with respect to the use of any subservicer other than Borrower or a change in Subservicer with respect to the Mortgage Loans.
- (39) Agency Consent. Borrower shall provide written notice to Lender immediately upon knowledge of any revocation or threatened revocation of an Applicable Agency's consent to the transactions under, or any termination of, any Other Facility Acknowledgment Agreement.

Section 1.02 Representations Concerning the Collateral. Borrower represents and warrants to Lender that as of each day that a Loan is outstanding pursuant to this Agreement:

- (1) Borrower has not assigned, pledged, conveyed, or encumbered any Collateral to any other Person or any right to any Collateral to any Person (including without limitation any right to control or transfer or otherwise effectuate any remedy relating to any Collateral), and immediately prior to the pledge of any such Collateral, Borrower was the sole owner of such Collateral and had good and marketable title thereto (subject to the rights of the related Applicable Agency with respect to the related Servicing Rights), free and clear of all Liens, and no Person, other than Lender has any Lien on any Collateral. No Pledged Servicing Rights are related to Mortgage Loans owned or financed by a third-party (including without limitation any Subsidiary of Borrower) other than the Applicable Agency pursuant to the related Acknowledgment Agreement, and no Person has any interest in any Eligible Servicing Rights or any related Mortgage Loans, other than Lender, Borrower or the related Applicable Agency pursuant to the related Acknowledgment Agreement (including without limitation any right to control or transfer or otherwise effectuate any remedy relating to any Eligible Servicing Rights).
- (2) The provisions of this Agreement are effective to create in favor of Lender a valid security interest in all right, title, and interest of Borrower in, to and under the Collateral, subject only to the interests of the related Applicable Agency.
- (3) All information concerning all Servicing Rights set forth on the Servicing Schedule and Agency Obligations report pursuant to which such Servicing Rights were, are or will be (as applicable) pledged to Lender will not contain any material misstatement of fact or omit to state a material fact or any fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading as of the date of delivery of such Servicing Schedule or Agency Obligations report, as applicable.
- (4) Upon the filing of financing statements on Form UCC-1 naming Lender as "Secured Party" and Borrower as "Debtor", and describing the Collateral, in the appropriate jurisdictions, Lender has a duly perfected first priority security interest under the UCC in all right, title, and interest of Borrower in, to and under, subject to the interests of the related Applicable Agency, the Servicing Rights.
- (5) Subject to the rights of each Applicable Agency as set forth in Section 4.02 and in the related Acknowledgment Agreement, Borrower is the legal and beneficial owner of the Collateral free and clear of any Lien, except for the Liens created or permitted under the Program Documents.
- (6) Each applicable Acknowledgment Agreement (following execution thereof) is in full force and effect and neither Fannie Mae nor Freddie Mac has provided written notice to Borrower that the Applicable

Agency will terminate, revoke, modify or amend the related Acknowledgement Agreement or its consent to the pledge of the Pledged Servicing Rights by Borrower to Lender.

- (7) In connection with any repurchase agreement, loan and security agreement or similar credit facility or agreement for borrowed funds entered into by Borrower or any of its Subsidiaries on the one hand and any third party (including any of its Subsidiaries but excluding Lender or any Affiliate of Lender) on the other, including without limitation, any other facility for the funding of servicing advances, no such third party has the right pursuant to the terms of such repurchase agreement, loan and security agreement or similar credit facility or agreement, to cause Borrower to terminate, rescind, cancel, pledge, hypothecate, liquidate or transfer any of the Collateral.

## **Article VII. COVENANTS OF BORROWER**

Section 1.01 Affirmative Covenants of Borrower. Borrower covenants and agrees with Lender as so long as any Loan is outstanding and until all Obligations have been paid in full:

- (a) Financial Statements and Other Information; Financial Covenants. Subject to the provisions of Section 29 hereof, Borrower shall deliver to Lender:
- (i) As soon as available and in any event within [\*\*\*] after the end of each of the first three quarterly fiscal periods of each fiscal year of Borrower, a certification in the form of Exhibit A attached hereto to the attention of [\*\*\*] together with the unaudited consolidated balance sheet of Borrower and its consolidated Subsidiaries as at the end of such period and the related unaudited consolidated statements of income, and of cash flows for Borrower and its consolidated Subsidiaries for such period and the portion of the fiscal year through the end of such period, setting forth in each case in comparative form the figures for the previous year, accompanied by a certificate of a Responsible Officer of Borrower, which certificate shall state that said consolidated financial statements fairly present in all material respects the consolidated financial condition and results of operations of Borrower and its Subsidiaries in accordance with GAAP, as at the end of, and for, such period (subject to normal year-end adjustments and the absence of footnotes);
- (ii) As soon as available and in any event within [\*\*\*] after the end of each fiscal year of Borrower, the consolidated balance sheet of Borrower and its consolidated Subsidiaries as at the end of such fiscal year and the related consolidated statements of income and of cash flows for Borrower and its consolidated Subsidiaries for such year, setting forth in each case in comparative form the figures for the previous year and including all footnotes thereto, accompanied by an opinion thereon of independent certified public accountants of recognized national standing, which opinion shall not be qualified as to scope of audit or going concern and shall state that said consolidated financial statements fairly present in all material respects the consolidated financial condition and results of operations of Borrower and its consolidated Subsidiaries at the end of, and for, such fiscal year in accordance with GAAP;
- (iii) Promptly, from time to time, such other information regarding the business affairs, operations and financial condition of Borrower or Subservicer (including but not limited to any information regarding any repurchase and indemnity requests or demands made upon Borrower by any third party investors (including any Agency) as Lender may reasonably request;
- (iv) At the time Borrower furnishes each set of financial statements pursuant to paragraphs (i) or (ii) above, Borrower shall provide its most recent report on its internal quality control program that evaluates and monitors, on a regular basis, the overall quality of its loan origination and servicing activities and that: ensures that the Loans are serviced in accordance with Accepted Servicing Practices; guards against dishonest, fraudulent, or negligent acts; and guards against errors and omissions by officers, employees, or other authorized persons;

- (v) Within [\*\*\*] calendar days after the end of each fiscal year of Borrower, Borrower shall deliver or have delivered to Lender a written statement of a public accountant attesting to Borrower's assessment of its compliance with the servicing criteria set forth in Section 1122(d) of Securities and Exchange Commission regulation AB (17 C.F.R. Section 229.1122(d) (a "Reg AB Compliance Certificate"); provided, however, that Borrower shall have no obligation to provide a Reg AB Compliance Certificate to Lender until such time that Borrower complies with the applicable servicing criteria referenced therein and otherwise obtains such Reg AB Compliance Certificate for purposes other than delivery pursuant to this Agreement;
- (vi) Borrower will furnish to Lender, at the time it furnishes each set of financial statements pursuant to paragraphs (i) or (ii) above, a certificate of a Responsible Officer of Borrower on behalf of Borrower in the form of Exhibit A hereto (each a "Compliance Certificate") stating that, to the best of such Responsible Officer's knowledge, as of the last day of the fiscal quarter or fiscal year for which financial statements are being provided with such certification, Borrower is in compliance in all material respects with all provisions and terms of this Agreement and the other Program Documents and no Default or Event of Default has occurred under this Agreement which has not previously been waived, except as specified in such certificate (and, if any Default or Event of Default has occurred and is continuing, describing the same in reasonable detail and describing the action Borrower has taken or proposes to take with respect thereto).
- (b) Litigation. Borrower will promptly notify Lender after Borrower has knowledge of any legal or arbitral proceedings affecting Borrower (i) that questions or challenges the validity or enforceability of any of the Program Documents, or (ii) as to which an adverse determination would result in a levy on Borrower's assets in excess of [\*\*\*] of Borrower's Adjusted Tangible Net Worth, which notice shall be provided in any event within [\*\*\*] of Borrower's knowledge of any proceedings pursuant to clause (i) above and within [\*\*\*] of Borrower's knowledge of any proceedings pursuant to clause (ii) above.
- (c) Existence, Etc. Borrower will:
- (i) (A) preserve and maintain its legal existence and all of its material rights, privileges, franchises; (B) maintain all licenses, permits or other approvals necessary to conduct its business and to perform its obligations under the Program Documents; and (C) except as would not be reasonably likely to have a Material Adverse Effect or would have a material adverse effect on the Collateral or Lender's interest therein, remain in good standing under the laws of each state in which it conducts business or any Mortgaged Property is located;
- (ii) comply with the requirements of all applicable laws, rules, regulations and orders of Governmental Authorities (including, without limitation, truth in lending, real estate settlement procedures and all environmental laws), whether now in effect or hereinafter enacted or promulgated in all material respects;
- (iii) keep or cause to be kept in reasonable detail records and books of account necessary to produce financial statements that fairly present, in all material respects, the consolidated financial condition and results of operations of Borrower in accordance with GAAP consistently applied;
- (iv) not move its chief executive office or its jurisdiction of formation from the locations referred to in Section 6.01(l) unless it shall have provided Lender [\*\*\*] written notice following such change;
- (v) pay and discharge all taxes, assessments and governmental charges or levies imposed on it or on its income or profits or on any of its Property prior to the date on which penalties attach thereto, except for any such tax, assessment, charge or levy the payment of which is being



contested in good faith and by proper proceedings and against which adequate reserves are being maintained; and

- (vi) permit representatives of Lender, during normal business hours upon [\*\*\*] prior written notice at a mutually desirable time, provided that no notice shall be required at any time during the continuance of an Event of Default, to examine, copy and make extracts from its or Subservicer's books and records, to inspect any of its Properties, and to discuss its business and affairs with its officers, all to the extent relating to the Collateral.
- (d) Prohibition of Fundamental Changes. Borrower shall not at any time, directly or indirectly, (i) enter into any transaction of merger or consolidation or amalgamation, or liquidate, wind up or dissolve itself (or suffer any liquidation, winding up or dissolution) or sell all or substantially all of its assets without Lender's prior consent, unless such merger, consolidation or amalgamation would not result in a Change in Control; or (ii) form or enter into any partnership, joint venture, syndicate or other combination which would have a Material Adverse Effect with respect to Borrower.
- (e) Borrowing Base Deficiency. If at any time there exists a Borrowing Base Deficiency, Borrower shall cure the same in accordance with Section 2.08 hereof.
- (f) Notices.
  - (i) Borrower shall give notice to Lender in writing within (A) [\*\*\*] of knowledge by any Responsible Officer of any occurrence of any Event of Default, and (B) [\*\*\*] of knowledge by any Responsible Officer of any occurrence of any Default.
  - (ii) Borrower shall give notice to Lender in writing within ten (10) calendar days of knowledge by any Responsible Officer of any of the following:
    - (1) any litigation or proceeding that is pending against Borrower, any Subservicer or any of its Subsidiaries in any federal or state court or before any Governmental Authority except for those set forth in Schedule 6.01(c) and those otherwise disclosed to Lender, which, (1) if adversely determined, would reasonably be expected to result in a levy on Borrower's assets in excess of [\*\*\*] of Borrower's Adjusted Tangible Net Worth, or (2) that questions or challenges the validity or enforceability of any of the Program Documents;
    - (2) any non-ordinary course investigation or audit (in each case other than those that, pursuant to a legal requirement, may not be disclosed), in each case, by any Agency or Governmental Authority, relating to the origination, sale or servicing of Loans by Borrower or the business operations of Borrower, which, if adversely determined, would reasonably be expected to result in a Material Adverse Effect with respect to Borrower;
    - (3) any material penalties, sanctions or charges levied against Borrower or any adverse change in any material Approval status; or
    - (4) the transfer, expiration without renewal, termination or other loss by Borrower of all or any part of any Servicing Contract (or the termination or replacement of Borrower thereunder), the reason for such transfer, loss or replacement, if known to it and the effects that such transfer, loss or replacement will have (or will likely have) on the prospects for full and timely collection of all amounts owing to Borrower under or in respect of Borrower's Servicing Contracts;
  - (iii) Borrower shall promptly, but in any event within (i) [\*\*\*] after Borrower's receipt thereof, furnish Lender, a copy of any notices it receives from Fannie Mae, Freddie Mac, HUD or Ginnie Mae asserting any adverse fact or circumstance in respect of Borrower or other

Subservicer (if applicable) which adverse fact or circumstance entitles Fannie Mae, Freddie Mac, HUD or Ginnie Mae, respectively, to terminate Borrower or Subservicer with cause, or (ii) [\*\*\*] after Borrower's receipt thereof, furnish Lender, a copy of any (A) notices it receives from Fannie Mae, Freddie Mac, HUD or Ginnie Mae requesting an inspection, other than routine inspections, or commencing an investigation of Borrower or Subservicer, Borrower's or Subservicer's files or Borrower's or Subservicer's facilities, and (B) notice from an Applicable Agency indicating a material breach, default or non-compliance by Borrower or any Subservicer under the applicable Agency Guide which has or would reasonably be expected to have a Material Adverse Effect, in each case of (i) or (ii), to the extent permitted by the applicable Agency;

- (iv) Borrower shall furnish Lender notice upon Borrower becoming aware of any event or change in circumstances which would reasonably be expected to have a Material Adverse Effect; and
  - (v) Borrower shall furnish Lender notice within [\*\*\*] after Borrower or the Subservicer enters into any amendment to the terms of any Servicing Contract or the Subservicing Agreement; provided, that Borrower or the Subservicer shall not enter into any amendment to the Subservicing Agreement or the Servicing Contracts (other than amendments mandated or unilaterally made by the Applicable Agency) that would materially and adversely affect Borrower's or Subservicer's servicing of the Mortgage Loans subject to this Agreement without the prior written consent of Lender.
- (g) Performance and Compliance with Servicing Contracts. Borrower will comply with all terms, provisions, covenants and other promises required to be observed by it under each of the Program Documents to which it is a party, maintain the Program Documents to which it is a party in full force and effect in all material respects and enforce the Servicing Contracts in all material respects in accordance with the terms thereof. To the extent Lender has approved any Subservicer (other than Borrower) and Borrower has engaged such Subservicer to service any Pledged Servicing Rights, Borrower shall not amend or permit the amendment of any sections of any Subservicing Agreement which would negatively affect in any material respect the Servicing Contracts referenced herein or Subservicer's servicing of the Mortgage Loans subject to this Agreement, without Lender's prior written consent, which shall not be unreasonably withheld. Borrower shall diligently enforce its rights under any Subservicing Agreement, including all rights to terminate and replace the Subservicer pursuant to such Subservicing Agreement. Borrower shall not waive any material default or other material failure to perform under or breach of the Servicing Contracts or Subservicing Agreement without Lender's prior written consent. For the avoidance of doubt, any default, failure or breach by any Subservicer that would permit the termination and replacement of such Subservicer under the Subservicing Agreement shall be deemed "material" and shall not be waived by Borrower or its Subsidiaries without Lender's prior written consent.
- (h) Lines of Business. Borrower shall not materially change the nature of its business from that generally carried on by it as of the Effective Date.
- (i) Transactions with Affiliates. Borrower shall not enter into any transaction, including, without limitation, the purchase, sale, lease or exchange of property or assets or the rendering or accepting of any service with any Affiliate, officer, director, senior manager, owner or guarantor unless (i) such transaction is with any Subsidiary of Borrower listed on Schedule 6.01(s), so long as such Subsidiary is directly or indirectly 100% owned by Borrower and included in consolidated financial statements of Borrower, (ii) such transaction is (A) upon fair and reasonable terms no less favorable to Borrower than it would obtain in a comparable arm's length transaction with a Person which is not an Affiliate, officer, director, senior manager, owner or guarantor, and (B) in the ordinary course of Borrower's business, (iii) such transaction is listed on Schedule 7.01(i)

hereto, or (iv) such transaction is a loan, guaranty or other transaction that would have been permitted under Section 7.01(n) if it had been made as a distribution.

- (j) Defense of Title. Borrower warrants and will defend the right, title and interest of Lender in and to all Collateral against all adverse claims and demands of all Persons whomsoever (other than a claim by any Applicable Agency or any claim or demand related to any act or omission of Lender, which claim or demand does not arise out of or relate to any breach or potential breach of a representation or warranty by Borrower under this Agreement).
- (k) Preservation of Collateral. Borrower shall (i) do all things necessary to preserve the Collateral, and upon request by Lender undertake all actions which are necessary or appropriate, in the reasonable judgment of Lender, so that such Collateral remains subject to a first priority perfected security interest hereunder (subject only to the interests of the Applicable Agency with respect to Eligible Servicing Rights and the Collateral related thereto), and (ii) preserve and protect the Collateral and protect and enforce the rights of Lender to the Collateral, including the making or delivery of all filings and recordings (of financing or continuation statements), or amendments thereto or assignments thereof, and such other instruments or notices, as may be necessary or appropriate, cause to be marked conspicuously its master data processing records with a legend, acceptable to Lender, evidencing that such security interest has been granted in accordance with this Agreement.
- (l) No Assignment. Except as permitted by this Agreement, Borrower shall not, and shall not permit Subservicer to, sell, assign, transfer or otherwise dispose of, or grant any option with respect to, or pledge, hypothecate or grant a security interest in or lien on or otherwise encumber (except pursuant to the Program Documents), any of the Collateral or any interest therein, (i) other than sales or dispositions of Servicing Rights (A) resulting from the payoff of the related Mortgage Loans or the repurchase of the related Mortgage Loans by Borrower, (B) as required by the Applicable Agency or (C) in the ordinary course of Borrower's servicing business, or (ii) except as expressly permitted by this Agreement.
- (m) Limitation on Sale of Assets. Borrower shall not convey, sell, lease, assign, transfer or otherwise dispose of (collectively, "Transfer"), all or substantially all of its Property, business or assets (including, without limitation, receivables and leasehold interests) whether now owned or hereafter acquired unless, following such Transfer, Borrower shall be in compliance with all of the other representations, warranties and covenants set forth in this Agreement.
- (n) Limitation on Distributions. Without Lender's consent, if an Event of Default has occurred and is continuing (i) due to Borrower's failure to comply with Sections 6.01(e) or 7.01(o), or (ii) due to an Event of Default under Sections 8.01(a)(i) or 8.01(a)(ii) but only to the extent that such Event of Default under Section 8.01(a)(ii) is with respect to an amount due under such section that is deemed to be material by Lender, in its reasonable discretion, then Borrower shall not make any payment on account of, or set apart assets for a sinking or other analogous fund for the purchase, redemption, defeasance, retirement or other acquisition of, any stock of Borrower, whether now or hereafter outstanding, or make any other distribution in respect thereof, either directly or indirectly, whether in cash or property or in obligations of Borrower. [\*\*\*]
- (o) Financial Covenants. Borrower shall maintain compliance with the Financial Covenants.
- (p) Stop-Loss Cap Failure; Agency Obligations. Borrower shall promptly, but in any event within [\*\*\*] after the occurrence of a Stop-Loss Cap Failure, deliver to Lender an updated Agency Obligations report identifying all Agency Obligations in accordance with clause (c) of the definition of "Agency Obligations."
- (q) Reserved.

- (r) Maintenance of Property; Insurance. Borrower shall and shall require Subservicer to keep all property useful and necessary in its business in good working order and condition (ordinary wear and tear and excepted), except to the extent failure to maintain all such property and assets could not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect. Borrower shall maintain, and shall require any other Subservicer to maintain, a fidelity bond, errors and omissions insurance and blanket bond coverage in such amounts as are required by each Applicable Agency, and shall also maintain and require any other Subservicer to maintain such other insurance with financially sound and reputable insurance companies, and with respect to property and risks of a character usually maintained by entities engaged in the same or similar business similarly situated, against loss, damage and liability of the kinds and in the amounts customarily maintained by such entities.
- (s) Certificate of a Responsible Officer of Borrower. At the time that Borrower delivers financial statements to Lender in accordance with Section 7.01(a) hereof, Borrower shall forward to Lender a certificate of a Responsible Officer of Borrower which demonstrates that Borrower is in compliance with the covenants set forth in Sections 7.01(o) of this Agreement.
- (t) Maintenance of Licenses. Borrower shall (i) maintain all licenses, permits or other approvals necessary for Borrower to conduct its business and to perform its obligations under the Program Documents, (ii) remain in good standing with respect to such licenses, permits or other approvals, under the laws of each state in which it conducts material business, and (iii) conduct its business in accordance with applicable law in all material respects.
- (u) Taxes, Etc. Borrower shall timely pay and discharge, or cause to be paid and discharged, on or before the date they become delinquent, all taxes, assessments and governmental charges or levies imposed upon it or upon its income and profits or upon any of its property, real, personal or mixed (including without limitation, the Collateral) or upon any part thereof, as well as any other lawful claims which, if unpaid, become a Lien upon the Collateral, except for any such taxes, assessments and governmental charges, levies or claims as are appropriately contested in good faith by appropriate proceedings diligently conducted and with respect to which adequate reserves are provided. Borrower shall file on a timely basis all federal, and material state and local tax and information returns, reports and any other information statements or schedules required to be filed by or in respect of it.
- (v) Agency Audit. Borrower shall at all times maintain copies of relevant portions of all Agency Audits in which there are material adverse findings, including without limitation notices of defaults, notices of termination of approved status, notices of imposition of supervisory agreements or interim servicing agreements, and notices of probation, suspension, or non-renewal.
- (w) Illegal Activities. Borrower shall not engage in any conduct or activity that is reasonably likely to subject a material amount of its assets to forfeiture or seizure.
- (x) ERISA Matters.
  - (i) Borrower shall not permit any event or condition which is described in the definition of “Event of ERISA Termination” to occur or exist with respect to any Plan or Multiemployer Plan if such event or condition, together with all other events or conditions described in the definition of Event of ERISA Termination occurring within the prior twelve months, involves the payment of money by or an incurrence of liability of Borrower or any ERISA Affiliate thereof, or any combination of such entities in an amount in excess of [\*\*\*] of Borrower’s Adjusted Tangible Net Worth.
  - (ii) Borrower shall not be an employee benefit plan as defined in Section 3(3) of ERISA that is subject to Title I of ERISA, or a plan described in and subject to Section 4975 of the Code or

an entity whose assets constitute “plan assets” within the meaning of 29 CFR §2510.3-101, as modified by Section 3(42) of ERISA, to engage in this Agreement or make Loans hereunder, and Loans hereunder to Borrower are not subject to any state or local statute regulating investments of, or fiduciary obligations with respect to, any governmental plans (within the meaning of Section 3(32) of ERISA) or church plans (within the meaning of Section 3(33) of ERISA).

- (y) Agency Approvals; Servicing. To the extent previously approved and necessary for Borrower to conduct its business in all material respects as it is then being conducted, Borrower shall maintain its status with Fannie Mae and Freddie Mac as an approved seller/servicer, with Ginnie Mae as an approved issuer and an approved servicers, and as a Rural Housing Service lender and a Rural Housing Servicer in each case in good standing (each such approval, an “Agency Approval”); provided, that should Borrower decide to no longer maintain an Agency Approval (as opposed to an Agency withdrawing an Agency Approval, but including an Agency ceasing to exist), (i) Borrower shall notify Lender in writing, and (ii) Borrower shall provide Lender with written or electronic evidence that the Eligible Loans are eligible for sale to another Agency. Should Borrower, for any reason, cease to possess all such applicable Agency Approvals to the extent necessary, Borrower shall so notify Lender promptly in writing. Notwithstanding the preceding sentence and to the extent previously approved, Borrower shall take all necessary action to maintain all of its applicable Agency Approvals at all times during the term of this Agreement and each outstanding Loan.
- (z) OFAC. At all times throughout the term of this Agreement, Borrower (a) shall be in full compliance with all applicable orders, rules, regulations and recommendations of OFAC and (b) shall not permit any Loans to be maintained, insured, traded, or used (directly or indirectly) in violation of any United States statutes, rules or regulations, in a Prohibited Jurisdiction or by a Prohibited Person.
- (aa) Maintenance of Papers, Records and Files.
  - (i) Borrower shall acquire, and Borrower shall build, maintain and have available, a complete file in accordance with lending industry custom and practice for each item of Collateral. Borrower will maintain all such Records not in the possession of Custodian or Lender in good and complete condition in accordance with industry practices and preserve them against loss or destruction.
  - (ii) Borrower shall collect and maintain or cause to be collected and maintained all Records relating to the Collateral in accordance with industry custom and practice, including those maintained pursuant to subsection (i), and all such Records shall be in Custodian’s possession unless Lender otherwise approves. Borrower shall deliver to Lender or its designee updates of such Servicing Records at least monthly, and more frequently as requested by Lender. Borrower will not cause or authorize any such papers, records or files that are an original or an only copy to leave Custodian’s possession, except for individual items removed in connection with servicing a specific Loan, in which event Borrower will obtain or cause to be obtained a receipt from Custodian for any such paper, record or file.
  - (iii) For so long as Lender has an interest in or lien on any Collateral, Borrower will hold or cause to be held all related Records in trust for Lender. Borrower shall notify, or cause to be notified, every other party holding any such Records of the interests and liens granted hereby.
  - (iv) Upon reasonable advance notice from Custodian or Lender, Borrower shall (x) make any and all such Records available to Custodian or Lender to examine any such Records, either by its own officers or employees, or by agents or contractors, or both, and make copies of all or any portion thereof, (y) permit Lender or its authorized agents to discuss the affairs, finances and accounts of Borrower with its respective chief operating officer and chief financial officer and



to discuss the affairs, finances and accounts of Borrower with its independent certified public accountants.

- (ab) Use of Proceeds. Borrower shall not use the proceeds of the Loans in contravention of the requirements, if any, of the Applicable Agency.
- (ac) Requests for Information. Borrower shall furnish to Lender within [\*\*\*] after Lender's request, any reasonable information, documents, records or reports with respect to the Collateral, Borrower's or any Subservicer's business or its relationship with any Agency, as Lender may from time to time request in each case to the extent such information is reasonably available to Borrower and permitted to be given to Lender in accordance with applicable law and confidentiality agreements.
- (ad) Controlled Accounts. Following and during the continuation of an Event of Default and subject to Borrower's obligations to make remittances under the related Servicing Contracts to which it is a party, Borrower shall credit, to a Controlled Account established and maintained at the Control Bank, all amounts collected by Borrower with respect to the Pledged Servicing Rights and the related Mortgage Loans which constitute Servicing Fees (but excluding P&I payments and tax and insurance escrow payments on the Mortgage Loans and any reimbursement rights of Borrower for advances made, whether P&I, taxes or insurance, corporate or otherwise).
- (ae) Applicable Agency Approval. Borrower shall at all times maintain copies of relevant portions of all final written Fannie Mae, Freddie Mac, HUD and Ginnie Mae audits, examinations, evaluations, monitoring reviews and reports of its origination and servicing and subservicing operations (including those prepared on a contract basis for any such agency) in which there are material adverse findings, which may include without limitation notices of defaults, notices of termination of approved status, notices of imposition of supervisory agreements or interim servicing agreements, and notices of probation, suspension, or non-renewal, and all necessary approvals from each of Fannie Mae, Freddie Mac, HUD and Ginnie Mae. Borrower shall not, nor to the extent reasonably in its control, permit Subservicer to take any action, or fail to take any action, that would be reasonably likely to cause Fannie Mae, Freddie Mac, HUD or Ginnie Mae to terminate or threaten to terminate its right to service loans for Fannie Mae, Freddie Mac, HUD or Ginnie Mae with cause.
- (af) Quality Control. Borrower shall and shall require Subservicer to conduct quality control reviews of Borrower's and Subservicer's servicing operations in accordance with industry standards and Fannie Mae, Freddie Mac, Ginnie Mae and HUD requirements. Borrower shall provide to Lender photocopies or electronic copies of any quality control findings relating, in whole or in part, to the Collateral as such applicable quality control reports are produced.
- (ag) Minimum Threshold. Borrower acknowledges and agrees that Lender has the right to require Borrower or any Subservicer to maintain the minimum threshold to service mortgage loans for an Agency adopted by such Agency to rate or score the quality of servicers, and to apply such threshold to Borrower or any Subservicer.
- (ah) Agency Collateral Account. In the event that the Borrower is required by an Applicable Agency to maintain a Collateral Account, then to the extent not prohibited by the related Agency, Borrower shall promptly (and in any event within [\*\*\*] thereof) notify Lender (and provide a copy of any written request) of any request it receives from any Agency indicating either (i) that Borrower or Subservicer must deposit additional amounts in the related Collateral Account or (ii) that Borrower or Subservicer is entitled to withdraw amounts from the related Collateral Account and such notice shall include the amount required to be deposited or withdrawn, as applicable.
- (ai) Advance Facilities. Prior to entering into any arrangement which in any way involves the pledging of any of Borrower's right, title and interest in, to and under any right to reimbursement

of any servicing advances under the applicable Servicing Contracts with respect to any Pledged Servicing Rights to a third party, Borrower shall provide Lender with [\*\*\*] advance notice and shall cooperate with Lender to enable Lender to give such third party notice of Lender's interest hereunder, including without limitation, by providing to Lender the name and contact information for delivery of such notice to the third party to whom Borrower's right to reimbursement will be pledged.

- (aj) Further Identification of Collateral. Borrower will furnish to Lender from time to time statements and schedules further identifying and describing the Collateral and such other reports in connection with the Collateral as Lender may reasonably request, all in reasonable detail.
- (ak) Notice of Disposal of Servicing Rights. In the event that Borrower sells or otherwise disposes of any of the Pledged Servicing Rights (other than in connection with prepayments in full on the Mortgage Loans), it shall give Lender [\*\*\*] prior written notice of such sale or disposition, during which time Lender shall recalculate the Collateral Value for the Collateral and related Borrowing Base remaining after such sale or disposition. Lender shall have no obligation to release its interest in any Pledged Servicing Rights until all amounts required to be paid pursuant to Section 4.05 have been paid.
- (al) Subservicer Acknowledgement Letters. Prior to permitting any Subservicer, other than Borrower, to service any Mortgage Loans related to the Eligible Servicing Rights pledged hereunder, Borrower shall cause such Subservicer to become a party to a subservicer side letter with Lender, pursuant to which such Subservicer shall acknowledge Lender's and the Applicable Agency's rights hereunder, and agree to follow all instructions of Lender upon the occurrence of a default hereunder, which side letter shall be acceptable to Lender and the Applicable Agency substantially in the form of the side letter executed between Lender and the Subservicer in connection with the closing of this Agreement (such side letter, a "Subservicer Acknowledgement Letter").
- (am) Quarterly Valuation Report. Borrower shall deliver to Lender, on a quarterly basis, a servicing valuation report with respect to all Servicing Rights owned by Borrower in form and substance acceptable to Lender prepared by a Valuation Agent.
- (an) Negative Covenants of Borrower. Borrower covenants and agrees with Lender that so long as any Loan is outstanding and until all Obligations have been paid in full, Borrower shall not:
  - (i) (A) consent to any cancellation, termination, material amendment, modification or waiver of any term or condition of any Program Document (other than any Subservicing Agreement unless such material amendment would negatively affect in any material respect any Subservicer's servicing of the Mortgage Loans relating to Pledged Servicing Rights), without the prior written consent of Lender, which consent shall not be unreasonably withheld, provided that if the amendment of a Servicing Contract is done unilaterally by the Applicable Agency, the prior written consent of Lender is not required or (B) take any other action or allow any Subservicer to take any action in connection with any such Program Documents that would impair in any material respect the value of the interests or rights of Borrower thereunder or that would impair in any material respect the interests or rights of Lender;
  - (ii) unless required by any Applicable Agency, appoint or use any Subservicers (other than Borrower) with respect to any Servicing Rights pledged to Lender pursuant to this Agreement, (i) without Lender's consent and (ii) without executing a Subservicer Acknowledgment Letter regarding the addition of any such Subservicer;
  - (iii) take any action or allow Subservicer to take any action that would directly or indirectly materially impair or materially adversely affect Borrower's title to, or the value, of the Collateral or materially increase the duties, responsibilities or obligations of Borrower;

- (iv) sell or otherwise dispose of any Pledged Servicing Rights unless such sale or disposition is in accordance with Section 7.01(l);
- (v) to the extent that mortgage servicing rights of an Applicable Agency are Eligible Servicing Rights hereunder, enter into any financing facility to provide for the financing of mortgage servicing rights subject to a Servicing Contract with such Applicable Agency with a lender other than Lender or any Other Facility Lender without such lender entering into an Intercreditor Agreement (at which point such lender shall be deemed an Other Facility Lender, and the applicable facility, an Other Facility); and
- (vi) to the extent that mortgage servicing rights of an Applicable Agency are Eligible Servicing Rights hereunder, allow any such Servicing Rights related to such Applicable Agency to not be subject to the Acknowledgment Agreement or an Other Facility Acknowledgment Agreement at any time.

## Article VIII. EVENTS OF DEFAULT

Section 1.01 Events of Default. Each of the following events shall constitute an Event of Default (an “Event of Default”) hereunder:

- (a) Payment Default. Borrower defaults in the payment of (i) any amount due in respect of a Borrowing Base Deficiency, any amount due under Section 5.02(j), any interest due on the Note pursuant to Section 2.05 or any principal or interest under the Note due at stated maturity, upon acceleration, or at mandatory prepayment hereunder or under any other Program Document; provided, that, with respect to this clause (i), if Borrower provides Lender with written evidence reasonably satisfactory to Lender that such failure is solely the result of an administrative error, such failure shall only be deemed an Event of Default if such failure to comply shall continue unremedied for a period of [\*\*\*], or (ii) any other Obligations, with respect to this clause (ii), [\*\*\*] following receipt by a Responsible Officer of notice of such default;
- (b) Representation and Covenant Defaults.
  - (i) The failure of Borrower to perform, comply with or observe any term, representation, covenant or agreement applicable to Borrower in any material respect, in each case, after the expiration of the applicable cure period, if any, as specified in such covenant, contained in:
    - (1) Section 7.01(c)(Existence) only to the extent relating to maintenance of existence; provided, that if Borrower provides Lender with written evidence reasonably satisfactory to Lender that such failure is solely the result of an administrative error, such failure shall only be deemed an Event of Default if such failure to comply shall continue unremedied for a period of [\*\*\*] or such failure shall be determined by Lender in its good faith discretion to result in a Material Adverse Effect;
    - (2) Section 7.01(d)(Prohibition of Fundamental Change);
    - (3) Section 7.01(o) (Financial Covenants), provided Borrower shall be entitled to [\*\*\*] to cure any such default from the earlier of notice or knowledge of such failure;
    - (4) Section 7.01(w)(Illegal Activities); or
    - (5) Section 7.01(nn)(ii), (iii) or (vi) (Negative Covenants of Borrower regarding Subservicers).
  - (ii) (A) Any representation, warranty or certification made herein or in any other Program Document by Borrower or any certificate furnished to Lender pursuant to the provisions hereof or thereof shall prove to have been untrue or misleading in any material respect as of the time



made or furnished and such breach is not cured within [\*\*\*] after knowledge thereof by, or notice thereof to, a Responsible Officer, or (B) any representation or warranty made by Borrower in Section 6.02 to this Agreement shall prove to have been untrue or misleading in any material respect as of the time made or furnished and such breach is not cured within [\*\*\*] after knowledge thereof by, or notice thereof to, a Responsible Officer, provided that each such breach of a representation or warranty made in Section 6.02 to this Agreement shall be considered solely for the purpose of determining the Market Value of the Collateral and Eligible Servicing Rights affected by such breach, and shall not be the basis for declaring an Event of Default under this Agreement unless Borrower shall have made any such representations and warranties with actual knowledge by a Responsible Officer that they were materially false or misleading at the time made; and

- (iii) Borrower fails to observe or perform, in any material respect, any other covenant or agreement contained in this Agreement (and not identified in clause (b)(i) of this Section) or any other Program Document and such failure to observe or perform is not cured within [\*\*\*] after knowledge thereof by, or notice thereof to, a Responsible Officer;
- (c) Judgments. Any final, judgment or judgments or order or orders for the payment of money is rendered against Borrower in excess of [\*\*\*] of Borrower's Adjusted Tangible Net Worth in the aggregate shall be rendered against Borrower by one or more courts, administrative tribunals or other bodies having jurisdiction over Borrower and the same shall not be discharged (or provisions shall not be made for such discharge), satisfied, or bonded, or a stay of execution thereof shall not be procured, within [\*\*\*] from the date of entry thereof and Borrower shall not, within said period of [\*\*\*], or such longer period during which execution of the same has been stayed or bonded, appeal therefrom and cause the execution thereof to be stayed during such appeal;
- (d) Insolvency Event. Borrower (i) discontinues or abandons operation of its business; (ii) fails generally to, or admits in writing its inability to, pay its debts as they become due; (iii) files a voluntary petition in bankruptcy, seeks relief under any provision of any bankruptcy, reorganization, moratorium, delinquency, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction whether now or subsequently in effect; (iv) consents to the filing of any petition against it under any such law; (v) consents to the appointment of or taking possession by a custodian, receiver, conservator, trustee, liquidator, sequestrator or similar official for Borrower, or of all or any substantial part of its respective Property; (vi) makes an assignment for the benefit of its creditors; or (vii) has a proceeding instituted against it in a court having jurisdiction in the premises seeking (A) a decree or order for relief in respect of Borrower in an involuntary case under any applicable bankruptcy, insolvency, liquidation, reorganization or other similar law now or hereafter in effect, or (B) the appointment of a receiver, liquidator, trustee, custodian, sequestrator, conservator or other similar official of Borrower, or for any substantial part of its property, or for the winding up or liquidation of its affairs (provided, however, if such proceeding or appointment is the result of the commencement of involuntary proceedings or the filing of an involuntary petition against such Person no Event of Default shall be deemed to have occurred under this clause (d) unless such proceeding or appointment is not dismissed within [\*\*\*] after the initial date thereof;
- (e) Change of Control. A Change of Control of Borrower shall have occurred without the prior consent of Lender, unless (i) waived by Lender in writing, or (ii) Borrower shall have repaid all Obligations within [\*\*\*] thereof;
- (f) Liens. Subject only to the interests of the Applicable Agency with respect to Eligible Servicing Rights and the Collateral related thereto, (i) Borrower shall grant any Lien on any Collateral except the Liens permitted under this Agreement; or (ii) the Liens contemplated hereby shall cease to be first priority perfected Liens in favor of Lender on the Collateral or shall be Liens in favor of any Person other than Lender; or (iii) this Agreement shall for any reason cease to create

a valid, first priority security interest or ownership interest upon transfer in any of the Eligible Servicing Rights and the Collateral related thereto; or (iv) Borrower shall suffer to exist any Lien on any Eligible Servicing Rights and the Collateral related thereto and (A) such Lien is senior to the Liens contemplated hereby or (B) such Lien is not cured within [\*\*\*] following written discovery by, or notice to a Responsible Officer of such Lien;

- (g) **Going Concern.** Borrower's audited financial statements delivered to Lender shall contain an audit opinion that is qualified or limited by reference to the status of Borrower as a "going concern" or reference of similar import;
- (h) **Cross Default.** Borrower shall default under, or fail to perform as required under, or shall otherwise breach the terms of the Master Repurchase Facility, and such default, failure or breach causes or entitles Lender to cause acceleration or requires prepayment of such indebtedness under the Master Repurchase Facility;
- (i) **Third Party Cross Default.** Any "event of default" or any other default by Borrower under any Indebtedness to which Borrower is a party (after the expiration of any applicable grace or cure period under any such agreement) individually in excess of [\*\*\*] outstanding, which has resulted in the acceleration of the maturity of such other Indebtedness, provided that such default or "event of default" shall be deemed automatically cured and without any action by Lender or Borrower, if, within fifteen (15) calendar days after Borrower's receipt of notice of such acceleration, (A) the Indebtedness that was the basis for such default is discharged in full, (B) the holder of such Indebtedness has rescinded, annulled or waived the acceleration, notice or action giving rise to such default, or (C) such default has been cured and no "event of default" or any other default continues under such other Indebtedness;
- (j) **Enforceability.** For any reason, this Agreement at any time shall not be in full force and effect in all material respects or shall not be enforceable in all material respects in accordance with its terms, or any Person (other than Lender) shall contest the validity, enforceability or perfection of any Lien granted pursuant thereto, or any party thereto (other than Lender) shall seek to disaffirm, terminate, limit or reduce its obligations hereunder;
- (k) **Compliance with Agency Requirements.** (1) The failure of Borrower or Subservicer to be an approved seller/servicer or lender, as applicable, under the guidelines of any Agency, (2) Borrower or Subservicer is terminated as servicer or subservicer, as applicable, with respect to any Pledged Servicing Rights by any Applicable Agency, (3) Borrower or Subservicer shall at any time be terminated, revoked or suspended as servicer or subservicer, as applicable, with respect to any whole loan servicing or subservicing rights that make up a material portion of Borrower's servicing portfolio or Subservicer's subservicing portfolio, (4) all or a portion of Borrower's or Subservicer's servicing or subservicing portfolio consisting of loans of any Agency is seized, (5) any Agency shall at any time cease to accept delivery of any loan or loans from Borrower or Subservicer under any program or notify Borrower or Subservicer that any Agency shall cease accepting loan deliveries from Borrower or Subservicer for cause or their failure to perform under any Servicing Contract or Subservicing Contract with an Agency or (6) receipt by Borrower or Subservicer of a notice from any Agency indicating material breach, default or material non-compliance by Borrower or Subservicer which Lender reasonably determines would be reasonably likely to cause such Agency to terminate Borrower or Subservicer, as applicable, which notice has not been rescinded or nullified within [\*\*\*], or to the extent such notice is subject to an appeal to the applicable Agency, within [\*\*\*], in each case, of its receipt by Borrower or Subservicer, as applicable;
- (l) **Agency Approval.** Borrower (as applicable) or Subservicer shall cease to be approved by or its approval shall be revoked, suspended, rescinded, halted, eliminated, withdrawn, annulled, repealed, voided or terminated by (i) Ginnie Mae as an approved issuer, (ii) HUD, pursuant to

Sections 203 and 211 of the National Housing Act, (iii) FHA, as an FHA Approved Mortgagee or servicer, or (iv) VA as a VA Approved Lender; or

- (m) Compliance with Agency Financial Requirements. The failure of Borrower to maintain any net worth requirements, liquidity or other minimum financial covenant requirements of any Applicable Agency.

Section 1.02 Remedies. Upon the occurrence of an Event of Default, Lender, at its option but subject to any applicable Acknowledgment Agreement, shall have the right to exercise any or all of the following rights and remedies, which rights and remedies shall automatically be exercised without any further action of Lender upon the occurrence and during the continuance of an Event of Default referred to in Section 8.01(d):

- (a) Automatic Acceleration. Upon the occurrence of an Event of Default, Lender may by written notice to Borrower, terminate the Facility and declare all Loans and all other Obligations to be immediately due and payable; provided that, upon the occurrence of an Event of Default referred to in Section 8.01(d) the Facility shall be automatically terminated and the Loans and all other Obligations shall be immediately due and payable upon the occurrence of such event, without demand or notice of any kind.

- (b) Remedies.

- (i) Upon any acceleration of the Loans pursuant to this Section 8.02, Lender, in addition to all other rights and remedies under this Agreement or otherwise, shall have all other rights and remedies provided under the UCC of each applicable jurisdiction and other Applicable Laws, which rights shall be cumulative. Borrower agrees, upon the occurrence of an Event of Default and notice from Lender, to assemble, at its expense, all of the Collateral that is in its possession (whether by return, repossession, or otherwise) at a place designated by Lender. All out-of-pocket costs incurred by Lender in the collection of all Obligations, and the enforcement of its rights hereunder, including reasonable attorneys' fees and legal expenses, shall be paid out of the Collateral. Without limiting the foregoing, upon the occurrence of an Event of Default and the acceleration of the Loans pursuant to this Section 8.02, Lender may, to the fullest extent permitted by Applicable Law, without notice, advertisement, hearing or process of law of any kind, (i) enter upon any premises where any of the Collateral which is in the possession of Borrower (whether by return, repossession, or otherwise) may be located and take possession of and remove such Collateral, (ii) sell any or all of such Collateral, free of all rights and claims of Borrower therein and thereto, at any public or private sale, and (iii) bid for and purchase any or all of such Collateral at any such sale. Any such sale shall be conducted in a commercially reasonable manner and in accordance with Applicable Law. Borrower hereby expressly waives, to the fullest extent permitted by Applicable Law, any and all notices, advertisements, hearings or process of law in connection with the exercise by Lender of any of its rights and remedies upon the occurrence of an Event of Default. Each of Lender and Borrower shall have the right (but not the obligation) to bid for and purchase any or all Collateral at any public or private sale. Borrower hereby agrees that in any sale of any of the Collateral, Lender is hereby authorized to comply with any limitation or restriction in connection with such sale as it may be advised by counsel is necessary in order to avoid any violation of Applicable Law (including, without limitation, compliance with such procedures as may restrict the number of prospective bidders and purchasers, require that such prospective bidders and purchasers have certain qualifications, and restrict such prospective bidders and purchasers to Persons who will represent and agree that they are purchasing for their own account for investment and not with a view to the distribution or resale of such Collateral), or in order to obtain any required approval of the sale or of the purchaser by any Governmental Authority, and Borrower further agrees that such compliance shall not result in such sale being considered or deemed not to have been made in a commercially reasonable manner. Lender shall not be liable for any sale, private or public, conducted in accordance with this Section 8.02(b). If an Event of Default occurs, and upon

acceleration of the Loans hereunder, the Loans and all other Obligations shall be immediately due and payable, and Collections on the Eligible Servicing Rights and proceeds of sales and securitizations of Eligible Servicing Rights, and other Collateral will be used to pay the Obligations.

- (ii) In addition to all the rights and remedies specifically provided herein, Lender shall have all other rights and remedies provided by applicable federal, state, foreign, and local laws, whether existing at law, in equity or by statute, including, without limitation, all rights and remedies available to a purchaser or a secured party, as applicable, under the Uniform Commercial Code.
- (iii) Except as otherwise expressly provided in this Agreement or by applicable law, Lender shall have the right to exercise any of its rights and/or remedies immediately upon the occurrence and during the continuance of an Event of Default, and at any time thereafter, with notice to Borrower, without presentment, demand, protest or further notice of any kind other than as expressly set forth herein, all of which are hereby expressly waived by Borrower. All rights and remedies arising under this Agreement as amended from time to time hereunder are cumulative and not exclusive of any other rights or remedies which Lender may have.
- (iv) Lender may enforce its rights and remedies hereunder without prior judicial process or hearing, and Borrower hereby expressly waives, to the extent permitted by law, any right Borrower might otherwise have to require Lender to enforce its rights by judicial process. Borrower also waives, to the extent permitted by law, any defense (other than a defense of payment or performance) Borrower might otherwise have arising from use of nonjudicial process, enforcement and sale of all or any portion of the Eligible Servicing Rights and any other Collateral or from any other election of remedies. Borrower recognizes that nonjudicial remedies are consistent with the usages of the trade, are responsive to commercial necessity and are the result of a bargain at arm's length.
- (v) Borrower shall cause all sums received by Borrower after and during the continuance of an Event of Default with respect to the Eligible Servicing Rights and any other Collateral to be deposited with such Person as Lender may direct after receipt thereof. To the extent permitted by applicable law, Borrower shall be liable to Lender for interest on any amounts owing by Borrower hereunder, from the date Borrower becomes liable for such amounts hereunder until such amounts are (i) paid in full by Borrower or (ii) satisfied in full by the exercise of Lender's rights hereunder. Interest on any sum payable by Borrower to Lender under this paragraph 8(h) is at a rate equal to the Post-Default Rate and Lender shall be reimbursed for all reasonable costs and expenses incurred in connection with hedging or covering transactions related to the Eligible Servicing Rights and any other Collateral.

#### **Article IX. DELAY NOT WAIVER; REMEDIES ARE CUMULATIVE**

No failure on the part of Lender to exercise, and no delay in exercising, and no course of dealing with respect to, any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise by Lender of any right, power or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right, power or remedy. All rights and remedies of Lender provided for herein are cumulative and in addition to any and all other rights and remedies provided by law, the Program Documents and the other instruments and agreements contemplated hereby and thereby, and are not conditional or contingent on any attempt by Lender to exercise any of its rights under any other related document. Lender may exercise at any time after the occurrence of an Event of Default one or more remedies, as it so desires, and may thereafter at any time and from time to time exercise any other remedy or remedies. An Event of Default will be deemed to be continuing unless expressly waived by Lender in writing.

#### **Article X. NOTICES AND OTHER COMMUNICATIONS**

Except as otherwise expressly permitted by this Agreement, all notices, requests and other communications provided for herein (including, without limitation, any modifications of, or waivers, requests or consents under, this Agreement) shall be given or made in writing (including, without limitation, by telex or telecopy or email) delivered to the intended recipient at the address of such Person set forth in this Section 10 below; or, as to any party, at such other address as shall be designated by such party in a written notice to each other party. Except as otherwise provided in this Agreement and except for notices given by Borrower under Section 2.03(a) (which shall be effective only on receipt), all such communications shall be deemed to have been duly given when transmitted by telex or telecopier or email or delivered or, in the case of a mailed notice, upon receipt, in each case given or addressed as aforesaid. In all cases, to the extent that the related individual set forth in the respective "Attention" line is no longer employed by the respective Person, such notice may be given to the attention of a Responsible Officer of the respective Person or to the attention of such individual or individuals as subsequently notified in writing by a Responsible Officer of the respective Person.

If to Lender: Citibank, N.A.  
[\*\*\*]

If to Borrower: Rocket Mortgage, LLC  
1050 Woodward Ave.  
Detroit, Michigan 48226  
[\*\*\*]

With a copy to: Rocket Mortgage, LLC  
1050 Woodward Ave.  
Detroit, Michigan 48226  
[\*\*\*]

#### **Article XI. USE OF EMPLOYEE PLAN ASSETS**

No assets of an employee benefit plan subject to any provision of ERISA shall be used by either party hereto in a Loan transaction.

#### **Article XII. INDEMNIFICATION AND EXPENSES**

- (a) Borrower agrees to hold Lender, and its Affiliates and their officers, directors, employees, agents and advisors (each an "Indemnified Party") harmless from and indemnify any Indemnified Party against all liabilities, losses, damages, judgments, costs and expenses of any kind (including reasonable fees of counsel) which may be imposed on, incurred by or asserted against such Indemnified Party (collectively, the "Costs") relating to or arising out of this Agreement, any other Program Document or any transaction contemplated hereby or thereby, or any amendment, supplement or modification of, or any waiver or consent under or in respect of, this Agreement, any other Program Document or any transaction contemplated hereby or thereby, that, in each case, results from anything other than any Indemnified Party's gross negligence or willful misconduct or a claim by one Indemnified Party against another Indemnified Party. In any suit, proceeding or action brought by an Indemnified Party in connection with any Collateral for any sum owing thereunder, or to enforce any provisions of any Collateral, Borrower will save, indemnify and hold such Indemnified Party harmless from and against all expense, loss or damage suffered by reason of any defense, set-off, counterclaim, recoupment or reduction of liability whatsoever of the account debtor or obligor thereunder, arising out of a breach by Borrower of any obligation thereunder or arising out of any other agreement, indebtedness or liability at any time owing to or in favor of such account debtor or obligor or its successors from Borrower. Borrower also agrees to reimburse an Indemnified Party promptly after billed by such Indemnified Party for all such Indemnified Party's reasonable documented, actual, out-of-pocket costs and expenses incurred in connection with the enforcement or the preservation of such Indemnified Party's rights under this Agreement, the Note, any other Program Document or any



transaction contemplated hereby or thereby, including without limitation the reasonable fees and disbursements of its counsel. Borrower hereby acknowledges that, the obligations of Borrower under this Agreement are recourse obligations of Borrower.

- (b) Borrower agrees to pay ([\*\*\*) after Borrower receives written demand for such payment from Lender) all of the documented out-of-pocket costs and expenses reasonably incurred by Lender in connection with the development, preparation, enforcement and execution of, and any waiver, amendment, supplement or modification to, this Agreement, any other Program Document or any other documents prepared in connection herewith or therewith. Borrower agrees to pay ([\*\*\*) after Borrower receives written demand for such payment from Lender) all of the documented out-of-pocket costs and expenses reasonably incurred in connection with the consummation and administration of the transactions contemplated hereby and thereby including, without limitation, (i) filing fees and all the reasonable fees, disbursements and expenses of counsel to Lender and (ii) all the due diligence, inspection, testing and review costs and expenses incurred by Lender with respect to Eligible Servicing Rights and related Collateral under this Agreement, including, but not limited to, those costs and expenses incurred by Lender pursuant to this Section 12 and Section 30 hereof; provided, however, that (x) the aggregate amount of such costs and expenses referred to in clause (i) of this sentence shall not exceed [\*\*\*) in connection with the development, preparation and execution of this Agreement, and (y) the aggregate amount of such costs and expenses referred to in clause (ii) of this sentence and incurred after the Effective Date shall not exceed [\*\*\*) per annum; provided that after the occurrence of an Event of Default, such amounts shall not be applicable. Lender shall deliver to Borrower copies of documentation supporting any of the foregoing demands on Borrower's request. Borrower, Lender, and each Indemnified Party also agree not to assert any claim against the others or any of their Affiliates, or any of their respective officers, directors, members, managers, employees, attorneys and agents, on any theory of liability, for special, indirect, consequential or punitive damages arising out of or otherwise relating to the Program Documents, the actual or proposed use of the proceeds of the Loans, this Agreement or any of the transactions contemplated hereby or thereby. THE FOREGOING INDEMNITY AND AGREEMENT NOT TO ASSERT CLAIMS EXPRESSLY APPLIES, WITHOUT LIMITATION, TO THE NEGLIGENCE (BUT NOT GROSS NEGLIGENCE OR WILLFUL MISCONDUCT) OF THE INDEMNIFIED PARTIES.
- (c) If Borrower fails to pay when due any costs, expenses or other amounts payable by it under this Agreement, including, without limitation, reasonable fees and expenses of counsel and indemnities, such amount may be paid on behalf of Borrower by Lender (including without limitation by Lender netting such amount from the proceeds of any Purchase Price paid by Lender to Borrower hereunder), in its sole discretion and Borrower shall remain liable for any such payments by Lender (except those that are paid by Borrower, including by netting against any Purchase Price). No such payment by Lender shall be deemed a waiver of any of Lender's rights under the Program Documents (except those that are paid by Borrower, including by netting against any Purchase Price).
- (d) Without prejudice to the survival of any other agreement of Borrower hereunder, the covenants and obligations of Borrower contained in this Section 12 shall survive the termination of this Agreement and the repayment of the Loans.
- (e) The obligations of Borrower from time to time to repay the Loans and pay all other amounts due under this Agreement are full recourse obligations of Borrower.

### **Article XIII. WAIVER OF DEFICIENCY RIGHTS**

Borrower hereby expressly waives, to the fullest extent permitted by law, every statute of limitation on a deficiency judgment (but solely with respect to deficiency judgments and not any other statute of limitation) and any right that it may have to direct the order in which any of the Collateral shall be disposed of in the event of any disposition pursuant hereto.

#### **Article XIV. REIMBURSEMENT**

All sums reasonably expended by Lender in connection with the exercise of any right or remedy provided for herein shall be and remain Borrower's obligation (unless and to the extent that Borrower is the prevailing party in any dispute, claim or action relating thereto). Borrower agrees to pay, with interest at the Post-Default Rate to the extent that an Event of Default has occurred, the reasonable, documented out-of-pocket expenses and reasonable attorneys' fees reasonably incurred by Lender in connection with the preparation, negotiation, enforcement (including any waivers), administration and amendment of the Program Documents (regardless of whether a Loan is entered into hereunder), the reasonable taking of any action, including legal action, required or permitted to be taken by Lender pursuant thereto, subject to Section 12(b), any due diligence, inspection, testing and review costs and expenses in connection with any "due diligence" or loan agent reviews conducted by Lender or on its behalf or by refinancing or restructuring in the nature of a "workout" all pursuant to the terms of this Agreement.

#### **Article XV. FURTHER ASSURANCES**

Borrower agrees to do such further acts and things and to execute and deliver to Lender such additional assignments, acknowledgments, agreements, powers and instruments as are reasonably required by Lender to carry into effect the intent and purposes of this Agreement and the other Program Documents, to grant, preserve, protect and perfect the interests of Lender in the Collateral or to better assure and confirm unto Lender its rights, powers and remedies hereunder and thereunder.

#### **Article XVI. TERMINATION**

This Agreement shall remain in effect until the Loan Repayment Date. However, no such termination shall affect Borrower's outstanding obligations to Lender at the time of such termination. Borrower's obligations under Section 2.07, Section 6, Section 12, and Section 14 and any other reimbursement or indemnity obligation of Borrower to Lender pursuant to this Agreement or any other Program Documents shall survive the termination hereof.

#### **Article XVII. SEVERABILITY**

If any provision of any Program Document is declared invalid by any court of competent jurisdiction, such invalidity shall not affect any other provision of the Program Documents, and each Program Document shall be enforced to the fullest extent permitted by law.

#### **Article XVIII. BINDING EFFECT; GOVERNING LAW**

This Agreement shall be binding and inure to the benefit of the parties hereto and their respective successors and assigns, except that Borrower may not assign or transfer any of its rights or obligations under this Agreement or any other Program Document without the prior written consent of Lender. THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH, AND GOVERNED BY, THE LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO THE CONFLICT OF LAWS PRINCIPLES THEREOF (EXCEPT FOR SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW).

#### **Article XIX. AMENDMENTS**

Except as otherwise expressly provided in this Agreement, any provision of this Agreement may be modified or supplemented only by an instrument in writing signed by Borrower and Lender and any provision of this Agreement imposing obligations on Borrower or granting rights to Lender may be waived by Lender. With respect to each amendment to this Agreement, Borrower shall (i) provide prior written notice of such amendment to any Applicable Agency, (ii) obtain each related Applicable Agency's prior express written consent to such amendment, and (iii) promptly deliver fully executed

copies of such amendment to each related Applicable Agency, in each case solely to the extent required by the Applicable Agency.

**Article XX. SUCCESSORS AND ASSIGNS**

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

**Article XXI. CAPTIONS**

The table of contents and captions and section headings appearing herein are included solely for convenience of reference and are not intended to affect the interpretation of any provision of this Agreement.

**Article XXII. COUNTERPARTS**

This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument, and any of the parties hereto may execute this Agreement by signing any such counterpart. The parties agree that this Agreement, any documents to be delivered pursuant to this Agreement and any notices hereunder may be transmitted between them by e-mail and/or by facsimile. The parties intend that with respect to the Program Documents and any amendments thereto, faxed signatures and electronically imaged signatures, such as .pdf files and signatures executed using third party electronic signature capture service providers, which comply with E-SIGN, the New York State Electronic Signatures and Records Act or any other similar state law based on the Uniform Electronic Transactions Act, shall constitute original signatures and are binding on all parties. The parties intend that subsequent certifications and other documentation delivered by Borrower in connection with the Program Documents may be delivered in accordance with, and shall be governed by E-SIGN, the New York State Electronic Signatures and Records Act or any other similar state law based on the Uniform Electronic Transactions Act, and shall be binding on such parties. The original documents shall be promptly delivered, if requested.

**Article XXIII. AGREEMENT CONSTITUTES SECURITY AGREEMENT; SUBMISSION TO JURISDICTION; WAIVERS**

**(a) THIS AGREEMENT SHALL CONSTITUTE A SECURITY AGREEMENT WITHIN THE MEANING OF THE UNIFORM COMMERCIAL CODE.**

**(b) EACH PARTY HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY:**

**(i) SUBMITS FOR ITSELF AND ITS PROPERTY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT, THE NOTE AND/OR ANY OTHER PROGRAM DOCUMENT, OR FOR RECOGNITION AND ENFORCEMENT OF ANY JUDGMENT IN RESPECT THEREOF, TO THE EXCLUSIVE GENERAL JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK, THE FEDERAL COURTS OF THE UNITED STATES OF AMERICA FOR THE SOUTHERN DISTRICT OF NEW YORK, AND APPELLATE COURTS FROM ANY THEREOF;**

**(ii) CONSENTS THAT ANY SUCH ACTION OR PROCEEDING MAY BE BROUGHT IN SUCH COURTS AND, TO THE EXTENT PERMITTED BY LAW, WAIVES ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE VENUE OF ANY SUCH ACTION OR PROCEEDING IN ANY SUCH COURT OR THAT SUCH ACTION OR PROCEEDING WAS BROUGHT IN AN INCONVENIENT COURT AND AGREES NOT TO PLEAD OR CLAIM THE SAME;**



(iii) AGREES THAT SERVICE OF PROCESS IN ANY SUCH ACTION OR PROCEEDING MAY BE EFFECTED BY MAILING A COPY THEREOF BY REGISTERED OR CERTIFIED MAIL (OR ANY SUBSTANTIALLY SIMILAR FORM OF MAIL), POSTAGE PREPAID, TO ITS ADDRESS SET FORTH IN SECTION 10 OR AT SUCH OTHER ADDRESS OF WHICH LENDER SHALL HAVE BEEN NOTIFIED; PROVIDED THAT, AT THE TIME OF SUCH MAILING AN ELECTRONIC COPY OF SUCH SERVICE OF PROCESS IS ALSO SENT BY ELECTRONIC MAIL TO THE PERSONS SPECIFIED IN THE ADDRESS FOR NOTICES FOR SUCH PARTY IN SECTION 10; AND

(iv) AGREES THAT NOTHING HEREIN SHALL AFFECT THE RIGHT TO EFFECT SERVICE OF PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR SHALL LIMIT THE RIGHT TO SUE IN ANY OTHER JURISDICTION.

#### Article XXIV. WAIVER OF JURY TRIAL

BORROWER AND LENDER EACH HEREBY IRREVOCABLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY OTHER PROGRAM DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY.

#### Article XXV. ACKNOWLEDGEMENTS

Borrower hereby acknowledges that:

- (a) it has been advised by counsel in the negotiation, execution and delivery of this Agreement, the Note, and the other Program Documents;
- (b) Lender has no fiduciary relationship to Borrower; and
- (c) no joint venture exists between Lender and Borrower.

#### Article XXVI. [RESERVED].

#### Article XXVII. ASSIGNMENTS

- (a) Borrower may assign any of its rights or obligations hereunder only with the prior written consent of Lender. Lender may from time to time, with the consent of Borrower which shall not be unreasonably withheld, conditioned or delayed assign all or a portion of its rights and obligations under this Agreement and the Program Documents to any party pursuant to an executed assignment and acceptance by Lender and the applicable assignee in form and substance acceptable to Lender and Borrower (“Assignment and Acceptance”), specifying the percentage or portion of such rights and obligations assigned. On the effective date of any such assignment, (A) such assignee will be a party hereto and to each Program Document to the extent of the percentage or portion set forth in the Assignment and Acceptance, and will succeed to the related rights and obligations of Lender hereunder, and (B) Lender will, to the extent of such rights and obligations so assigned, be released from its obligations (but not its rights to the extent such rights are intended to survive any such assignment) hereunder and under the Program Documents; provided that (i) any such assignment is approved by the Applicable Agency, and (ii) Borrower, the Applicable Agency and the related assignee enter into an acknowledgement agreement in which the Applicable Agency acknowledges the related security interest of such assignee in the related Pledged Servicing Rights. Notwithstanding the provisions of this Section 27(a), Lender may assign or transfer all or any of its rights and obligations under this Agreement and the other

Program Documents without the prior consent of Borrower to any Affiliate of Lender that (x) is a wholly-owned subsidiary of Lender that is based in the United States, (y) participates in institutional lending arrangements and (z) the condition of which (financial and otherwise) is sufficient so as to fulfill all requirements of Lender as described in this Agreement; provided that, prior to the occurrence of an Event of Default any such assignment shall only be made following [\*\*\*] prior notice to Borrower.

- (b) Lender may furnish any information concerning Borrower or any of its Subsidiaries in the possession of Lender from time to time to assignees (including prospective assignees) only after notifying Borrower in writing and securing signed confidentiality agreements (in a form mutually acceptable to Lender and Borrower) and only for the sole purpose of evaluating assignments and for no other purpose.
- (c) Upon Borrower's consent to an assignment, Borrower agrees to reasonably cooperate with Lender in connection with any such assignment, to execute and deliver replacement notes, and to enter into such restatements of, and amendments, supplements and other modifications to, this Agreement and the other Program Documents in order to give effect to such assignment.
- (d) Lender, solely for this purpose as Borrower's non-fiduciary agent, shall maintain a register (the "Register") on which it will record each assignment hereunder and each Assignment and Acceptance. The Register will include the name and address of Lender (including all assignees and successors) and the percentage or portion of such rights and obligations assigned. The entries in the Register will be conclusive absent manifest error. Borrower shall treat each Person whose name is recorded in the Register as a Lender for all purposes of this Agreement; provided however, that any failure to make any such recordation, or any error in such recordation shall not affect Borrower's obligations in respect of such rights. This Section 27(d) is intended to comprise a book entry system within the meaning of Treasury regulation section 5f.103-1(c) that is the exclusive way for Lender (or any of its assignees or successors) to transfer an interest under this Agreement and these provisions shall be interpreted in a manner consistent with and so as to effect such intent.

#### **Article XXVIII. SINGLE AGREEMENT**

Borrower and Lender acknowledge that, and have entered hereinto and will enter into each Loan hereunder in consideration of and in reliance upon the fact that, all Loans hereunder constitute a single business and contractual relationship and have been made in consideration of each other. Accordingly, Borrower and Lender each agree (i) to perform all of its obligations in respect of each Loan hereunder, and that a default in the performance of any such obligations shall constitute a default by it in respect of all Loans hereunder; and (ii) that payments, deliveries and other transfers made by any of them in respect of any Loan shall be deemed to have been made in consideration of payments, deliveries and other transfers in respect of any other Loan hereunder, and the obligations to make any such payments, deliveries and other transfers may be applied against each other and netted.

#### **Article XXIX. CONFIDENTIALITY**

- (a) Lender and Borrower hereby acknowledge and agree that all written or computer-readable information provided by one party to the other regarding the terms set forth in any of the Program Documents or the Loans contemplated hereby or thereby or regarding any other confidential or proprietary information of a party, including, without limitation, any financial information of Borrower provided to Lender, including, without limitation, pursuant to Section 7(a) (the "Confidential Terms"), will be kept confidential by such party, and will not be divulged to any party without the prior written consent of such other party except to the extent that (i) such information is disclosed to direct or indirect parent companies, Subsidiaries, Affiliates, directors, officers, members, managers, shareholders, legal counsel, auditors, accountants or agents (the "Representatives") or to any Applicable Agency; provided that such Representatives are informed

of the confidential nature of such information and the disclosing party is responsible for their breach of these confidentiality provisions; provided, further, that with respect to any financial information of Borrower provided to Lender, including, without limitation, financial information provided pursuant to Section 7(a), such financial information is only disclosed to Representatives in connection with the ongoing administration or performance of the Program Documents, (ii) disclosure of such information is required by law, rule, regulation or order of any court, taxing authority, governmental agency, regulatory body, regulatory authority or self-regulatory authority (including, without limitation, bank and securities examiners) having authority to regulate or oversee any aspect of such party's business or that of its Representatives in connection with the exercise of such authority or claimed authority, (iii) any of the Confidential Terms are in the public domain other than due to a breach of the provisions of this Section 29, (iv) other than with respect to any financial information of Borrower provided to Lender, including, without limitation, pursuant to Section 7(a), which shall require Borrower's separate and prior written consent to disclose, to any approved hedge counterparty to the extent necessary to obtain any hedging arrangement; provided that such disclosure is made pursuant to a non-disclosure agreement acceptable to the non-disclosing party and the disclosing party is responsible for the breach of such non-disclosure agreement, (v) other than with respect to any financial information of Borrower provided to Lender, including, without limitation, pursuant to Section 7(a), which shall require Borrower's separate and prior written consent to disclose, such disclosure is made in any party's financial statements or footnotes as required by such party's accountants and the other party receives prior notice of such disclosure in accordance with GAAP, (vi) such disclosures are made to Lenders or prospective Lenders of such party's business, and its counsel, accountants, representatives and agents; provided that such disclosure is made pursuant to a non-disclosure agreement acceptable to the non-disclosing party and the disclosing party is responsible for the breach of such non-disclosure agreement or (vii) such disclosure is pursuant to Section 27(c). Notwithstanding the foregoing or anything to the contrary contained herein or in any other Program Document, (a) following an Event of Default, Lender may disclose any information to the extent it determines such information to be necessary or desirable to disclose (i) in connection with the marketing and sales of the Collateral if a confidentiality agreement (containing terms at least as protective of such Confidential Information as provided in this Section 29) is obtained from the party to whom such disclosure is made or (ii) otherwise to enforce or exercise Lender's or Agent's rights hereunder, provided that, to the extent reasonably practical, Lender will use reasonable efforts to maintain confidentiality of any confidential information of Borrower provided to Lender and (b) the parties hereto may disclose to any and all Persons, without limitation of any kind, the federal, state and local tax treatment of the Loans, any fact relevant to understanding the federal, state and local tax treatment of the Loans, and all materials of any kind (including opinions or other tax analyses) relating to such federal, state and local tax treatment and that may be relevant to understanding such tax treatment; provided that, except as provided above, no party may disclose the name of or identifying information with respect to Borrower, Lender, their Affiliates or any other Indemnified Party, or any pricing terms (including, without limitation, the Applicable Margin, Attributable Rate and Collateral Value) or other nonpublic business or financial information (including any sublimits and financial covenants) that is unrelated to the federal, state and local tax treatment of the Loans and is not relevant to understanding the federal, state and local tax treatment of the Loans, without the prior written consent of the other parties.

- (b) In the case of disclosure by Borrower or Lender, other than pursuant to Section 29(a)(i) or (iii), the disclosing party shall, to the extent permitted by law, provide the other parties with prior written notice to permit the other party to seek a protective order or to take other appropriate action. The disclosing party shall use commercially reasonable efforts to cooperate in the other party's efforts to obtain a protective order or other reasonable assurance that confidential treatment will be accorded the Program Documents. If, in the absence of a protective order, the disclosing party or any of its Representatives is compelled as a matter of law to disclose any such information, the disclosing party may disclose to the party compelling disclosure only the part of the Program Documents it is compelled to disclose (in which case, prior to such disclosure, the disclosing party shall, to the extent permitted by law, use commercially reasonable efforts to

advise and consult with the other parties and their counsel as to such disclosure and the nature and wording of such disclosure).

- (c) Notwithstanding anything in this Agreement to the contrary, Lender and Borrower shall comply, in all material respects, with all applicable local, state and federal laws, including, without limitation, all privacy and data protection law, rules and regulations that are applicable to the Eligible Servicing Rights and related Collateral and/or any applicable terms of this Agreement (the “Confidential Information”). Borrower and Lender shall notify the other parties promptly following discovery of any breach or compromise in any material respect of any applicable requirements of law with respect to the security, confidentiality, or integrity of nonpublic personal information of the customers and consumers of the other parties. Borrower and Lender shall provide such notice to the other parties by personal delivery, by facsimile with confirmation of receipt, or by overnight courier with confirmation of receipt to the applicable requesting individual.

### **Article XXX. PERIODIC DUE DILIGENCE REVIEW**

Borrower acknowledges that Lender has the right to perform continuing due diligence reviews with respect to the Collateral, Borrower, the Servicing Rights and any Subservicer for purposes of verifying compliance with the representations, warranties, covenants and specifications made hereunder or under any other Program Document, or otherwise, and Borrower agrees that upon reasonable (but no less than [\*\*]) prior notice to Borrower (provided that upon the occurrence of a Default or an Event of Default, no such prior notice shall be required), Lender or its authorized representatives will be permitted during normal business hours to examine, inspect, make copies of, and make extracts of, the Mortgage Files, the Custodial Files, the servicing records and any and all documents, records, agreements, instruments or information relating to any Mortgage Loans or other Collateral in the possession, or under the control, of Borrower and/or the Custodian. Provided that no Event of Default has occurred and is continuing, Lender agrees that it shall exercise commercially reasonable efforts, in the conduct of any such due diligence, to minimize any disruption to Borrower’s normal course of business. Borrower also shall make available to Lender a knowledgeable financial or accounting officer for the purpose of answering questions respecting the Collateral and the Mortgage Files. Without limiting the generality of the foregoing, Borrower acknowledges that Lender shall finance the Collateral based solely upon the information provided by Borrower to Lender in the Servicing Schedule, Agency Obligations report and the representations, warranties and covenants contained herein, and that Lender, at its option, has the right, at any time to conduct a partial or complete due diligence review on some or all of the Collateral. Lender may underwrite the Collateral itself or engage a third party underwriter to perform such underwriting. Borrower agrees to cooperate with Lender and any third party underwriter in connection with such underwriting, including, but not limited to, providing Lender and any third party underwriter with reasonable access to any and all documents, records, agreements, instruments or information relating to the Collateral in the possession, or under the control, of Borrower. In addition, Lender has the right to perform continuing Due Diligence Reviews of the Collateral for purposes of verifying compliance with the representations, warranties, covenants and specifications made hereunder or under any other Program Document, or otherwise. Borrower and Lender further agree that all out-of-pocket costs and expenses (including without limitation, any reasonable costs and expenses of any Valuation Agent) incurred by Lender and its respective designees and appointees in connection with the ongoing due diligence and auditing activities in connection with Lender’s activities pursuant to this Section 30 shall be paid by Borrower subject to the limitations of Section 12(b) of this Agreement and that, unless an Event of Default has occurred and is continuing, Lender shall be limited to [\*\*] in any calendar year.

### **Article XXXI. SET-OFF**

In addition to any rights and remedies of Lender provided by this Agreement and by law, Lender shall have the right, following any Event of Default, without prior notice to Borrower (except for such notice and right to cure as may be specifically provided hereunder in connection with certain Events of Default), any such notice being expressly waived by Borrower to the extent permitted by applicable law,

upon any amount becoming due and payable by Borrower hereunder (whether at the stated maturity, by acceleration or otherwise) to set-off and appropriate and apply against such amount any and all Property and deposits (general or special, time or demand, provisional or final), in any currency, and any other credits, indebtedness or claims, in any currency, in each case whether direct or indirect, absolute or contingent, matured or unmatured, at any time held or owing by Lender to or for the credit or the account of Borrower only to the extent specifically relating to this Agreement, the other Program Documents or the Master Repurchase Facility. Lender may set-off cash, the proceeds of the liquidation of any Eligible Servicing Rights and related Collateral and all other sums or obligations owed by Lender to Borrower against all of Borrower's obligations to Lender, whether under this Agreement or under any other agreement between the parties relating to the Loans described hereunder or to the transactions between the parties relating to the Master Repurchase Facility, in each case to the extent that such obligations of Borrower are then due, without prejudice to Lender's right to recover any deficiency. Lender agrees promptly to notify Borrower after any such set-off and application made by Lender; provided that the failure to give such notice shall not affect the validity of such set-off and application.

## **Article XXXII. ERRONEOUS PAYMENTS**

I) (i) If Lender notifies Borrower, a Participant, assignee of any party hereto or other recipient that Lender has determined in its sole discretion that any funds received by such recipient from Lender or any of its Affiliates were erroneously transmitted to, or otherwise erroneously or mistakenly received by, such recipient (whether or not known to such recipient) (any such funds whether as a payment, prepayment or repayment of principal, interest, fees or other amounts; a distribution or otherwise; individually and collectively, a "Payment" and any such recipient, an "Unintended Recipient") and demands the return of such Payment (or a portion thereof), such Unintended Recipient shall promptly, but in no event later than [\*\*\*] thereafter, return to Lender the amount of any such Payment (or portion thereof) as to which such a demand was made, in immediately available funds, together with interest thereon in respect of each day from and including the date such Payment (or portion thereof) was received by such Unintended Recipient to the date such amount is repaid to Lender in immediately available funds at the greater of the Interest Rate and a rate determined by Lender in accordance with banking industry rules on interbank compensation from time to time in effect, providing in either case the rate shall not exceed the Post-Default Rate. Any Payment shall at all times remain the property of Lender and shall be held in trust by the applicable Unintended Recipient for the benefit of Lender until repaid to Lender pursuant to this Section 32(a)(i).

(ii) To the extent permitted by applicable law, neither Borrower, nor any other party hereto (other than Lender) shall assert any right or claim to a Payment, and hereby waives, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by Lender for the return of any Payments received, including without limitation waiver of any defense based on "discharge for value" or any similar doctrine.

(iii) A notice of Lender to any Unintended Recipient under this clause (a) shall be conclusive, absent manifest error.

II) If an Unintended Recipient receives a Payment from Lender (or any of its Affiliates),

(i) that is in a different amount than, or on a different date from, that specified in a notice of payment or calculation statement sent by Lender (or any of its Affiliates) with respect to such Payment (a "Payment Notice"),

(ii) that was not preceded or accompanied by a Payment Notice, or

(iii) that such Unintended Recipient otherwise becomes aware was transmitted, or received, in error or by mistake (in whole or in part) or any Payment is otherwise inconsistent with such recipient's or market expectations,

in each case, an error shall be presumed to have been made with respect to such Payment absent written confirmation from Lender to the contrary. Upon demand from Lender, such Unintended Recipient shall promptly, but in no event later than [\*\*\*] thereafter, return to Lender the amount of any such Payment (or portion thereof) as to which such a demand was made.

III) Each Borrower hereby agrees that the receipt by an Unintended Recipient of a Payment shall not pay, prepay, repay, discharge or otherwise satisfy any obligations owed to such Unintended Recipient by such Borrower.

IV) Without prejudice to the survival of any other agreement of a Borrower hereunder, the covenants and obligations of such Borrower contained in this Section 32(d) shall survive the termination of this Agreement, any assignment permitted hereunder, the repayment in full of the Loans and/or the satisfaction and discharge of all Obligations (or any portion thereof) under any Program Document.

**Article XXXIII. ENTIRE AGREEMENT**

This Agreement and the other Program Documents embody the entire agreement and understanding of the parties hereto and thereto and supersede any and all prior agreements, arrangements and understandings relating to the matters provided for herein and therein. No alteration, waiver, amendments, or change or supplement hereto shall be binding or effective unless the same is set forth in writing signed by a duly authorized representative of each party hereto.

**[SIGNATURE PAGE FOLLOWS]**

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered as of the day and year first above written.

**ROCKET MORTGAGE, LLC**, as Borrower

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**CITIBANK, N.A.**, as Lender

By: \_\_\_\_\_  
Name: Arunthathi Theivakumaran  
Title: Vice President

**Schedule 6.01(c)**

**Litigation**

[\*\*]

Schedule 6.01(c)



**Schedule 6.01(j)**

**Compliance with Law**

None

Schedule 6.01(j)

**Schedule 6.01(s)**

**Subsidiaries**

One Mortgage Holdings, LLC  
One Reverse Mortgage, LLC  
QL Ginnie EBO, LLC  
QL Ginnie REO, LLC  
Rocket Mortgage Co-Issuer, Inc.  
RCKT Mortgage SPE-A, LLC  
Rocket Mortgage Revolving Trust 2022-1

Schedule 6.01(s)

SCHEDULE 6.01(ii)  
EXISTING FINANCIAL FACILITIES

[\*\*\*]

Schedule 6.01(ii)

## SCHEDULE 6.02

### ELIGIBILITY CRITERIA WITH RESPECT TO THE SERVICING RIGHTS

All Servicing Rights owned by Borrower, subject to an executed Acknowledgment Agreement with the related Agency, for Mortgage Loans serviced by Borrower solely on behalf of Fannie Mae or Freddie Mac, provided that such Servicing Rights satisfy all terms of the Agreement and are free and clear of any Liens, subject to Fannie Mae's or Freddie Mac's respective interests in such Servicing Rights pursuant to the related Acknowledgment Agreement.

Servicing Rights in which the related Mortgage Loan is located in a state or jurisdiction in which Borrower does not possess the necessary licenses to own Servicing Rights required by any Governmental Authority shall be ineligible assets hereunder.

SCHEDULE 7.01(a)  
CITIBANK REQUIRED INVESTOR REPORTS

[\*\*\*]

Schedule 7.01(a)

## Schedule 7.01(i)

### Related Party Transactions

In the ordinary course of business, Rocket Mortgage, LLC (“Rocket Mortgage”) engages in transactions with its affiliates, including providing or receiving goods and services to or from affiliates such as administrative, purchasing, office supplies, telephone, travel, human resources, employee benefits, accounting, training, legal, computer programming, computer and other technology, software maintenance, software licensing, vendor, payables and other management, interior design and other services, loaning money, leasing office space to and from affiliates, intercompany purchases, advertising or sponsorship agreements and communications, real estate and security services and other administrative services. The majority of receivables from affiliated entities are amounts due from services performed by Rocket Mortgage on behalf of Rock Holdings, Inc. (“Rock Holdings”) subsidiaries. Rocket Mortgage maintains many large vendor relationships and purchasing these goods and services through Rocket Mortgage allows the affiliated entities to take advantage of reduced pricing. For convenience, maturity dates and dollar amounts are included in the below summaries; however, such dates and amounts are subject to adjustment in the sole discretion of the parties to the respective agreements.

#### Due from Affiliates

At December 31, 2020 the amounts due from affiliates totaled [\*\*\*].

#### Professional Fees

Rocket Mortgage also charges professional fees to certain affiliated companies. These fees represent amounts paid for goods and services provided by Rocket Mortgage and used by those affiliated companies. Historically, these services have been in connection with technology, telecom, facilities, human resources, accounting, training, marketing and security functions. The total amounts charged for these services for the twelve months ended December 31, 2020 were [\*\*\*] to consolidated subsidiaries of Rock Holdings and [\*\*\*] to others, respectively.

#### Due to Affiliates

At December 31, 2020, the amounts due to affiliates totaled [\*\*\*], primarily for transactions occurring in the ordinary course of business.

Rocket Mortgage is borrower under an Uncommitted Unsecured Line of Credit provided by Rock Holdings, its affiliate and majority owner of RKT Holdings, LLC (“RKT Holdings”), Rocket Mortgage’s parent, in the amount of [\*\*\*], with a maturity of July 27, 2025.

Rocket Mortgage is borrower under an Uncommitted Unsecured Line of Credit provided by RKT Holdings, in the amount of [\*\*\*], with a maturity of July 30, 2026.

#### Quicken Loans Arena Naming Rights

On July 1, 2017, Rocket Mortgage entered into an ongoing agreement with management of an NBA franchise, the Cleveland Cavaliers (the “Cavaliers”), to renew the naming rights for a professional sports arena. The Cavaliers are a related party to Rocket Mortgage as there is common ownership of the Cavaliers and Rocket Mortgage. The agreement obligates the Cavaliers to place signage on and in the arena in agreed-upon locations and provides for advertising spots on radio and television broadcasts as well as certain other advertising benefits. The annual expense for the year ended December 31, 2020 was [\*\*\*] and the maturity of the agreement is scheduled for 2034.

#### Guarantees and Indemnities Relating to Affiliate Debt

As of June 30, 2020, and December 31, 2019, Rocket Mortgage guaranteed the debt of another related party totaling [\*\*\*], consisting of three separate guarantees of [\*\*\*] each. Rocket Mortgage did not record a liability for this guarantee because it was not probable that Rocket Mortgage would be required to make payments under this guarantee.

Rocket Mortgage also guarantees the obligations of two special purpose subsidiaries created and maintained for a specialized Master Repurchase Agreement, dated as of December 14, 2017, by and between those subsidiaries and JPMorgan Chase Bank, N.A. for the purpose of financing the acquisition by such subsidiaries of defaulted mortgage loans guaranteed by Ginnie Mae (this arrangement is typically known as an Early Buy-Out Master Repurchase Agreement facility). The guaranteed obligations are variable in nature but are not to exceed [\*\*\*]. Rocket Mortgage also guarantees the obligations of a third special purpose subsidiary created and maintained for its existing mortgage loan Master Repurchase Agreement with Bank of America, N.A. for obligations under that MRA of up to [\*\*\*] (obligations which were previously directly owed to Bank of America by Rocket Mortgage).

Rocket Mortgage has entered into a Master Commercial Card Agreement with JPMorgan Chase Bank, N.A. (“JPM”) pursuant to which Rocket Mortgage and its affiliates may use cards issued by JPM. Rocket Mortgage is responsible as a primary obligor for all obligations of these affiliates under this agreement. At December 31, 2020, the amounts due by those affiliates under this agreement was [\*\*\*].

Rocket Mortgage has entered into a side letter agreement with affiliates. Pursuant to this agreement, Rocket Mortgage is obligated to enter into a sublease agreement for 3,780 rentable square feet of office space if another affiliate terminates or defaults under its sublease for such office space. If Rocket Mortgage was required to enter into the replacement sublease agreement, Rocket Mortgage may be required to sublease such space for a maximum rental amount of up to [\*\*\*] per year for the remaining term of the original sublease, which expires on December 31, 2030.

#### **Amrock LLC**

Rocket Mortgage is a party to an agreement with Amrock LLC regarding title services. Amrock LLC is an affiliate of Rocket Mortgage (through common ownership through their parent company, Rock Holdings Inc.), that provides title insurance, escrow, settlement, and related vendor management services on residential mortgages.

#### **Rock Central LLC**

Rocket Mortgage is a party to an agreement with its affiliate Rock Central LLC regarding professional services that Rock Central LLC provides to Rocket Mortgage. Rock Central LLC is an affiliate of Rocket Mortgage (through common ownership through their parent company, RKT Holdings), that provides various professional, employment, treasury, legal and technology management services.

#### **Shareholders Agreement**

The shareholders agreement of Rock Holdings requires that minimum tax distributions be made to its shareholders provided that Rock Holdings has sufficient cash and the distribution is not prohibited under Michigan corporate law. In general the shareholders of Rock Holdings are entitled to minimum distributions equal to (1) the taxable income allocated to them multiplied by the Michigan State income tax rate, and (2) the allocable taxable income, less the state income tax distribution, multiplied by the highest marginal individual federal income tax rate. These minimum distributions are generally paid to the shareholders of Rock Holdings quarterly to allow them to make estimated tax payments and adjusted at the end of the year in the event the actual taxable income allocated to them is determined to be higher than that used in the determining the quarterly distributions. Funds for these distributions generally come from distributions from Rocket Mortgage and/or Amrock, LLC through RKT Holdings.

FORM OF PROMISSORY NOTE

[DATE], 20\_\_

[\*\*\*]

New York, New York

FOR VALUE RECEIVED, Rocket Mortgage, LLC, a Michigan limited liability company (the “Borrower”), hereby promises to pay to the order of CITIBANK, N.A. (the “Lender”), at the principal office of Lender at [\*\*\*], in lawful money of the United States, and in immediately available funds, the principal sum of [\*\*\*] (or such lesser amount as shall equal the aggregate unpaid principal amount of the Loans made by Lender to Borrower under the Loan Agreement), on the dates and in the principal amounts provided in the Loan Agreement, and to pay interest on the unpaid principal amount of each such Loan, at such office, in like money and funds, for the period commencing on the date of such Loan until such Loan shall be paid in full, at the rates per annum and on the dates provided in the Loan Agreement.

The date, amount and interest rate of each Loan made by Lender to Borrower, and each payment made on account of the principal thereof, shall be recorded by Lender on its books and, prior to any transfer of this Note, endorsed by Lender on the schedule attached hereto or any continuation thereof; provided, that the failure of Lender to make any such recordation or endorsement shall not affect the obligations of Borrower to make a payment when due of any amount owing under the Loan Agreement or hereunder in respect of the Loans made by Lender.

This Note is the Note referred to in the Loan and Security Agreement dated as of July 27, 2022 (as amended, supplemented or otherwise modified and in effect from time to time, the “Loan Agreement”) between Borrower and Lender, and evidences Loans made by Lender thereunder. Terms used but not defined in this Note have the respective meanings assigned to them in the Loan Agreement.

Borrower agrees to pay all Lender’s reasonable out-of-pocket costs of collection and enforcement (including reasonable attorneys’ fees and disbursements of Lender’s counsel) in respect of this Note when incurred as required by Section 12 of the Loan Agreement.

Notwithstanding the pledge of the Collateral, Borrower hereby acknowledges, admits and agrees that Borrower’s obligations under this Note are recourse obligations of Borrower.

Borrower and any indorsers hereof, (a) severally waive diligence, presentment, protest and demand and also notice of protest, demand, dishonor and nonpayments of this Note, (b) expressly agree that this Note, or any payment hereunder, may be extended from time to time, and consent to the acceptance of further Collateral, the release of any Collateral for this Note, the release of any party primarily or secondarily liable hereon, and (c) expressly agree that it will not be necessary for Lender, in order to enforce payment of this Note, to first institute or exhaust Lender’s remedies against Borrower or any other party liable hereon or against any Collateral for this Note. No extension of time for the payment of this Note, or any installment hereof, made by agreement by Lender with any person now or hereafter liable for the payment of this Note, shall affect the liability under this Note of Borrower, even if Borrower is not a party to such agreement; provided, however, that Lender and Borrower, by written agreement between them, may affect the liability of Borrower.



Any reference herein to Lender shall be deemed to include and apply to every subsequent holder of this Note. Reference is made to the Loan Agreement for provisions concerning optional and mandatory prepayments, Collateral, acceleration and other material terms affecting this Note.

Any enforcement action relating to this Note may be brought by motion for summary judgment in lieu of a complaint pursuant to Section 3213 of the New York Civil Practice Law and Rules.

**THIS NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES (OTHER THAN SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW, WHICH BY ITS TERMS APPLIES TO THIS NOTE). BORROWER HEREBY SUBMITS TO THE NON-EXCLUSIVE GENERAL JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK LOCATED IN THE BOROUGH OF MANHATTAN, THE FEDERAL COURTS OF THE UNITED STATES OF AMERICA FOR THE SOUTHERN DISTRICT OF NEW YORK, AND APPELLATE COURTS FROM ANY THEREOF FOR PURPOSES OF ALL LEGAL PROCEEDINGS ARISING OUT OF OR RELATING TO THIS NOTE OR THE TRANSACTIONS CONTEMPLATED HEREBY. BORROWER HERETO IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF THE VENUE OF ANY SUCH PROCEEDING BROUGHT IN SUCH A COURT IN THE BOROUGH OF MANHATTAN AND ANY CLAIM THAT ANY SUCH PROCEEDING BROUGHT IN SUCH A COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. BORROWER HERETO HEREBY CONSENTS TO PROCESS BEING SERVED IN ANY SUIT, ACTION OR PROCEEDING WITH RESPECT TO THIS NOTE, OR ANY DOCUMENT DELIVERED PURSUANT HERETO BY THE MAILING OF A COPY THEREOF BY REGISTERED OR CERTIFIED MAIL, POSTAGE PREPAID, RETURN RECEIPT REQUESTED, TO ITS RESPECTIVE ADDRESS SPECIFIED AT THE TIME FOR NOTICES UNDER THE LOAN AGREEMENT OR TO ANY OTHER ADDRESS OF WHICH IT SHALL HAVE GIVEN WRITTEN OR ELECTRONIC NOTICE TO LENDER. THE FOREGOING SHALL NOT LIMIT THE ABILITY OF ANY PARTY HERETO TO BRING SUIT IN THE COURTS OF ANY OTHER JURISDICTION.**

**BORROWER AND LENDER BY ITS ACCEPTANCE OF THIS NOTE HEREBY IRREVOCABLY WAIVE ANY AND ALL RIGHT TO A TRIAL BY JURY WITH RESPECT TO ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS NOTE.**

ROCKET MORTGAGE, LLC

By: \_\_\_\_\_  
Name:  
Title:

## SCHEDULE OF LOANS

This Note evidences Loans made under the within-described Loan Agreement to Borrower, on the dates, in the principal amounts and bearing interest at the rates set forth below, and subject to the payments and prepayments of principal set forth below:

| <u>Date Made</u> | <u>Principal Amount<br/>of Loan</u> | <u>Amount Paid<br/>or Prepaid</u> | <u>Unpaid Principal<br/>Amount</u> | <u>Notation<br/>Made by</u> |
|------------------|-------------------------------------|-----------------------------------|------------------------------------|-----------------------------|
|------------------|-------------------------------------|-----------------------------------|------------------------------------|-----------------------------|



The undersigned has caused this [Initial] Borrower Funding Request to be executed and delivered, and the certification and warranties contained herein to be made, by its duly authorized officer this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

ROCKET MORTGAGE, LLC., as Borrower

By: \_\_\_\_\_  
Name:  
Title:

FORM OF REPAYMENT NOTICE

[ ], 20\_\_

TO: Lender as defined in the Loan Agreement referred to below

Reference is hereby made to the Loan and Security Agreement, dated as of \_\_\_\_\_, 20\_\_ (as heretofore amended, the "Loan Agreement"), between Rocket Mortgage, LLC (the "Borrower"), and Citibank, N.A., as lender (the "Lender"). Capitalized terms not otherwise defined herein are used herein as defined in the Loan Agreement.

Borrower hereby notifies you that, pursuant to Section 2.08[(a)/(b)] of the Loan Agreement, it shall make a repayment of the Loans outstanding under the Loan Agreement to Lender on [ ], 20\_\_ in the amount of \$\_\_\_\_\_.

Also included in the repayment amount shall be accrued and unpaid interest, in the amount of \$\_\_\_\_\_.

The undersigned has caused this Repayment Notice to be executed and delivered by its duly authorized officer this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

ROCKET MORTGAGE, LLC, as Borrower

By: \_\_\_\_\_  
Name:  
Title:

FORM OF PREPAYMENT NOTICE

[ ], 20\_\_

TO: Lender as defined in the Loan Agreement referred to below

Reference is hereby made to the Loan and Security Agreement, dated as of July 27, 2022 (as heretofore amended, the "Loan Agreement"), between Rocket Mortgage, LLC (the "Borrower"), and Citibank, N.A., as lender (the "Lender"). Capitalized terms not otherwise defined herein are used herein as defined in the Loan Agreement.

Borrower hereby notifies you that pursuant to and in compliance with Section 2.09 of the Loan Agreement, it shall make a prepayment of Loans outstanding under the Loan Agreement on [ ], 20\_\_ in the amount of \$\_\_\_\_\_.

Also included in the prepayment amount shall be accrued and unpaid interest, in the amount of \$\_\_\_\_\_.



The undersigned has caused this Prepayment Notice to be executed and delivered by its duly authorized officer this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

ROCKET MORTGAGE, LLC, as Borrower

By: \_\_\_\_\_  
Name:  
Title:

FORM OF POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, CITIBANK, N.A. (the "Lender") and ROCKET MORTGAGE, LLC ("Borrower") have entered into the Loan and Security Agreement dated as of \_\_\_\_\_, 20\_\_ (as amended, restated, supplemented or otherwise modified, the "Agreement") pursuant to which Lender has agreed to provide financing from time to time with respect to the origination or acquisition of certain Eligible Servicing Rights (the "Assets") subject to the terms therein; and

WHEREAS, Borrower has agreed to give to Lender a power of attorney on the terms and conditions contained herein in order for Lender to take any action that Lender may deem necessary or advisable to accomplish the purposes of the Agreement.

NOW THEREFORE, Borrower hereby irrevocably constitutes and appoints Lender and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of Borrower and in the name of Borrower or in its own name, from time to time in Lender's discretion upon and during the continuance of an Event of Default:

- i) in the name of Borrower, or in its own name, or otherwise, to take possession of and endorse and collect any checks, drafts, notes, acceptances or other instruments for the payment of moneys due with respect to any Assets and to file any claim or to take any other action or proceeding in any court of law or equity or otherwise deemed appropriate by Lender for the purpose of collecting any and all such moneys due with respect to any Assets whenever payable;
- ii) to pay or discharge taxes and liens levied or placed on or threatened against the Assets;
- iii)(A) to direct any party liable for any payment under any Assets to make payment of any and all moneys due or to become due thereunder directly to Lender or as Lender shall direct, including, without limitation, to send "goodbye" letters and Section 404 Notices on behalf of Borrower and any applicable Subservicer; (B) to ask or demand for, collect, receive payment of and receipt for, any and all moneys, claims and other amounts due or to become due at any time in respect of or arising out of any Assets; (C) to sign and endorse any invoices, assignments, verifications, notices and other documents in connection with any Assets; (D) to commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect the Collateral or any proceeds thereof and to enforce any other right in respect of any Assets; (E) to defend any suit, action or proceeding brought against Borrower with respect to any Assets; (F) to settle, compromise or adjust any suit, action or proceeding described in clause (E) above and, in connection therewith, to give such discharges or releases as Lender may deem appropriate; and (G) generally, to sell, transfer, pledge and make any agreement with respect to or otherwise deal with any Assets as fully and completely as though Lender were the absolute owner thereof for all purposes, and to do, at Lender's option and Borrower's expense, at any time, and from time to time, all acts and things which Lender deems necessary to protect, preserve or realize upon the Assets and Collateral thereon and to effect the intent of the Agreement, all as fully and effectively as Borrower might do;
- iv) for the purpose of effecting the transfer of servicing with respect to the Assets from Borrower or any applicable Subservicer to a successor servicer appointed by Lender in its sole discretion and to take any and all appropriate action and to execute any and all documents and instruments which may be necessary or desirable to accomplish such transfer of servicing, and, without limiting the generality of the foregoing, Borrower hereby gives Lender the power and right, on behalf of Borrower, without assent by

Borrower, to, in the name of Borrower or its own name, or otherwise, prepare and send or cause to be sent “good-bye” letters and Section 404 Notices on behalf of Borrower and any applicable Subservicer in connection with such transfer of servicing; and

- v) for the purpose of delivering any notices of sale to mortgagors or other third parties, including without limitation, those required by law.

Borrower hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof. This power of attorney is a power coupled with an interest and shall be irrevocable and shall survive the termination of the Agreement.

Borrower also authorizes Lender, from time to time, to execute, in connection with any sale, any endorsements, assignments or other instruments of conveyance or transfer with respect to the Assets.

The powers conferred on Lender hereunder are solely to protect Lender’s interests in the Assets and shall not impose any duty upon it to exercise any such powers. Lender shall be accountable only for amounts that it actually receives as a result of the exercise of such powers, and neither it nor any of its officers, directors, employees or agents shall be responsible to Borrower for any act or failure to act hereunder, except for its or their own gross negligence or willful misconduct.

IN ORDER TO INDUCE ANY THIRD PARTY TO ACT HEREUNDER, BORROWER HEREBY AGREES THAT ANY THIRD PARTY RECEIVING A DULY EXECUTED COPY OR FACSIMILE OF THIS INSTRUMENT MAY ACT HEREUNDER, AND THAT REVOCATION OR TERMINATION HEREOF SHALL BE INEFFECTIVE AS TO SUCH THIRD PARTY UNLESS AND UNTIL ACTUAL NOTICE OR KNOWLEDGE OF SUCH REVOCATION OR TERMINATION SHALL HAVE BEEN RECEIVED BY SUCH THIRD PARTY, AND BORROWER ON ITS OWN BEHALF AND ON BEHALF OF BORROWER’S ASSIGNS, HEREBY AGREES TO INDEMNIFY AND HOLD HARMLESS ANY SUCH THIRD PARTY FROM AND AGAINST ANY AND ALL CLAIMS THAT MAY ARISE AGAINST SUCH THIRD PARTY BY REASON OF SUCH THIRD PARTY HAVING RELIED ON THE PROVISIONS OF THIS INSTRUMENT.

[REMAINDER OF PAGE INTENTIONALLY BLANK. SIGNATURES FOLLOW.]

IN WITNESS WHEREOF Borrower has caused this Power of Attorney to be duly executed and Borrower's seal to be affixed this \_\_\_\_ day of \_\_\_\_\_, 2022.

ROCKET MORTGAGE, LLC,

as Borrower

By: \_\_\_\_\_  
Name:  
Title:

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of Michigan

County of \_\_\_\_\_ )

On [\_\_\_\_\_] , 2022, before me, personally appeared [\_\_\_\_\_] (NAME/TITLE), who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of Michigan that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

(Seal)

EXHIBIT 4.05

FORM OF RELEASE OF SECURITY INTEREST

[Insert Date]

Rocket Mortgage, LLC  
1050 Woodward Ave.  
Detroit, Michigan 48226

Re: Release of Security Interest

In accordance with Section 4.05 of that certain Loan and Security Agreement, dated as of July 27, 2022 (as amended, restated, supplemented or otherwise modified from time to time, the "Agreement") by and between Citibank, N.A. (the "Lender") and Rocket Mortgage LLC (the "Borrower"), the Lender hereby relinquishes any and all right, title and interest it may have in and to the Collateral described in Annex A attached hereto as of the date and time of receipt by the Lender of an amount at least equal to [\$\_\_\_\_\_]. Capitalized terms used but not defined herein shall have the meanings assigned thereto in the Agreement.

•

[CITIBANK, N.A.]

By: \_\_\_\_\_  
Name:  
Title:

**ANNEX A**

[List of Collateral]

## EMPLOYMENT AGREEMENT

This Employment Agreement (this “Agreement”) is made and entered into as of July 29, 2020, by and between RKT Holdings, LLC (the “Company”) and Brian Brown (“Executive” and, together with the Company, the “Parties”).

### RECITALS

**WHEREAS**, the Parties desire to enter into a written employment agreement to reflect the terms upon which Executive shall provide services to the Company and/or its direct and indirect subsidiaries, whether existing on the Effective Date or thereafter acquired or formed (each, a “Rocket Company,” and with Rocket Companies, Inc. (“Rocket”), collectively, the “Rocket Companies”); and

**WHEREAS**, Executive’s agreement to enter into this Agreement and be bound by the terms hereof, including the restrictive covenants described herein, is a material inducement to the Rocket Companies’ willingness to provide compensation to Executive as described herein, and the Rocket Companies would not otherwise grant such compensation to Executive if Executive did not agree to enter into this Agreement.

**NOW, THEREFORE**, in consideration of the mutual promises, terms, covenants, and conditions set forth in this Agreement, and the performance by the Parties of their respective obligations hereunder, the Parties, intending to be legally bound, agree as follows:

### AGREEMENTS

1. **Term.** The term of this Agreement and of Executive’s employment with the Company hereunder (the “Term”) shall be effective as of the effective date of the initial public offering of Rocket pursuant to an effective Registration Statement filed under the Securities Exchange Act of 1933 (the “Effective Date”) and continue until Executive’s employment is terminated in accordance with Section 6 of this Agreement. Executive’s employment with the Company shall be “at will”, such that the Company may terminate Executive’s employment at any time, with or without reason and with or without notice, and Executive may resign at any time, with or without reason and with or without notice (except as expressly set forth herein).

2. **Position and Duties.** The Company hereby employs Executive, and during the Term, Executive shall be employed by and have positions with any Rocket Company as determined by the Company in its discretion. Executive shall be Chief Accounting Officer of Rocket, reporting directly to the Chief Financial Officer. Executive shall have such responsibilities, duties, and authorities as are assigned by the Chief Financial Officer and are commensurate with the position of Chief Accounting Officer. Executive shall fulfill his duties and responsibilities in a diligent, trustworthy and appropriate manner and in compliance with the policies and practices of the Company and applicable law. During the Term, Executive shall devote his full business time and attention to the business and affairs of the Rocket Companies and shall not be engaged in or employed by or provide services to any other business enterprise without the written approval of the Board of Directors of Rocket (the “Board”); provided, however, that (i) Executive shall be permitted to continue to be engaged in, or provide services to, the business and activities set forth on Exhibit A and (ii) Executive may manage his personal affairs, finances, and investments, and may participate in charitable and not-for-profit activities, all without the necessity of obtaining the Board’s approval, so long as such activities do not create an actual or potential conflict of interest with, or interfere with the performance of, Executive’s duties hereunder or conflict with Executive’s covenants under Sections 7 through 11 of this Agreement, in each case as determined in the sole judgment of the Board.

3. **Compensation.** For all services rendered by Executive (including his compliance with the covenants in Sections 7 through 11 of this Agreement) to the Rocket Companies, the Rocket Companies shall compensate Executive during the Term as follows:

(a) **Base Salary.** The annual base salary payable to Executive shall be determined by the Compensation Committee of the Board (the "Committee") from time to time, and shall be paid in substantially equal installments on a regular basis in accordance with the Company's standard payroll procedures, and prorated for any partial year of employment (the "Base Salary").

(b) **Annual Bonus.** For each fiscal year during the Term, Executive shall be eligible for an annual bonus (the "Annual Bonus") based on the satisfaction of such business objectives and/or other criteria as determined in the sole discretion of the Committee. The Annual Bonus shall be paid in accordance with the Company's customary practices for payment of annual bonuses to senior executive employees, subject to Executive's continued employment through the payment date.

(c) **Benefits and Perquisites.** Executive shall be entitled to participate in the employee benefit plans and programs of the Rocket Companies in accordance with the terms of such plans and programs.

(d) **Vacation.** Executive shall be entitled to paid vacation during each calendar year (prorated for any partial calendar year of employment) in accordance with the Rocket Companies' policies and practices for senior executive employees of the Rocket Companies.

4. **Expense Reimbursement.** The Company shall reimburse Executive for (or, at the Company's option, pay) all business travel and other out-of-pocket expenses reasonably incurred by Executive in the performance of his duties under this Agreement. All reimbursable expenses shall be appropriately documented by Executive upon submission of any request for reimbursement in a manner consistent with the expense reporting policies of the Rocket Companies and applicable federal and state tax recordkeeping requirements.

5. **Place of Performance.** Executive shall carry out his duties and responsibilities under this Agreement principally in and from the Company's offices in Detroit, Michigan, unless otherwise mutually agreed to by the Company and the Executive. Executive understands that his position will involve travel and agrees to undertake such travel as may be necessary or desirable in the performance of his duties and responsibilities under this Agreement.

6. **Termination; Rights on Termination.** Executive's employment under this Agreement may be terminated by either party at any time and for any reason; provided, however, that Executive shall be required to give the Company at least 60 days advance written notice of any resignation of Executive's employment hereunder (and in such event, the Company may in its sole discretion elect to accelerate Executive's date of termination of employment and pay to Executive the Base Salary that he would have received during such 60-day period). Notwithstanding the foregoing, Executive's employment shall automatically terminate upon Executive's death.

(a) **Resignation From All Positions.** Upon termination of Executive's employment for any reason, Executive agrees to resign, as of the date of termination from all other positions, whether as officer, director, employee, trustee, consultant or otherwise, that Executive then holds with the Rocket Companies, except as otherwise agreed to by the Parties. Executive agrees to promptly execute such documents as the Company shall reasonably deem necessary to effect such resignations, and in the event that the Executive is unable or unwilling



to, or does not, execute any such document, Executive hereby grants his proxy to any officer of the Company to so execute on his behalf or will otherwise be deemed to have resigned from all such positions.

(b) Payment Through Termination. Upon termination of Executive's employment for any reason, Executive shall be entitled to receive his Base Salary and all benefits and reimbursements earned or accrued through the effective date of termination. Such Base Salary shall be paid in accordance with the Company's standard payroll procedures. No other compensation or benefits will be due or payable to Executive after such termination, except as provided or as otherwise required under the terms of the employee benefit plans and programs of the Rocket Companies or applicable law.

(c) Provisions that Survive Termination of Agreement. All rights and obligations of the Parties under this Agreement shall cease as of the effective date of termination of this Agreement, except that (i) the Company's payment and other obligations under this Section 6 of this Agreement, if any, and its rights and/or obligations under Sections 17 through 19 of this Agreement shall survive such termination in accordance with their terms, and (ii) Executive's obligations under Sections 7 through 12, Sections 17 through 19 and Section 21 of this Agreement shall survive such termination in accordance with their terms.

(d) Compliance with Code Section 409A.

(i) To the extent this Agreement is subject to Section 409A of the Code ("Section 409A"), the Parties intend all payments under this Agreement to comply with the requirements of Section 409A, and this Agreement shall, to the extent practical, be operated and administered to effectuate such intent. In furtherance thereof, if payment or provision of any amount or benefit hereunder at the time specified in this Agreement would subject such amount or benefit to any additional tax under Section 409A, the payment or provision of such amount or benefit shall be postponed to the earliest commencement date on which the payment or the provision of such amount or benefit could be made without incurring such additional tax (including paying any severance that is delayed in a lump sum upon the earliest possible payment date which is consistent with Section 409A). In addition, to the extent that any regulations or guidance issued under Section 409A (after application of the previous provision of this Section 6(d)) would subject Executive to the payment of interest or any additional tax under Section 409A, the Parties agree, to the extent reasonably possible, to amend this Agreement in order to avoid the imposition of any such interest or additional tax under Section 409A.

(ii) With respect to any payment under this Agreement constituting nonqualified deferred compensation subject to Section 409A, (A) all expenses or other reimbursements provided herein shall be payable in accordance with the Company's policies in effect from time to time, but in any event shall be made on or prior to the last day of the taxable year following the taxable year in which such expenses were incurred by Executive; (B) no such reimbursement or expenses eligible for reimbursement in any taxable year shall in any way affect the expenses eligible for reimbursement in any other taxable year; and (C) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit.

(iii) If Executive is deemed on the date of termination to be a "specified employee" within the meaning of that term under Section 409A, then with regard to any payment or the provision of any benefit under this Agreement that is considered nonqualified deferred compensation under Section 409A payable on account of a "separation from service," such payment or benefit shall be made or provided on the first business day following the earlier of (A) the expiration of the six (6)-month period measured from the date of such "separation from service" of Executive, and (B) the date of Executive's death (the "Delay Period"). Upon

the expiration of the Delay Period, all payments and benefits delayed pursuant to this Section 6(d) (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) shall be paid or reimbursed to Executive in a lump sum (without interest) on the first business day following the Delay Period, and any remaining payments and benefits due under this Agreement shall be paid or provided in accordance with the normal payment dates specified for them herein.

(iv) Executive's right to receive any installment payments payable hereunder shall be treated as a right to receive a series of separate payments and, accordingly, each such installment payment shall at all times be considered a separate and distinct payment for purposes of Section 409A.

## 7. Executive Covenants.

(a) Executive acknowledges and agrees that during his employment with the Company, he will be providing services to the Rocket Companies and that he will be intimately involved in the planning for or direction of the business of the Rocket Companies, and that he has or will obtain selective or specialized skills, knowledge, abilities, or customer contacts or information by reason of working for the Company and providing services to the Rocket Companies.

(b) During Executive's employment with the Company and for a period of eighteen (18) months thereafter (the "Restricted Period"), Executive shall not, either directly or indirectly, for himself or on behalf of or in conjunction with any other person, company, partnership, corporation, business, group, or other entity (each, a "Person"), engage, within the Territory (as described below), as an officer, director, owner, partner, member, joint venturer, employee, independent contractor, agent or consultant in any business engaged in the Business of the Rocket Companies (as described below); provided, however, that Executive shall not be prohibited from passively owning less than five percent (5%) of the outstanding shares of any class of equity securities registered under the Securities Exchange Act of 1934, as amended (the "34 Act").

(c) In addition, during Executive's employment with the Company and for a period of eighteen (18) months thereafter, Executive shall not, either directly or indirectly, for himself or on behalf of or in conjunction with any other Person:

(i) solicit or attempt to solicit any employee, agent or contract worker of the Rocket Companies (or any employee, agent or contract worker who was employed or engaged by the Rocket Companies within the twenty-four (24) months prior to Executive's termination of employment) to end his or her relationship with any Rocket Company or hire or attempt to hire any of the foregoing; or

(ii) seek to induce or otherwise cause any customer, client, supplier, vendor, licensee, licensor or any other Person with whom any Rocket Company then has, or during the twenty-four (24) months prior to such time had, a business relationship, whether by contract or otherwise, to discontinue or alter such business relationship in a manner that is adverse to any Rocket Company.

(d) For purposes of Sections 7 through 11 of this Agreement:

(i) The "Territory" shall be defined as the United States of America, Canada and any other territory where Executive is working and providing services or the Rocket Companies are doing business at the time of termination of employment with the

Company; which Executive acknowledges and agrees is the territory in which he is providing services to the Rocket Companies pursuant to this Agreement.

(ii) The “Business of the Rocket Companies” means (A) any business or activity engaged in by any of the Rocket Companies and (B) any other business opportunity that is under active consideration by any of the Rocket Companies during the Term.

(e) The covenants in this Section 7 are severable and separate, and the unenforceability of any specific covenant shall not affect the provisions of any other covenant. If any provision of this Section 7 relating to the time period, scope, or geographic area of the restrictive covenants shall be declared by a court of competent jurisdiction or arbitrator to exceed the maximum time period, scope, or geographic area, as applicable, that such court or arbitrator deems reasonable and enforceable, then this Agreement shall automatically be considered to have been amended and revised to reflect such determination.

(f) All of the covenants in this Section 7 shall be construed as an agreement independent of any other provisions in this Agreement, and the existence of any claim or cause of action Executive may have against any Rocket Company, whether predicated on this Agreement or otherwise, shall not constitute a defense to the enforcement by any Rocket Company of such covenants.

(g) Executive has carefully read and considered the provisions of this Section 7 and, having done so, agrees that the restrictive covenants in this Section 7 impose a fair and reasonable restraint on Executive and are reasonably required to protect the interests of the Rocket Companies and their respective officers, directors, employees and equityholders.

## 8. Trade Secrets and Confidential Information.

(a) For purposes of this Section 8, “Confidential Information” means all non-public or proprietary data or information (other than Trade Secrets) concerning the business and operations of the Rocket Companies, including, but not limited to, any non-public information (regardless of whether in writing or retained as personal knowledge) pertaining to research and development; product costs, designs and processes; equityholder information; pricing, cost, or profit factors; quality programs; annual budget and long-range business plans; marketing plans and methods; contracts and bids; business ideas and methods, inventions, innovations, developments, graphic designs, website designs, patterns, specifications, procedures, databases and personnel. “Trade Secret” means trade secret as defined by applicable state law. In the absence of such a definition, Trade Secret means information including, but not limited to, any technical or nontechnical data, formula, pattern, compilation, program, device, method, technique, drawing, process, financial data, financial plan, product plan, list of actual or potential customers or suppliers or other information similar to any of the foregoing, which (i) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can derive economic value from its disclosure or use and (ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

(b) Executive acknowledges that in the course of his prior services to affiliates of the Company and his future employment with the Company, he has received or will receive and has had or will have access to Confidential Information and Trade Secrets of the Rocket Companies, and that unauthorized or improper use or disclosure by Executive of such Confidential Information or Trade Secrets will cause serious and irreparable harm to the Rocket Companies. Accordingly, he is willing to enter into the covenants contained in Sections 7 through 11 of this Agreement in order to provide the Rocket Companies with what he considers to be reasonable protection for its interests.

(c) Executive hereby agrees to (i) hold in confidence all Confidential Information of the Rocket Companies that come into his knowledge during his employment by the Company and (ii) not disclose, publish or make use of such Confidential Information, other than in the good-faith performance of his duties, without the prior written consent of the Company for as long as the information remains Confidential Information.

(d) Executive hereby agrees to hold in confidence all Trade Secrets of the Rocket Companies that come into his knowledge during his employment by the Company and not to disclose, publish, or make use of at any time after the date hereof such Trade Secrets without the prior written consent of the Company for as long as the information remains a Trade Secret.

(e) Notwithstanding the foregoing, the provisions of this Section 8 will not apply to (i) Confidential Information or Trade Secrets that otherwise becomes generally known in the industry or to the public through no act of Executive or any person or entity acting by or on Executive's behalf or information which Executive can demonstrate to have had rightfully in his possession prior to the commencement of his employment or services with any of the Rocket Companies or their Affiliates or (ii) information required to be disclosed by judicial or governmental proceedings; provided that, in the event Executive is ordered by a court or other government agency to disclose any Confidential Information, Executive shall (1) promptly notify the Company of such order, (2) diligently contest such order at the sole expense of the Company as expenses occur, and (3) seek to obtain at the sole expense of the Company such confidential treatment as may be available under applicable laws for any information disclosed under such order.

(f) Notwithstanding anything to the contrary herein, nothing in this Agreement will prohibit Executive from making reports of possible violations of federal law or regulation to any governmental agency or entity in accordance with the provisions of and rules promulgated under Section 21F of the '34 Act or Section 806 of the Sarbanes-Oxley Act of 2002, or of any other whistleblower protection provisions of federal law or regulation, or require modification or prior approval by the Company or any other Rocket Company of any such reporting.

(g) Notwithstanding anything to the contrary contained herein, pursuant to the Defend Trade Secrets Act of 2016, Executive shall not be held criminally or civilly liable under any federal or state Trade Secret law for the disclosure of a Trade Secret that: (i) is made (A) in confidence to a Federal, state, or local government official, either directly or indirectly, or to an attorney; and (B) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Executive also understands that if he files a lawsuit for retaliation by the Company for reporting a suspected violation of law, Executive may disclose the Trade Secret to his attorney and use the Trade Secret information in the court proceeding, if Executive (i) files any document containing the Trade Secret under seal, and (ii) does not disclose the Trade Secret, except pursuant to court order.

9. **Nondisparagement.** During the Term and thereafter, Executive shall not, directly or indirectly, take any action, or encourage others to take any action, to disparage or criticize any Rocket Company or any affiliate of any Rocket Company or their respective officers, directors, agents, or executives.

10. **Return of Company Property.** All records, designs, patents, business plans, financial statements, manuals, memoranda, customer lists, computer data, customer information, equipment, supplies, furniture and other property or information delivered to or compiled by Executive by or on behalf of the Rocket Companies, their representatives, vendors

or customers shall be and remain the property of the Rocket Companies, and be subject at all times to its discretion and control. Upon the request of any Rocket Company and, in any event, upon the termination of Executive's employment with the Rocket Companies, Executive shall promptly deliver all such materials to the Rocket Companies.

11. **Work Product and Inventions.**

(a) Works. Executive acknowledges that Executive's work on and contributions to documents, programs, methodologies, protocols, and other expressions in any tangible medium (including, without limitation, all business ideas and methods, inventions, innovations, developments, graphic designs, web site designs, patterns, specifications, procedures or processes, market research, databases, works of authorship, products and other works of creative authorship) which have been or will be prepared by Executive, or to which Executive has contributed or will contribute, in connection with Executive's services to any Rocket Company (collectively, "Works"), are and will be within the scope of Executive's employment and part of Executive's duties and responsibilities. Executive's work on and contributions to the Works will be rendered and made by Executive for, at the instigation of, and under the overall direction of any Rocket Company, and are and at all times shall be regarded, together with the Works, as "work made for hire" as that term is used in the United States Copyright Laws. However, to the extent that any court or agency should conclude that the Works (or any of them) do not constitute or qualify as a "work made for hire", Executive hereby assigns, grants, and delivers exclusively and throughout the world to the Company all rights, titles and interests in and to any such Works, and all copies and versions, including all copyrights and renewals. Executive agrees to cooperate with the Company and to execute and deliver to the Company and its successors and assigns, any assignments and documents the Company requests for the purpose of establishing, evidencing, and enforcing or defending its complete, exclusive, perpetual and worldwide ownership of all rights, titles and interests of every kind and nature, including all copyrights, in and to the Works, and Executive constitutes and appoints the Company as its agent to execute and deliver any assignments or documents Executive fails or refuses to execute and deliver, this power and agency being coupled with an interest and being irrevocable. Without limiting the preceding provisions of this Section 11(a), Executive agrees that the Company may edit and otherwise modify, and use, publish and otherwise exploit, the Works in all media and in such manner as the Company, in its sole discretion, may determine.

(b) Inventions and Ideas. Executive shall disclose promptly to the Company (which shall receive it in confidence), and only to the Company, any invention or idea of Executive in any way connected with Executive's services or related to the Business of the Rocket Companies, any Rocket Company's research or development, or demonstrably anticipated research or development (developed alone or with others), conceived or made during the Term or within three (3) months thereafter and hereby assigns to the Company any such invention or idea. Executive agrees, subject to reimbursement of actual out of pocket expenses related thereto and at the Company's sole liability and expense, to cooperate with the Company and sign all papers reasonably deemed necessary by the Company to enable it to obtain, maintain, protect and defend patents covering such inventions and ideas and to confirm the Company's exclusive ownership of all rights in such inventions, ideas and patents, and irrevocably appoints the Company as its agent to execute and deliver any assignments or documents Executive fails or refuses to execute and deliver promptly, this power and agency being coupled with an interest and being irrevocable. This constitutes the Company's written notification that this assignment does not apply to an invention for which no equipment, supplies, facility or Trade Secret information of any Rocket Company was used and which was conceived and developed entirely on Executive's own time, unless (i) the invention relates (A) directly to the Business of the Rocket Companies, or (B) to actual or demonstrably

anticipated research or development of any Rocket Company, or (ii) the invention results from any work performed by Executive for any Rocket Company.

12. **Notification of Subsequent Employer.** Executive hereby agrees that prior to accepting employment with, or agreeing to provide services to, any other Person during any period during which Executive remains subject to any of the covenants set forth in Sections 7 through 11, Executive shall provide such prospective employer with written notice of such provisions of this Agreement, with a copy of such notice delivered simultaneously to the Company.

13. **Assignment; Binding Effect.** Executive understands that he has been selected for employment by the Company on the basis of his personal qualifications, experience, and skills. Executive agrees, therefore, that he cannot assign all or any portion of his performance under this Agreement. The Company may assign this Agreement to the purchaser of substantially all of the assets of the Company, or to any other Rocket Company. Subject to the preceding two sentences, this Agreement shall be binding upon, inure to the benefit of, and be enforceable by the Parties and their respective heirs, legal representatives, successors and permitted assigns. Executive acknowledges and agrees that each Rocket Company is a third-party beneficiary of this Agreement, including, without limitation, this Section 13 and Section 17 hereof.

14. **Complete Agreement; Waiver; Amendment.** Executive has no oral representations, understandings, or agreements with the Company or any of its officers, directors or representatives covering the same subject matter as this Agreement. This Agreement is the final, complete and exclusive statement of expression of the agreement between the Parties with respect to the subject matter hereof (including, but not limited to, any severance payments, change in control payments and terms of employment) and cannot be varied, contradicted or supplemented by evidence of any prior or contemporaneous oral or written agreements. This Agreement may not be later modified except by a further writing signed by a duly authorized officer of the Company or member of the Board and Executive, and no term of this Agreement may be waived except by a writing signed by the party waiving the benefit of such term. The waiver by any party to this Agreement of a breach of any of the provisions of this Agreement shall not operate or be construed as a waiver of any subsequent or simultaneous breach.

15. **Notice.** Whenever any notice is required hereunder, it shall be given in writing addressed as follows:

|                                 |  |
|---------------------------------|--|
| To the Company or<br>the Board: | RKT Holdings, LLC<br>c/o Rocket Companies, Inc.<br>1050 Woodward Avenue<br>Detroit, Michigan 48226<br>Attn: Board of Directors |
|---------------------------------|--|

To Executive, to the most recent address the Company has on file for Executive.

16. **Severability; Headings.** If any portion of this Agreement is held invalid or inoperative, the other portions of this Agreement shall be deemed valid and operative and, so far as is reasonable and possible, effect shall be given to the intent manifested by the portion held invalid or inoperative. This severability provision shall be in addition to, and not in place of, the provisions of Section 7(e) above. The Section and section headings are for reference purposes only and are not intended in any way to describe, interpret, define or limit the extent of the Agreement or of any part hereof.

17. **Equitable Remedy.** Because of the difficulty of measuring economic losses to any Rocket Company as a result of a breach of the covenants set forth in Sections 7 through 11, and because of the immediate and irreparable damage that would be caused to the Rocket Companies for which monetary damages would not be a sufficient remedy, it is hereby agreed that in addition to all other remedies that may be available to the Rocket Companies, at law or in equity, each Rocket Company shall be entitled to specific performance and any injunctive or other equitable relief as a remedy for any breach or threatened breach by Executive of any provision of Sections 7 through 11 of this Agreement. Each Rocket Company may seek temporary and/or permanent injunctive relief for an alleged violation of Sections 7 through 11 of this Agreement without the necessity of first arbitrating the matter pursuant to Section 17 of this Agreement and without the necessity of posting a bond.

18. **Arbitration.**

(a) Except for an action by any Rocket Company for injunctive relief as described in Section 17 of this Agreement, all disputes and/or claims arising out of or under this Agreement and/or out of or in connection with Executive's employment with Company, other than any claims for equitable relief, shall be submitted to binding and confidential arbitration.

(b) Binding arbitration shall be commenced by serving upon the other Party(ies) a written demand for arbitration stating any and all the claims and relief requested. The binding arbitration shall be governed by the provisions of the employment arbitration rules of the American Arbitration Association, and the arbitration proceedings shall be located in Wayne County, Michigan. The Parties shall mutually select one arbitrator to preside over the dispute; provided, however, if the Parties are unable to mutually agree on the selection of a single arbitrator within fourteen (14) days after the service of a demand for arbitration, then the Company on the one hand and Executive on the other hand shall each select one arbitrator within ten (10) days thereafter, and the two arbitrators so selected shall mutually agree on a third (neutral) arbitrator within ten (10) days thereafter, and the panel of three arbitrators shall preside over the arbitration with the majority rendering the binding decision upon the Parties.

In the event that a single arbitrator is mutually selected, the Parties shall equally split the fees and costs of the arbitrator, and in the event that a panel of three arbitrators is selected then the Parties shall equally split the fees and costs of the neutral arbitrator and the Company shall be responsible for paying the fees and costs of the arbitrator it selects and Executive shall be responsible for paying the fees and costs of the arbitrator Executive selects. The Parties shall be entitled to be represented by counsel of their choice in the arbitration proceedings, and they shall be afforded reasonable discovery, including document requests, interrogatories and depositions.

(c) Executive must submit any written demand for arbitration within six (6) months of the termination of this Agreement or accrual of the claim, whichever is soonest. Failure of Executive to do so shall result in Executive's claim(s) being irrevocably waived, and Executive hereby expressly waives any statute of limitations which is longer than six (6) months. Any award by the arbitrator(s) pursuant to the terms of this Agreement shall be entered as a judgment and enforced by any court of competent jurisdiction. In reaching a decision, the arbitrator(s) shall interpret, apply and be bound by this Agreement and all applicable federal, state and local laws, and issue a confidential and binding opinion which states the reasons and basis of the opinion, including finding of facts and conclusions of law.

19. **Indemnification and Liability Insurance.** The Company shall indemnify and hold harmless Executive, to the fullest extent permitted by law and the Company's governing documents, against all claims, expenses, damages, liabilities and losses incurred by Executive by reason of the fact that Executive is or was, or had agreed to become, a

director, officer, employee, agent or fiduciary of the Company or any Rocket Company, or is or was serving at the request of the Company as a director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another corporation, partnership, joint venture, business, person, trust, employee benefit plan or other entity. The indemnification obligations of the Company shall survive from the Effective Date of this Agreement and continue until six (6) years following his cessation of service with the applicable entity or, if longer, one (1) year after the expiration of any applicable statute of limitations for any potential claim. During the Term and for a period of six (6) years thereafter, the Company shall cause Executive to be covered by and named as an insured under any policy or contract of insurance obtained by it to insure its directors and officers against personal liability for acts, errors or omissions in connection with service as an officer or director of the Company or any of its subsidiaries or affiliates or service in any other capacities at the request of the Company. The coverage provided to Executive shall be of a scope and on terms and conditions at least as favorable as the most favorable coverage provided to any other officer or director of the Company (or any successor). Anything in this Agreement to the contrary notwithstanding, this Section 19 shall survive the termination of this Agreement for any reason. Nothing in this Agreement shall limit or reduce any other rights to indemnification that apply to Executive, whether pursuant to contract or otherwise.

20. **Jointly Drafted.** The Parties and their respective counsel have participated jointly in the negotiation and drafting of this Agreement. In the event that an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

21. **Cooperation.** Executive agrees that, upon reasonable notice and without the necessity of the Company obtaining a subpoena or court order, Executive shall provide reasonable cooperation in connection with any suit, action or proceeding (or any appeal from any suit, action or proceeding), and any investigation and/or defense of any claims asserted against any of Executive and the Company, its respective affiliates, their respective predecessors and successors, and all of the respective current or former directors, officers, employees, shareholders, partners, members, agents or representatives of any of the foregoing, which relates to events occurring during Executive's employment with the Company and its affiliates as to which Executive may have relevant information (including but not limited to furnishing relevant information and materials to the Company or its designee and/or providing testimony at depositions and at trial), provided that with respect to such cooperation occurring following termination of employment, the Company shall reimburse Executive for expenses (including attorneys' fees) reasonably incurred in connection therewith, and further provided that any such cooperation occurring after the termination of Executive's employment shall be scheduled to the extent reasonably practicable so as not to unreasonably interfere with Executive's business or personal affairs.

22. **Withholding Taxes.** The Company may deduct and withhold from any amounts payable under this Agreement such Federal, state, local, non-U.S. or other taxes as are required to be withheld pursuant to any applicable law or regulation.

23. **Governing Law.** This Agreement shall in all respects be governed by and construed in accordance with the laws of the State of Michigan, not including the choice-of-law rules thereof. The exclusive venues for all disputes arising out of this Agreement will be the United States District Court for the Eastern District of Michigan and the Third Judicial Circuit, Wayne County, Michigan (the "Agreed-Upon Venues"), and no other venues. The Parties stipulate that this Agreement is an arms-length transaction entered into by sophisticated parties, and that the Agreed-Upon Venues are convenient, are not unreasonable, unfair, or unjust, and will not deprive any Party of any remedy to which it may be entitled. The Parties agree to



consent to the dismissal of any action arising out of this Agreement that may be filed in a venue other than one of the Agreed-Upon Venues; the reasonable legal fees and costs of the Party seeking dismissal for improper venue will be paid by the Party that filed suit in the improper venue.

*[remainder of page intentionally left blank]*

**IN WITNESS WHEREOF**, each of the parties hereto have caused this Employment Agreement to be duly executed as of the date first written above.

**RKT HOLDINGS, LLC**

/s/ Robert Walters

By: Robert Walters  
Title: President/COO

/s/ Brian Brown

**BRIAN BROWN**

**EXHIBIT A**  
**PERMITTED ACTIVITIES**

- Petram, Board Member

## AMENDMENT TO EMPLOYMENT AGREEMENT

This Amendment (this "Amendment") to the Employment Agreement dated July 29, 2020 (the "Original Agreement" and, as amended by this Amendment, the "Agreement") is made and entered into as of October 2, 2022, by and between RKT Holdings, LLC (the "Company") and Brian Brown ("Executive" and, together with the Company, the "Parties").

### RECITALS

**WHEREAS**, the Parties previously entered into the Original Agreement to reflect the terms upon which Executive would provide services to the Company and/or its direct and indirect subsidiaries from time to time (each, a "Rocket Company," and with Rocket Companies, Inc. ("Rocket"), collectively, the "Rocket Companies");

**WHEREAS**, terms used but not defined in this Amendment shall have the meaning given in the Original Agreement; and

**WHEREAS**, the Parties wish to amend the Original Agreement to reflect a new role for Executive effective November 15, 2022 (the "Appointment Date").

**NOW, THEREFORE**, in consideration of the mutual promises, terms, covenants, and conditions set forth in this Amendment, and the performance by the Parties of their respective obligations hereunder, the Parties, intending to be legally bound, agree as follows:

1. As of the Appointment Date, Executive will be appointed Chief Financial Officer and Treasurer, in addition to continuing in the position and duties set forth in Section 2 of the Original Agreement until otherwise determined by the Company.

2. Nothing herein changes the at-will nature of Executive's employment as set forth in the Original Agreement.

3. This Amendment shall in all respects be governed by and construed in accordance with the laws of the State of Michigan, not including the choice-of-law rules thereof.

*[remainder of page intentionally left blank]*

**IN WITNESS WHEREOF**, each of the parties hereto have caused this Amendment to be duly executed as of the date first written above.

**RKT HOLDINGS, LLC**

/s/ Jay Farner

By: Jay Farner  
Title: Chief Executive Officer

/s/ Brian Brown

**BRIAN BROWN**

## EMPLOYMENT AGREEMENT

This Employment Agreement (this “Agreement”) is made and entered into as of October 2, 2022, by and between RKT Holdings, LLC (the “Company”) and Tina John (“Executive” and, together with the Company, the “Parties”).

### RECITALS

**WHEREAS**, the Parties desire to enter into a written employment agreement to reflect the terms upon which Executive shall provide services to the Company and/or its direct and indirect subsidiaries, whether existing on the Effective Date or thereafter acquired or formed (each, a “Rocket Company,” and with Rocket Companies, Inc. (“Rocket”), collectively, the “Rocket Companies”); and

**WHEREAS**, Executive’s agreement to enter into this Agreement and be bound by the terms hereof, including the restrictive covenants described herein, is a material inducement to the Rocket Companies’ willingness to provide compensation to Executive as described herein, and the Rocket Companies would not otherwise grant such compensation to Executive if Executive did not agree to enter into this Agreement.

**NOW, THEREFORE**, in consideration of the mutual promises, terms, covenants, and conditions set forth in this Agreement, and the performance by the Parties of their respective obligations hereunder, the Parties, intending to be legally bound, agree as follows:

### AGREEMENTS

1. **Term**. The term of this Agreement and of Executive’s employment with the Company hereunder (the “Term”) shall be effective as of October 3, 2022 (the “Effective Date”) and continue until Executive’s employment is terminated in accordance with Section 6 of this Agreement. Executive’s employment with the Company shall be “at will”, such that the Company may terminate Executive’s employment at any time, with or without reason and with or without notice, and Executive may resign at any time, with or without reason and with or without notice (except as expressly set forth herein).

2. **Position and Duties**. The Company hereby employs Executive, and during the Term, Executive shall be employed by and have positions with any Rocket Company as determined by the Company in its discretion. Executive shall be General Counsel and Secretary of Rocket, reporting directly to the Chief Executive Officer. Executive shall have such responsibilities, duties, and authorities as are assigned by the Chief Executive Officer and are commensurate with the position of General Counsel and Secretary. Executive shall fulfill her duties and responsibilities in a diligent, trustworthy and appropriate manner and in compliance with the policies and practices of the Company and applicable law. During the Term, Executive shall devote her full business time and attention to the business and affairs of the Rocket Companies and shall not be engaged in or employed by or provide services to any other business enterprise without the written approval of the Board of Directors of Rocket (the “Board”); provided, however, that (i) Executive shall be permitted to continue to be engaged in, or provide services to, the business and activities set forth on Exhibit A and (ii) Executive may manage her personal affairs, finances, and investments, and may participate in charitable and not-for-profit activities, all without the necessity of obtaining the Board’s approval, so long as such activities do not create an actual or potential conflict of interest with, or interfere with the performance of, Executive’s duties hereunder or conflict with Executive’s covenants under Sections 7 through 11 of this Agreement, in each case as determined in the sole judgment of the Board.

3. **Compensation.** For all services rendered by Executive (including her compliance with the covenants in Sections 7 through 11 of this Agreement) to the Rocket Companies, the Rocket Companies shall compensate Executive during the Term as follows:

(a) **Base Salary.** The annual base salary payable to Executive shall be determined by the Compensation Committee of the Board (the "Committee") from time to time, and shall be paid in substantially equal installments on a regular basis in accordance with the Company's standard payroll procedures, and prorated for any partial year of employment (the "Base Salary"). As of the Effective Date, the Base Salary is \$350,000 on an annualized basis.

(b) **Annual Bonus.** For each fiscal year during the Term, Executive shall be eligible for an annual bonus (the "Annual Bonus") based on the satisfaction of such business objectives and/or other criteria as determined in the sole discretion of the Committee. The Annual Bonus shall be paid in accordance with the Company's customary practices for payment of annual bonuses to senior executive employees, subject to Executive's continued employment through the payment date. As of the Effective Date, the target Annual Bonus (the "Target Bonus") is 50% of Base Salary.

(c) **Benefits and Perquisites.** Executive shall be entitled to participate in the employee benefit plans and programs of the Rocket Companies in accordance with the terms of such plans and programs. Starting in 2023, Executive shall be eligible for new equity awards under Rocket's 2020 Omnibus Incentive Plan (the "Equity Plan") in the Committee's discretion.

(d) **Vacation.** Executive shall be entitled to paid vacation during each calendar year (prorated for any partial calendar year of employment) in accordance with the Rocket Companies' policies and practices for senior executive employees of the Rocket Companies.

4. **Expense Reimbursement.** The Company shall reimburse Executive for (or, at the Company's option, pay) all business travel and other out-of-pocket expenses reasonably incurred by Executive in the performance of her duties under this Agreement. All reimbursable expenses shall be appropriately documented by Executive upon submission of any request for reimbursement in a manner consistent with the expense reporting policies of the Rocket Companies and applicable federal and state tax recordkeeping requirements.

5. **Place of Performance.** Executive shall carry out her duties and responsibilities under this Agreement principally in and from the Company's offices in Detroit, Michigan, unless otherwise mutually agreed to by the Company and the Executive. Executive understands that her position will involve travel and agrees to undertake such travel as may be necessary or desirable in the performance of her duties and responsibilities under this Agreement.

6. **Termination; Rights on Termination.** Executive's employment under this Agreement may be terminated by either party at any time and for any reason; provided, however, that Executive shall be required to give the Company at least 60 days advance written notice of any resignation of Executive's employment hereunder (and in such event, the Company may in its sole discretion elect to accelerate Executive's date of termination of employment and pay to Executive the Base Salary that she would have received during such 60-day period). Notwithstanding the foregoing, Executive's employment shall automatically terminate upon Executive's death.

(a) Resignation From All Positions. Upon termination of Executive's employment for any reason, Executive agrees to resign, as of the date of termination from all other positions, whether as officer, director, employee, trustee, consultant or otherwise, that Executive then holds with the Rocket Companies, except as otherwise agreed to by the Parties. Executive agrees to promptly execute such documents as the Company shall reasonably deem necessary to effect such resignations, and in the event that the Executive is unable or unwilling to, or does not, execute any such document, Executive hereby grants her proxy to any officer of the Company to so execute on her behalf or will otherwise be deemed to have resigned from all such positions.

(b) Payment Through Termination. Upon termination of Executive's employment for any reason, Executive shall be entitled to receive her Base Salary and all benefits and reimbursements earned or accrued through the effective date of termination. Such Base Salary shall be paid in accordance with the Company's standard payroll procedures. No other compensation or benefits will be due or payable to Executive after such termination, except as provided or as otherwise required under the terms of the employee benefit plans and programs of the Rocket Companies or applicable law, or pursuant to Section 6(e) below if applicable.

(c) Provisions that Survive Termination of Agreement. All rights and obligations of the Parties under this Agreement shall cease as of the effective date of termination of this Agreement, except that (i) the Company's payment and other obligations under this Section 6 of this Agreement, if any, and its rights and/or obligations under Sections 17 through 19 of this Agreement shall survive such termination in accordance with their terms, and (ii) Executive's obligations under Sections 7 through 12, Sections 17 through 19 and Section 21 of this Agreement shall survive such termination in accordance with their terms.

(d) Compliance with Code Section 409A.

(i) To the extent this Agreement is subject to Section 409A of the Code ("Section 409A"), the Parties intend all payments under this Agreement to be exempt from Section 409A under the short-term deferral rule or otherwise, and if not exempt, to comply with the requirements of Section 409A, and this Agreement shall, to the extent practical, be operated and administered to effectuate such intent. In furtherance thereof, if payment or provision of any amount or benefit hereunder at the time specified in this Agreement would subject such amount or benefit to any additional tax under Section 409A, the payment or provision of such amount or benefit shall be postponed to the earliest commencement date on which the payment or the provision of such amount or benefit could be made without incurring such additional tax (including paying any severance that is delayed in a lump sum upon the earliest possible payment date which is consistent with Section 409A). In addition, to the extent that any regulations or guidance issued under Section 409A (after application of the previous provision of this Section 6(d)) would subject Executive to the payment of interest or any additional tax under Section 409A, the Parties agree, to the extent reasonably possible, to amend this Agreement in order to avoid the imposition of any such interest or additional tax under Section 409A.

(ii) With respect to any payment under this Agreement constituting nonqualified deferred compensation subject to Section 409A, (A) all expenses or other reimbursements provided herein shall be payable in accordance with the Company's policies in effect from time to time, but in any event shall be made on or prior to the last day of the taxable year following the taxable year in which such expenses were incurred by Executive; (B) no such reimbursement or expenses eligible for reimbursement in any taxable year shall in any way affect the expenses eligible for reimbursement in any other taxable year; and (C) the



right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit.

(iii) If Executive is deemed on the date of termination to be a “specified employee” within the meaning of that term under Section 409A, then with regard to any payment or the provision of any benefit under this Agreement that is considered nonqualified deferred compensation under Section 409A payable on account of a “separation from service,” such payment or benefit shall be made or provided on the first business day following the earlier of (A) the expiration of the six (6)-month period measured from the date of such “separation from service” of Executive, and (B) the date of Executive’s death (the “Delay Period”). Upon the expiration of the Delay Period, all payments and benefits delayed pursuant to this Section 6(d) (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) shall be paid or reimbursed to Executive in a lump sum (without interest) on the first business day following the Delay Period, and any remaining payments and benefits due under this Agreement shall be paid or provided in accordance with the normal payment dates specified for them herein.

(iv) Executive’s right to receive any installment payments payable hereunder shall be treated as a right to receive a series of separate payments and, accordingly, each such installment payment shall at all times be considered a separate and distinct payment for purposes of Section 409A.

(e) Double-Trigger Severance Payments.

(i) If there is a Specified Transaction (as defined below), and within 18 months thereafter Executive is terminated by the Company without Cause or due to the elimination of Executive’s role, or Executive resigns for Good Reason (as defined below), and if Executive signs the Release (as defined below) on or prior to the 45th day following such termination date and does not revoke within the applicable 7-day revocation period the Release, the Company will pay to Executive cash severance totaling 0.75 times the sum of (A) the annual Base Salary then in effect (but no less than the amount set forth in Section 3(a)) plus (B) the Target Bonus then in effect (but no less than the amount set forth in Section 3(b)), payable in substantially equal periodic payments in accordance with ordinary payroll practices (but no less frequently than monthly) over the nine-month period immediately following the date of termination.

(ii) For purposes hereof:

(A) “Good Reason” means, absent the Executive’s written consent: (A) a material diminution in the Executive’s authority, duties, or responsibilities; (B) a material diminution in the Executive’s base salary other than a general reduction in base salary that affects all similarly situated employees; or (C) a relocation of the Executive’s principal place of employment by more than 50 miles from the Executive’s current principal place of employment, unless the new principal place of employment is closer to the Executive’s home address or the position is virtual. In order for the Executive to resign from employment with the Company for Good Reason, the Executive must give written notice to the Company within 30 days of the initial existence of any of the foregoing changes, the Company shall have 30 days upon receipt of such notice to remedy the condition so as to eliminate the “Good Reason,” and if not remedied, the Executive’s employment must terminate no later than 30 days following the expiration of such cure period.

(B) “Release” shall mean a general release of claims against the Rocket Companies and their officers, directors and other affiliated persons and entities, in a form which (i) shall be provided to Executive no later than the date Executive’s employment terminates; (ii) shall not require Executive to waive any rights to accrued obligations under applicable law or contract or vested benefits under employee benefit plans, to waive any rights to severance benefits under this Agreement or other agreements (including equity award agreements) or to waive Executive’s rights to be indemnified and/or to receive advancement of expenses under applicable law, under any indemnification agreement or pursuant to Executive’s rights under Section 19 below; and (iii) shall not require Executive to agree to any new restrictive covenants or restrictions.

(C) “Specified Transaction” shall mean either (i) a Change in Control (as defined in the Equity Plan) or (ii) a take-private transaction that results in the shares of Rocket (or its applicable successor) no longer being publicly traded notwithstanding that such event does not constitute a Change in Control.

## 7. Executive Covenants.

(a) Executive acknowledges and agrees that during her employment with the Company, she will be providing services to the Rocket Companies and that she will be intimately involved in the planning for or direction of the business of the Rocket Companies, and that she has or will obtain selective or specialized skills, knowledge, abilities, or customer contacts or information by reason of working for the Company and providing services to the Rocket Companies.

(b) During Executive’s employment with the Company and for a period of eighteen (18) months thereafter (the “Restricted Period”), Executive shall not, either directly or indirectly, for herself or on behalf of or in conjunction with any other person, company, partnership, corporation, business, group, or other entity (each, a “Person”), engage, within the Territory (as described below), as an officer, director, owner, partner, member, joint venturer, employee, independent contractor, agent or consultant in any business engaged in the Business of the Rocket Companies (as described below); provided, however, that Executive shall not be prohibited from passively owning less than five percent (5%) of the outstanding shares of any class of equity securities registered under the Securities Exchange Act of 1934, as amended (the “34 Act”).

(c) In addition, during Executive’s employment with the Company and for a period of eighteen (18) months thereafter, Executive shall not, either directly or indirectly, for herself or on behalf of or in conjunction with any other Person:

(i) solicit or attempt to solicit any employee, agent or contract worker of the Rocket Companies (or any employee, agent or contract worker who was employed or engaged by the Rocket Companies within the twenty-four (24) months prior to Executive’s termination of employment) to end his or her relationship with any Rocket Company or hire or attempt to hire any of the foregoing; or

(ii) seek to induce or otherwise cause any customer, client, supplier, vendor, licensee, licensor or any other Person with whom any Rocket Company then has, or during the twenty-four (24) months prior to such time had, a business relationship, whether by contract or otherwise, to discontinue or alter such business relationship in a manner that is adverse to any Rocket Company.

(d) For purposes of Sections 7 through 11 of this Agreement:

(i) The “Territory” shall be defined as the United States of America, Canada and any other territory where Executive is working and providing services or the Rocket Companies are doing business at the time of termination of employment with the Company; which Executive acknowledges and agrees is the territory in which she is providing services to the Rocket Companies pursuant to this Agreement.

(ii) The “Business of the Rocket Companies” means (A) any business or activity engaged in by any of the Rocket Companies and (B) any other business opportunity that is under active consideration by any of the Rocket Companies during the Term.

(e) The covenants in this Section 7 are severable and separate, and the unenforceability of any specific covenant shall not affect the provisions of any other covenant. If any provision of this Section 7 relating to the time period, scope, or geographic area of the restrictive covenants shall be declared by a court of competent jurisdiction or arbitrator to exceed the maximum time period, scope, or geographic area, as applicable, that such court or arbitrator deems reasonable and enforceable, then this Agreement shall automatically be considered to have been amended and revised to reflect such determination.

(f) All of the covenants in this Section 7 shall be construed as an agreement independent of any other provisions in this Agreement, and the existence of any claim or cause of action Executive may have against any Rocket Company, whether predicated on this Agreement or otherwise, shall not constitute a defense to the enforcement by any Rocket Company of such covenants.

(g) Executive has carefully read and considered the provisions of this Section 7 and, having done so, agrees that the restrictive covenants in this Section 7 impose a fair and reasonable restraint on Executive and are reasonably required to protect the interests of the Rocket Companies and their respective officers, directors, employees and equityholders.

## 8. **Trade Secrets and Confidential Information.**

(a) For purposes of this Section 8, “Confidential Information” means all non-public or proprietary data or information (other than Trade Secrets) concerning the business and operations of the Rocket Companies, including, but not limited to, any non-public information (regardless of whether in writing or retained as personal knowledge) pertaining to research and development; product costs, designs and processes; equityholder information; pricing, cost, or profit factors; quality programs; annual budget and long-range business plans; marketing plans and methods; contracts and bids; business ideas and methods, inventions, innovations, developments, graphic designs, website designs, patterns, specifications, procedures, databases and personnel. “Trade Secret” means trade secret as defined by applicable state law. In the absence of such a definition, Trade Secret means information including, but not limited to, any technical or nontechnical data, formula, pattern, compilation, program, device, method, technique, drawing, process, financial data, financial plan, product plan, list of actual or potential customers or suppliers or other information similar to any of the foregoing, which (i) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can derive economic value from its disclosure or use and (ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

(b) Executive acknowledges that in the course of her prior services to affiliates of the Company and her future employment with the Company, she has received or

will receive and has had or will have access to Confidential Information and Trade Secrets of the Rocket Companies, and that unauthorized or improper use or disclosure by Executive of such Confidential Information or Trade Secrets will cause serious and irreparable harm to the Rocket Companies. Accordingly, she is willing to enter into the covenants contained in Sections 7 through 11 of this Agreement in order to provide the Rocket Companies with what she considers to be reasonable protection for its interests.

(c) Executive hereby agrees to (i) hold in confidence all Confidential Information of the Rocket Companies that come into her knowledge during her employment by the Company and (ii) not disclose, publish or make use of such Confidential Information, other than in the good-faith performance of her duties, without the prior written consent of the Company for as long as the information remains Confidential Information.

(d) Executive hereby agrees to hold in confidence all Trade Secrets of the Rocket Companies that come into her knowledge during her employment by the Company and not to disclose, publish, or make use of at any time after the date hereof such Trade Secrets without the prior written consent of the Company for as long as the information remains a Trade Secret.

(e) Notwithstanding the foregoing, the provisions of this Section 8 will not apply to (i) Confidential Information or Trade Secrets that otherwise becomes generally known in the industry or to the public through no act of Executive or any person or entity acting by or on Executive's behalf or information which Executive can demonstrate to have had rightfully in her possession prior to the commencement of her employment or services with any of the Rocket Companies or their Affiliates or (ii) information required to be disclosed by judicial or governmental proceedings; provided that, in the event Executive is ordered by a court or other government agency to disclose any Confidential Information, Executive shall (1) promptly notify the Company of such order, (2) diligently contest such order at the sole expense of the Company as expenses occur, and (3) seek to obtain at the sole expense of the Company such confidential treatment as may be available under applicable laws for any information disclosed under such order.

(f) Notwithstanding anything to the contrary herein, nothing in this Agreement will prohibit Executive from making reports of possible violations of federal law or regulation to any governmental agency or entity in accordance with the provisions of and rules promulgated under Section 21F of the '34 Act or Section 806 of the Sarbanes-Oxley Act of 2002, or of any other whistleblower protection provisions of federal law or regulation, or require modification or prior approval by the Company or any other Rocket Company of any such reporting.

(g) Notwithstanding anything to the contrary contained herein, pursuant to the Defend Trade Secrets Act of 2016, Executive shall not be held criminally or civilly liable under any federal or state Trade Secret law for the disclosure of a Trade Secret that: (i) is made (A) in confidence to a Federal, state, or local government official, either directly or indirectly, or to an attorney; and (B) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Executive also understands that if she files a lawsuit for retaliation by the Company for reporting a suspected violation of law, Executive may disclose the Trade Secret to her attorney and use the Trade Secret information in the court proceeding, if Executive (i) files any document containing the Trade Secret under seal, and (ii) does not disclose the Trade Secret, except pursuant to court order.

9. **Nondisparagement.** During the Term and thereafter, Executive shall not, directly or indirectly, take any action, or encourage others to take any action, to disparage or criticize any Rocket Company or any affiliate of any Rocket Company or their respective officers, directors, agents, or executives.

10. **Return of Company Property.** All records, designs, patents, business plans, financial statements, manuals, memoranda, customer lists, computer data, customer information, equipment, supplies, furniture and other property or information delivered to or compiled by Executive by or on behalf of the Rocket Companies, their representatives, vendors or customers shall be and remain the property of the Rocket Companies, and be subject at all times to its discretion and control. Upon the request of any Rocket Company and, in any event, upon the termination of Executive's employment with the Rocket Companies, Executive shall promptly deliver all such materials to the Rocket Companies.

11. **Work Product and Inventions.**

(a) **Works.** Executive acknowledges that Executive's work on and contributions to documents, programs, methodologies, protocols, and other expressions in any tangible medium (including, without limitation, all business ideas and methods, inventions, innovations, developments, graphic designs, web site designs, patterns, specifications, procedures or processes, market research, databases, works of authorship, products and other works of creative authorship) which have been or will be prepared by Executive, or to which Executive has contributed or will contribute, in connection with Executive's services to any Rocket Company (collectively, "Works"), are and will be within the scope of Executive's employment and part of Executive's duties and responsibilities. Executive's work on and contributions to the Works will be rendered and made by Executive for, at the instigation of, and under the overall direction of any Rocket Company, and are and at all times shall be regarded, together with the Works, as "work made for hire" as that term is used in the United States Copyright Laws. However, to the extent that any court or agency should conclude that the Works (or any of them) do not constitute or qualify as a "work made for hire", Executive hereby assigns, grants, and delivers exclusively and throughout the world to the Company all rights, titles and interests in and to any such Works, and all copies and versions, including all copyrights and renewals. Executive agrees to cooperate with the Company and to execute and deliver to the Company and its successors and assigns, any assignments and documents the Company requests for the purpose of establishing, evidencing, and enforcing or defending its complete, exclusive, perpetual and worldwide ownership of all rights, titles and interests of every kind and nature, including all copyrights, in and to the Works, and Executive constitutes and appoints the Company as its agent to execute and deliver any assignments or documents Executive fails or refuses to execute and deliver, this power and agency being coupled with an interest and being irrevocable. Without limiting the preceding provisions of this Section 11(a), Executive agrees that the Company may edit and otherwise modify, and use, publish and otherwise exploit, the Works in all media and in such manner as the Company, in its sole discretion, may determine.

(b) **Inventions and Ideas.** Executive shall disclose promptly to the Company (which shall receive it in confidence), and only to the Company, any invention or idea of Executive in any way connected with Executive's services or related to the Business of the Rocket Companies, any Rocket Company's research or development, or demonstrably anticipated research or development (developed alone or with others), conceived or made during the Term or within three (3) months thereafter and hereby assigns to the Company any such invention or idea. Executive agrees, subject to reimbursement of actual out of pocket expenses related thereto and at the Company's sole liability and expense, to cooperate with the Company and sign all papers reasonably deemed necessary by the Company to enable it to obtain,

maintain, protect and defend patents covering such inventions and ideas and to confirm the Company's exclusive ownership of all rights in such inventions, ideas and patents, and irrevocably appoints the Company as its agent to execute and deliver any assignments or documents Executive fails or refuses to execute and deliver promptly, this power and agency being coupled with an interest and being irrevocable. This constitutes the Company's written notification that this assignment does not apply to an invention for which no equipment, supplies, facility or Trade Secret information of any Rocket Company was used and which was conceived and developed entirely on Executive's own time, unless (i) the invention relates (A) directly to the Business of the Rocket Companies, or (B) to actual or demonstrably anticipated research or development of any Rocket Company, or (ii) the invention results from any work performed by Executive for any Rocket Company.

12. **Notification of Subsequent Employer.** Executive hereby agrees that prior to accepting employment with, or agreeing to provide services to, any other Person during any period during which Executive remains subject to any of the covenants set forth in Sections 7 through 11, Executive shall provide such prospective employer with written notice of such provisions of this Agreement, with a copy of such notice delivered simultaneously to the Company.

13. **Assignment; Binding Effect.** Executive understands that she has been selected for employment by the Company on the basis of her personal qualifications, experience, and skills. Executive agrees, therefore, that she cannot assign all or any portion of her performance under this Agreement. The Company may assign this Agreement to the purchaser of substantially all of the assets of the Company, or to any other Rocket Company. Subject to the preceding two sentences, this Agreement shall be binding upon, inure to the benefit of, and be enforceable by the Parties and their respective heirs, legal representatives, successors and permitted assigns. Executive acknowledges and agrees that each Rocket Company is a third-party beneficiary of this Agreement, including, without limitation, this Section 13 and Section 17 hereof.

14. **Complete Agreement; Waiver; Amendment.** Executive has no oral representations, understandings, or agreements with the Company or any of its officers, directors or representatives covering the same subject matter as this Agreement. This Agreement is the final, complete and exclusive statement of expression of the agreement between the Parties with respect to the subject matter hereof (including, but not limited to, any severance payments, change in control payments and terms of employment) and cannot be varied, contradicted or supplemented by evidence of any prior or contemporaneous oral or written agreements. This Agreement may not be later modified except by a further writing signed by a duly authorized officer of the Company or member of the Board and Executive, and no term of this Agreement may be waived except by a writing signed by the party waiving the benefit of such term. The waiver by any party to this Agreement of a breach of any of the provisions of this Agreement shall not operate or be construed as a waiver of any subsequent or simultaneous breach.

15. **Notice.** Whenever any notice is required hereunder, it shall be given in writing addressed as follows:

To the Company or  
the Board: RKT Holdings, LLC  
c/o Rocket Companies, Inc.  
1050 Woodward Avenue  
Detroit, Michigan 48226  
Attn: Board of Directors

To Executive, to the most recent address the Company has on file for Executive.

16. **Severability; Headings.** If any portion of this Agreement is held invalid or inoperative, the other portions of this Agreement shall be deemed valid and operative and, so far as is reasonable and possible, effect shall be given to the intent manifested by the portion held invalid or inoperative. This severability provision shall be in addition to, and not in place of, the provisions of Section 7(e) above. The Section and section headings are for reference purposes only and are not intended in any way to describe, interpret, define or limit the extent of the Agreement or of any part hereof.

17. **Equitable Remedy.** Because of the difficulty of measuring economic losses to any Rocket Company as a result of a breach of the covenants set forth in Sections 7 through 11, and because of the immediate and irreparable damage that would be caused to the Rocket Companies for which monetary damages would not be a sufficient remedy, it is hereby agreed that in addition to all other remedies that may be available to the Rocket Companies, at law or in equity, each Rocket Company shall be entitled to specific performance and any injunctive or other equitable relief as a remedy for any breach or threatened breach by Executive of any provision of Sections 7 through 11 of this Agreement. Each Rocket Company may seek temporary and/or permanent injunctive relief for an alleged violation of Sections 7 through 11 of this Agreement without the necessity of first arbitrating the matter pursuant to Section 17 of this Agreement and without the necessity of posting a bond.

18. **Arbitration.**

(a) Except for an action by any Rocket Company for injunctive relief as described in Section 17 of this Agreement, all disputes and/or claims arising out of or under this Agreement and/or out of or in connection with Executive's employment with Company, other than any claims for equitable relief, shall be submitted to binding and confidential arbitration.

(b) Binding arbitration shall be commenced by serving upon the other Party(ies) a written demand for arbitration stating any and all the claims and relief requested. The binding arbitration shall be governed by the provisions of the employment arbitration rules of the American Arbitration Association, and the arbitration proceedings shall be located in Wayne County, Michigan. The Parties shall mutually select one arbitrator to preside over the dispute; provided, however, if the Parties are unable to mutually agree on the selection of a single arbitrator within fourteen (14) days after the service of a demand for arbitration, then the Company on the one hand and Executive on the other hand shall each select one arbitrator within ten (10) days thereafter, and the two arbitrators so selected shall mutually agree on a third (neutral) arbitrator within ten (10) days thereafter, and the panel of three arbitrators shall preside over the arbitration with the majority rendering the binding decision upon the Parties.

In the event that a single arbitrator is mutually selected, the Parties shall equally split the fees and costs of the arbitrator, and in the event that a panel of three arbitrators is selected then the Parties shall equally split the fees and costs of the neutral arbitrator and the Company shall be responsible for paying the fees and costs of the arbitrator it selects and Executive shall be

responsible for paying the fees and costs of the arbitrator Executive selects. The Parties shall be entitled to be represented by counsel of their choice in the arbitration proceedings, and they shall be afforded reasonable discovery, including document requests, interrogatories and depositions.

(c) Executive must submit any written demand for arbitration within six (6) months of the termination of this Agreement or accrual of the claim, whichever is soonest. Failure of Executive to do so shall result in Executive's claim(s) being irrevocably waived, and Executive hereby expressly waives any statute of limitations which is longer than six (6) months. Any award by the arbitrator(s) pursuant to the terms of this Agreement shall be entered as a judgment and enforced by any court of competent jurisdiction. In reaching a decision, the arbitrator(s) shall interpret, apply and be bound by this Agreement and all applicable federal, state and local laws, and issue a confidential and binding opinion which states the reasons and basis of the opinion, including finding of facts and conclusions of law.

19. **Indemnification and Liability Insurance.** The Company shall indemnify and hold harmless Executive, to the fullest extent permitted by law and the Company's governing documents, against all claims, expenses, damages, liabilities and losses incurred by Executive by reason of the fact that Executive is or was, or had agreed to become, a director, officer, employee, agent or fiduciary of the Company or any Rocket Company, or is or was serving at the request of the Company as a director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another corporation, partnership, joint venture, business, person, trust, employee benefit plan or other entity. The indemnification obligations of the Company shall survive from the Effective Date of this Agreement and continue until six (6) years following her cessation of service with the applicable entity or, if longer, one (1) year after the expiration of any applicable statute of limitations for any potential claim. During the Term and for a period of six (6) years thereafter, the Company shall cause Executive to be covered by and named as an insured under any policy or contract of insurance obtained by it to insure its directors and officers against personal liability for acts, errors or omissions in connection with service as an officer or director of the Company or any of its subsidiaries or affiliates or service in any other capacities at the request of the Company. The coverage provided to Executive shall be of a scope and on terms and conditions at least as favorable as the most favorable coverage provided to any other officer or director of the Company (or any successor). Anything in this Agreement to the contrary notwithstanding, this Section 19 shall survive the termination of this Agreement for any reason. Nothing in this Agreement shall limit or reduce any other rights to indemnification that apply to Executive, whether pursuant to contract or otherwise.

20. **Jointly Drafted.** The Parties and their respective counsel have participated jointly in the negotiation and drafting of this Agreement. In the event that an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

21. **Cooperation.** Executive agrees that, upon reasonable notice and without the necessity of the Company obtaining a subpoena or court order, Executive shall provide reasonable cooperation in connection with any suit, action or proceeding (or any appeal from any suit, action or proceeding), and any investigation and/or defense of any claims asserted against any of Executive and the Company, its respective affiliates, their respective predecessors and successors, and all of the respective current or former directors, officers, employees, shareholders, partners, members, agents or representatives of any of the foregoing, which relates to events occurring during Executive's employment with the Company and its affiliates as to which Executive may have relevant information (including but not limited to furnishing relevant



information and materials to the Company or its designee and/or providing testimony at depositions and at trial), provided that with respect to such cooperation occurring following termination of employment, the Company shall reimburse Executive for expenses (including attorneys' fees) reasonably incurred in connection therewith, and further provided that any such cooperation occurring after the termination of Executive's employment shall be scheduled to the extent reasonably practicable so as not to unreasonably interfere with Executive's business or personal affairs.

22. **Withholding Taxes.** The Company may deduct and withhold from any amounts payable under this Agreement such Federal, state, local, non-U.S. or other taxes as are required to be withheld pursuant to any applicable law or regulation.

23. **Governing Law.** This Agreement shall in all respects be governed by and construed in accordance with the laws of the State of Michigan, not including the choice-of-law rules thereof. The exclusive venues for all disputes arising out of this Agreement will be the United States District Court for the Eastern District of Michigan and the Third Judicial Circuit, Wayne County, Michigan (the "Agreed-Upon Venues"), and no other venues. The Parties stipulate that this Agreement is an arms-length transaction entered into by sophisticated parties, and that the Agreed-Upon Venues are convenient, are not unreasonable, unfair, or unjust, and will not deprive any Party of any remedy to which it may be entitled. The Parties agree to consent to the dismissal of any action arising out of this Agreement that may be filed in a venue other than one of the Agreed-Upon Venues; the reasonable legal fees and costs of the Party seeking dismissal for improper venue will be paid by the Party that filed suit in the improper venue.

*[remainder of page intentionally left blank]*

**IN WITNESS WHEREOF**, each of the parties hereto have caused this Employment Agreement to be duly executed as of the date first written above.

**RKT HOLDINGS, LLC**

/s/ Jay Farner

By: Jay Farner  
Title: Chief Executive Officer

/s/ Tina V. John  
**TINA JOHN**

**EXHIBIT A**  
**PERMITTED ACTIVITIES**

EXECUTION COPY

## EMPLOYMENT AGREEMENT

This Employment Agreement (this "Agreement") is made and entered into by and between RKT Holdings, LLC (the "Company") and Bill Emerson ("Executive" and, together with the Company, the "Parties"), effective as of March 27, 2023 (the "Effective Date").

### RECITALS

**WHEREAS**, the Parties desire to enter into a written employment agreement to reflect the terms upon which Executive shall provide services to the Company and/or its direct and indirect subsidiaries, whether existing on the Effective Date or thereafter acquired or formed (each, a "Rocket Company," and with Rocket Companies, Inc. ("Rocket"), collectively, the "Rocket Companies"); and

**WHEREAS**, Executive's agreement to enter into this Agreement and be bound by the terms hereof, including the restrictive covenants described herein, is a material inducement to the Rocket Companies' willingness to provide compensation to Executive as described herein, and the Rocket Companies would not otherwise grant such compensation to Executive if Executive did not agree to enter into this Agreement.

**NOW, THEREFORE**, in consideration of the mutual promises, terms, covenants, and conditions set forth in this Agreement, and the performance by the Parties of their respective obligations hereunder, the Parties, intending to be legally bound, agree as follows:

### AGREEMENTS

1. **Term**. The term of this Agreement and of Executive's employment with the Company hereunder (the "Term") shall be effective as of the Effective Date and continue until Executive's employment is terminated in accordance with Section 6 of this Agreement. Executive's employment hereunder shall be "at will", such that the Company may terminate Executive's employment at any time, with or without reason and with or without notice, and Executive may resign at any time, with or without reason and with or without notice (except as expressly set forth herein).

2. **Position and Duties**. During the Term, Executive shall be employed by and have positions with any Rocket Company as determined by the Company in its discretion. As of the Effective Date, Executive has been appointed Chief Executive Officer of each of RKT Holdings, LLC and Rock Central LLC. Executive shall be appointed Chief Executive Officer (on an interim basis) of Rocket Companies, Inc., reporting directly to the Board of Directors of Rocket (the "Board"), effective June 1, 2023 (or such earlier date as may be determined by the Board, the "Rocket CEO Appointment Date"). Executive shall have such responsibilities, duties, and authorities as are assigned by the Board and are commensurate with Executive's position. Executive may be assigned to a different role by the Board upon appointment of a successor Chief Executive Officer. Executive shall fulfill his duties and responsibilities in a diligent, trustworthy and appropriate manner and in compliance with the policies and practices of the Company and applicable law. During the Term, Executive shall devote a majority of his business time and attention to the business and affairs of the Rocket Companies and shall not be engaged in or employed by or provide services to any other business enterprise without the written approval of the Board; provided, however, that (i) Executive shall be permitted to continue to be engaged in, or provide services to, the business and activities set forth on Exhibit A and (ii) Executive may manage his personal affairs, finances, and investments, and may

participate in charitable and not-for-profit activities, all without the necessity of obtaining the Board's approval, so long as such activities do not create an actual or potential conflict of interest with, or interfere with the performance of, Executive's duties hereunder or conflict with Executive's covenants under Sections 7 through 11 of this Agreement, in each case as determined in the sole judgment of the Board. Executive has been appointed to the Board. Executive shall not be compensated additionally in Executive's capacity as a member of the Board or a director of one or more companies owned directly or indirectly by the Company.

3. **Compensation.** For all services rendered by Executive (including his compliance with the covenants in Sections 7 through 11 of this Agreement) to the Rocket Companies, the Rocket Companies shall compensate Executive during the Term as follows:

(a) **Base Salary.** The annual base salary payable to Executive shall be determined by the Compensation Committee of the Board (the "Committee") from time to time, and shall be paid in substantially equal installments on a regular basis in accordance with the Company's standard payroll procedures, and prorated for any partial year of employment (the "Base Salary"). As of the Rocket CEO Appointment Date, unless and until increased or decreased by the Committee, the Base Salary shall be \$600,000 on an annualized basis.

(b) **Annual Bonus.** For each fiscal year during the Term, Executive shall be eligible for an annual bonus (the "Annual Bonus") based on the satisfaction of such business objectives and/or other criteria as determined in the sole discretion of the Committee. The Annual Bonus shall be paid in accordance with the Company's customary practices for payment of annual bonuses to senior executive employees, subject to Executive's continued employment through the payment date. As of the Rocket CEO Appointment Date, unless and until increased or decreased by the Committee, the target Annual Bonus shall be 100% of Base Salary.

(c) **Benefits and Perquisites.** Executive shall be entitled to participate in the employee benefit plans and programs of the Rocket Companies in accordance with the terms of such plans and programs. Executive has received, and may be eligible for future, grants of equity awards under Rocket's 2020 Omnibus Incentive Plan in the Committee's discretion.

(d) **Vacation.** Executive shall be entitled to paid vacation during each calendar year (prorated for any partial calendar year of employment) in accordance with the Rocket Companies' policies and practices for senior executive employees of the Rocket Companies.

4. **Expense Reimbursement.** The Company shall reimburse Executive for (or, at the Company's option, pay) all business travel and other out-of-pocket expenses reasonably incurred by Executive in the performance of his duties under this Agreement. All reimbursable expenses shall be appropriately documented by Executive upon submission of any request for reimbursement in a manner consistent with the expense reporting policies of the Rocket Companies and applicable federal and state tax recordkeeping requirements.

5. **Place of Performance.** Executive shall carry out his duties and responsibilities under this Agreement principally in and from the Company's offices in Detroit, Michigan, unless otherwise mutually agreed to by the Company and the Executive. Executive understands that his position will involve travel and agrees to undertake such travel as may be necessary or desirable in the performance of his duties and responsibilities under this Agreement.

6. **Termination; Rights on Termination.** Executive's employment under this Agreement may be terminated by either party at any time and for any reason; provided,

however, that Executive shall be required to give the Company at least 60 days advance written notice of any resignation of Executive's employment hereunder (and in such event, the Company may in its sole discretion elect to accelerate Executive's date of termination of employment and pay to Executive the Base Salary that he would have received during such 60-day period). Notwithstanding the foregoing, Executive's employment shall automatically terminate upon Executive's death.

(a) Resignation From Other Positions. If requested by the Board, upon termination of Executive's status as interim Chief Executive Officer, or upon termination of Executive's employment for any reason, Executive agrees to resign, as of the date of termination, from all positions on the Board and all committees thereof. In addition, upon termination of Executive's employment for any reason, or upon request by a Rocket Company in the event of a change in Executive's position under Section 2 to a different role, Executive agrees to resign from all other positions, whether as officer, director, employee, trustee, consultant or otherwise, that Executive then holds with the Rocket Companies, except as otherwise agreed to by the Parties. Executive agrees to promptly execute such documents as the Company shall reasonably deem necessary to effect such resignations, and in the event that the Executive is unable or unwilling to, or does not, execute any such document, Executive hereby grants his proxy to any officer of the Company to so execute on his behalf or will otherwise be deemed to have resigned from all such positions.

(b) Payment Through Termination. Upon termination of Executive's employment for any reason, Executive shall be entitled to receive his Base Salary and all benefits and reimbursements earned or accrued through the effective date of termination. Such Base Salary shall be paid in accordance with the Company's standard payroll procedures. No other compensation or benefits will be due or payable to Executive after such termination, except as provided or as otherwise required under the terms of the employee benefit plans and programs of the Rocket Companies or applicable law.

(c) Provisions that Survive Termination of Agreement. All rights and obligations of the Parties under this Agreement shall cease as of the effective date of termination of this Agreement, except that (i) the Company's payment and other obligations under this Section 6 of this Agreement, if any, and its rights and/or obligations under Sections 17 through 19 of this Agreement shall survive such termination in accordance with their terms, and (ii) Executive's obligations under Sections 7 through 12, Sections 17 through 19 and Section 21 of this Agreement shall survive such termination in accordance with their terms.

(d) Compliance with Code Section 409A.

(i) To the extent this Agreement is subject to Section 409A of the Code ("Section 409A"), the Parties intend all payments under this Agreement to comply with the requirements of Section 409A, and this Agreement shall, to the extent practical, be operated and administered to effectuate such intent. In furtherance thereof, if payment or provision of any amount or benefit hereunder at the time specified in this Agreement would subject such amount or benefit to any additional tax under Section 409A, the payment or provision of such amount or benefit shall be postponed to the earliest commencement date on which the payment or the provision of such amount or benefit could be made without incurring such additional tax (including paying any severance that is delayed in a lump sum upon the earliest possible payment date which is consistent with Section 409A). In addition, to the extent that any regulations or guidance issued under Section 409A (after application of the previous provision of this Section 6(d)) would subject Executive to the payment of interest or any additional tax under Section 409A, the Parties agree, to the extent reasonably possible, to amend this Agreement in order to avoid the imposition of any such interest or additional tax under Section 409A.

(ii) With respect to any payment under this Agreement constituting nonqualified deferred compensation subject to Section 409A, (A) all expenses or other reimbursements provided herein shall be payable in accordance with the Company's policies in effect from time to time, but in any event shall be made on or prior to the last day of the taxable year following the taxable year in which such expenses were incurred by Executive; (B) no such reimbursement or expenses eligible for reimbursement in any taxable year shall in any way affect the expenses eligible for reimbursement in any other taxable year; and (C) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit.

(iii) If Executive is deemed on the date of termination to be a "specified employee" within the meaning of that term under Section 409A, then with regard to any payment or the provision of any benefit under this Agreement that is considered nonqualified deferred compensation under Section 409A payable on account of a "separation from service," such payment or benefit shall be made or provided on the first business day following the earlier of (A) the expiration of the six (6)-month period measured from the date of such "separation from service" of Executive, and (B) the date of Executive's death (the "Delay Period"). Upon the expiration of the Delay Period, all payments and benefits delayed pursuant to this Section 6(d) (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) shall be paid or reimbursed to Executive in a lump sum (without interest) on the first business day following the Delay Period, and any remaining payments and benefits due under this Agreement shall be paid or provided in accordance with the normal payment dates specified for them herein.

(iv) Executive's right to receive any installment payments payable hereunder shall be treated as a right to receive a series of separate payments and, accordingly, each such installment payment shall at all times be considered a separate and distinct payment for purposes of Section 409A.

## 7. Executive Covenants.

(a) Executive acknowledges and agrees that during his employment with the Company, he will be providing services to the Rocket Companies and that he will be intimately involved in the planning for or direction of the business of the Rocket Companies, and that he has or will obtain selective or specialized skills, knowledge, abilities, or customer contacts or information by reason of working for the Company and providing services to the Rocket Companies.

(b) During Executive's employment with the Company and for a period of eighteen (18) months thereafter (the "Restricted Period"), Executive shall not, either directly or indirectly, for himself or on behalf of or in conjunction with any other person, company, partnership, corporation, business, group, or other entity (each, a "Person"), engage, within the Territory (as described below), as an officer, director, owner, partner, member, joint venturer, employee, independent contractor, agent or consultant in any business engaged in the Business of the Rocket Companies (as described below); provided, however, that Executive shall not be prohibited from passively owning less than five percent (5%) of the outstanding shares of any class of equity securities registered under the Securities Exchange Act of 1934, as amended (the "34 Act").

(c) In addition, during Executive's employment with the Company and for a period of eighteen (18) months thereafter, Executive shall not, either directly or indirectly, for himself or on behalf of or in conjunction with any other Person:

(i) solicit or attempt to solicit any employee, agent or contract worker of the Rocket Companies (or any employee, agent or contract worker who was employed or engaged by the Rocket Companies within the twenty-four (24) months prior to Executive's termination of employment) to end his or her relationship with any Rocket Company or hire or attempt to hire any of the foregoing; or

(ii) seek to induce or otherwise cause any customer, client, supplier, vendor, licensee, licensor or any other Person with whom any Rocket Company then has, or during the twenty-four (24) months prior to such time had, a business relationship, whether by contract or otherwise, to discontinue or alter such business relationship in a manner that is adverse to any Rocket Company.

(d) For purposes of Sections 7 through 11 of this Agreement:

(i) The "Territory" shall be defined as the United States of America, Canada and any other territory where Executive is working and providing services or the Rocket Companies are doing business at the time of termination of employment with the Company; which Executive acknowledges and agrees is the territory in which he is providing services to the Rocket Companies pursuant to this Agreement.

(ii) The "Business of the Rocket Companies" means (A) any business or activity engaged in by any of the Rocket Companies and (B) any other business opportunity that is under active consideration by any of the Rocket Companies during the Term.

(e) The covenants in this Section 7 are severable and separate, and the unenforceability of any specific covenant shall not affect the provisions of any other covenant. If any provision of this Section 7 relating to the time period, scope, or geographic area of the restrictive covenants shall be declared by a court of competent jurisdiction or arbitrator to exceed the maximum time period, scope, or geographic area, as applicable, that such court or arbitrator deems reasonable and enforceable, then this Agreement shall automatically be considered to have been amended and revised to reflect such determination.

(f) All of the covenants in this Section 7 shall be construed as an agreement independent of any other provisions in this Agreement, and the existence of any claim or cause of action Executive may have against any Rocket Company, whether predicated on this Agreement or otherwise, shall not constitute a defense to the enforcement by any Rocket Company of such covenants.

(g) Executive has carefully read and considered the provisions of this Section 7 and, having done so, agrees that the restrictive covenants in this Section 7 impose a fair and reasonable restraint on Executive and are reasonably required to protect the interests of the Rocket Companies and their respective officers, directors, employees and equityholders.

## 8. Trade Secrets and Confidential Information.

(a) For purposes of this Section 8, "Confidential Information" means all non-public or proprietary data or information (other than Trade Secrets) concerning the business and operations of the Rocket Companies, including, but not limited to, any non-public information (regardless of whether in writing or retained as personal knowledge) pertaining to research and development; product costs, designs and processes; equityholder information; pricing, cost, or profit factors; quality programs; annual budget and long-range business plans; marketing plans and methods; contracts and bids; business ideas and methods, inventions, innovations, developments, graphic designs, website designs, patterns, specifications, procedures, databases and personnel. "Trade Secret" means trade secret as defined by



applicable state law. In the absence of such a definition, Trade Secret means information including, but not limited to, any technical or nontechnical data, formula, pattern, compilation, program, device, method, technique, drawing, process, financial data, financial plan, product plan, list of actual or potential customers or suppliers or other information similar to any of the foregoing, which (i) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can derive economic value from its disclosure or use and (ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

(b) Executive acknowledges that in the course of his prior services to affiliates of the Company and his future employment with the Company, he has received or will receive and has had or will have access to Confidential Information and Trade Secrets of the Rocket Companies, and that unauthorized or improper use or disclosure by Executive of such Confidential Information or Trade Secrets will cause serious and irreparable harm to the Rocket Companies. Accordingly, he is willing to enter into the covenants contained in Sections 7 through 11 of this Agreement in order to provide the Rocket Companies with what he considers to be reasonable protection for its interests.

(c) Executive hereby agrees to (i) hold in confidence all Confidential Information of the Rocket Companies that come into his knowledge during his employment by the Company and (ii) not disclose, publish or make use of such Confidential Information, other than in the good-faith performance of his duties, without the prior written consent of the Company for as long as the information remains Confidential Information.

(d) Executive hereby agrees to hold in confidence all Trade Secrets of the Rocket Companies that come into his knowledge during his employment by the Company and not to disclose, publish, or make use of at any time after the date hereof such Trade Secrets without the prior written consent of the Company for as long as the information remains a Trade Secret.

(e) Notwithstanding the foregoing, the provisions of this Section 8 will not apply to (i) Confidential Information or Trade Secrets that otherwise becomes generally known in the industry or to the public through no act of Executive or any person or entity acting by or on Executive's behalf or information which Executive can demonstrate to have had rightfully in his possession prior to the commencement of his employment or services with any of the Rocket Companies or their Affiliates or (ii) information required to be disclosed by judicial or governmental proceedings; provided that, in the event Executive is ordered by a court or other government agency to disclose any Confidential Information, Executive shall (1) promptly notify the Company of such order, (2) diligently contest such order at the sole expense of the Company as expenses occur, and (3) seek to obtain at the sole expense of the Company such confidential treatment as may be available under applicable laws for any information disclosed under such order.

(f) Notwithstanding anything to the contrary herein, nothing in this Agreement will prohibit Executive from making reports of possible violations of federal law or regulation to any governmental agency or entity in accordance with the provisions of and rules promulgated under Section 21F of the '34 Act or Section 806 of the Sarbanes-Oxley Act of 2002, or of any other whistleblower protection provisions of federal law or regulation, or require modification or prior approval by the Company or any other Rocket Company of any such reporting.

(g) Notwithstanding anything to the contrary contained herein, pursuant to the Defend Trade Secrets Act of 2016, Executive shall not be held criminally or civilly liable under any federal or state Trade Secret law for the disclosure of a Trade Secret that:

(i) is made (A) in confidence to a Federal, state, or local government official, either directly or indirectly, or to an attorney; and (B) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Executive also understands that if he files a lawsuit for retaliation by the Company for reporting a suspected violation of law, Executive may disclose the Trade Secret to his attorney and use the Trade Secret information in the court proceeding, if Executive (i) files any document containing the Trade Secret under seal, and (ii) does not disclose the Trade Secret, except pursuant to court order.

9. **Nondisparagement.** During the Term and thereafter, Executive shall not, directly or indirectly, take any action, or encourage others to take any action, to disparage or criticize any Rocket Company or any affiliate of any Rocket Company or their respective officers, directors, agents, or executives.

10. **Return of Company Property.** All records, designs, patents, business plans, financial statements, manuals, memoranda, customer lists, computer data, customer information, equipment, supplies, furniture and other property or information delivered to or compiled by Executive by or on behalf of the Rocket Companies, their representatives, vendors or customers shall be and remain the property of the Rocket Companies, and be subject at all times to its discretion and control. Upon the request of any Rocket Company and, in any event, upon the termination of Executive's employment with the Rocket Companies, Executive shall promptly deliver all such materials to the Rocket Companies.

11. **Work Product and Inventions.**

(a) **Works.** Executive acknowledges that Executive's work on and contributions to documents, programs, methodologies, protocols, and other expressions in any tangible medium (including, without limitation, all business ideas and methods, inventions, innovations, developments, graphic designs, web site designs, patterns, specifications, procedures or processes, market research, databases, works of authorship, products and other works of creative authorship) which have been or will be prepared by Executive, or to which Executive has contributed or will contribute, in connection with Executive's services to any Rocket Company (collectively, "Works"), are and will be within the scope of Executive's employment and part of Executive's duties and responsibilities. Executive's work on and contributions to the Works will be rendered and made by Executive for, at the instigation of, and under the overall direction of any Rocket Company, and are and at all times shall be regarded, together with the Works, as "work made for hire" as that term is used in the United States Copyright Laws. However, to the extent that any court or agency should conclude that the Works (or any of them) do not constitute or qualify as a "work made for hire", Executive hereby assigns, grants, and delivers exclusively and throughout the world to the Company all rights, titles and interests in and to any such Works, and all copies and versions, including all copyrights and renewals. Executive agrees to cooperate with the Company and to execute and deliver to the Company and its successors and assigns, any assignments and documents the Company requests for the purpose of establishing, evidencing, and enforcing or defending its complete, exclusive, perpetual and worldwide ownership of all rights, titles and interests of every kind and nature, including all copyrights, in and to the Works, and Executive constitutes and appoints the Company as its agent to execute and deliver any assignments or documents Executive fails or refuses to execute and deliver, this power and agency being coupled with an interest and being irrevocable. Without limiting the preceding provisions of this Section 11(a), Executive agrees that the Company may edit and otherwise modify, and use, publish and otherwise exploit, the Works in all media and in such manner as the Company, in its sole discretion, may determine.

(b) Inventions and Ideas. Executive shall disclose promptly to the Company (which shall receive it in confidence), and only to the Company, any invention or idea of Executive in any way connected with Executive's services or related to the Business of the Rocket Companies, any Rocket Company's research or development, or demonstrably anticipated research or development (developed alone or with others), conceived or made during the Term or within three (3) months thereafter and hereby assigns to the Company any such invention or idea. Executive agrees, subject to reimbursement of actual out of pocket expenses related thereto and at the Company's sole liability and expense, to cooperate with the Company and sign all papers reasonably deemed necessary by the Company to enable it to obtain, maintain, protect and defend patents covering such inventions and ideas and to confirm the Company's exclusive ownership of all rights in such inventions, ideas and patents, and irrevocably appoints the Company as its agent to execute and deliver any assignments or documents Executive fails or refuses to execute and deliver promptly, this power and agency being coupled with an interest and being irrevocable. This constitutes the Company's written notification that this assignment does not apply to an invention for which no equipment, supplies, facility or Trade Secret information of any Rocket Company was used and which was conceived and developed entirely on Executive's own time, unless (i) the invention relates (A) directly to the Business of the Rocket Companies, or (B) to actual or demonstrably anticipated research or development of any Rocket Company, or (ii) the invention results from any work performed by Executive for any Rocket Company.

12. Notification of Subsequent Employer. Executive hereby agrees that prior to accepting employment with, or agreeing to provide services to, any other Person during any period during which Executive remains subject to any of the covenants set forth in Sections 7 through 11, Executive shall provide such prospective employer with written notice of such provisions of this Agreement, with a copy of such notice delivered simultaneously to the Company.

13. Assignment; Binding Effect. Executive understands that he has been selected for employment by the Company on the basis of his personal qualifications, experience, and skills. Executive agrees, therefore, that he cannot assign all or any portion of his performance under this Agreement. The Company may assign this Agreement to the purchaser of substantially all of the assets of the Company, or to any other Rocket Company. Subject to the preceding two sentences, this Agreement shall be binding upon, inure to the benefit of, and be enforceable by the Parties and their respective heirs, legal representatives, successors and permitted assigns. Executive acknowledges and agrees that each Rocket Company is a third-party beneficiary of this Agreement, including, without limitation, this Section 13 and Section 17 hereof.

14. Complete Agreement; Waiver; Amendment. Executive has no oral representations, understandings, or agreements with the Company or any of its officers, directors or representatives covering the same subject matter as this Agreement. This Agreement is the final, complete and exclusive statement of expression of the agreement between the Parties with respect to the subject matter hereof (including, but not limited to, any severance payments, change in control payments and terms of employment) and cannot be varied, contradicted or supplemented by evidence of any prior or contemporaneous oral or written agreements. This Agreement may not be later modified except by a further writing signed by a duly authorized officer of the Company or member of the Board and Executive, and no term of this Agreement may be waived except by a writing signed by the party waiving the benefit of such term. The waiver by any party to this Agreement of a breach of any of the provisions of this Agreement shall not operate or be construed as a waiver of any subsequent or simultaneous breach.

15. Notice. Whenever any notice is required hereunder, it shall be given in writing addressed as follows:

To the Company or  
the Board: RKT Holdings, LLC  
c/o Rocket Companies, Inc.  
1050 Woodward Avenue  
Detroit, Michigan 48226  
Attn: Board of Directors

To Executive, to the most recent address the Company has on file for Executive.

16. **Severability; Headings.** If any portion of this Agreement is held invalid or inoperative, the other portions of this Agreement shall be deemed valid and operative and, so far as is reasonable and possible, effect shall be given to the intent manifested by the portion held invalid or inoperative. This severability provision shall be in addition to, and not in place of, the provisions of Section 7(e) above. The Section and section headings are for reference purposes only and are not intended in any way to describe, interpret, define or limit the extent of the Agreement or of any part hereof.

17. **Equitable Remedy.** Because of the difficulty of measuring economic losses to any Rocket Company as a result of a breach of the covenants set forth in Sections 7 through 11, and because of the immediate and irreparable damage that would be caused to the Rocket Companies for which monetary damages would not be a sufficient remedy, it is hereby agreed that in addition to all other remedies that may be available to the Rocket Companies, at law or in equity, each Rocket Company shall be entitled to specific performance and any injunctive or other equitable relief as a remedy for any breach or threatened breach by Executive of any provision of Sections 7 through 11 of this Agreement. Each Rocket Company may seek temporary and/or permanent injunctive relief for an alleged violation of Sections 7 through 11 of this Agreement without the necessity of first arbitrating the matter pursuant to Section 17 of this Agreement and without the necessity of posting a bond.

18. **Arbitration.**

(a) Except for an action by any Rocket Company for injunctive relief as described in Section 17 of this Agreement, all disputes and/or claims arising out of or under this Agreement and/or out of or in connection with Executive's employment with Company, other than any claims for equitable relief, shall be submitted to binding and confidential arbitration.

(b) Binding arbitration shall be commenced by serving upon the other Party(ies) a written demand for arbitration stating any and all the claims and relief requested. The binding arbitration shall be governed by the provisions of the employment arbitration rules of the American Arbitration Association, and the arbitration proceedings shall be located in Wayne County, Michigan. The Parties shall mutually select one arbitrator to preside over the dispute; provided, however, if the Parties are unable to mutually agree on the selection of a single arbitrator within fourteen (14) days after the service of a demand for arbitration, then the Company on the one hand and Executive on the other hand shall each select one arbitrator within ten (10) days thereafter, and the two arbitrators so selected shall mutually agree on a third (neutral) arbitrator within ten (10) days thereafter, and the panel of three arbitrators shall preside over the arbitration with the majority rendering the binding decision upon the Parties.

In the event that a single arbitrator is mutually selected, the Parties shall equally split the fees

and costs of the arbitrator, and in the event that a panel of three arbitrators is selected then the Parties shall equally split the fees and costs of the neutral arbitrator and the Company shall be responsible for paying the fees and costs of the arbitrator it selects and Executive shall be responsible for paying the fees and costs of the arbitrator Executive selects. The Parties shall be entitled to be represented by counsel of their choice in the arbitration proceedings, and they shall be afforded reasonable discovery, including document requests, interrogatories and depositions.

(c) Executive must submit any written demand for arbitration within six (6) months of the termination of this Agreement or accrual of the claim, whichever is soonest. Failure of Executive to do so shall result in Executive's claim(s) being irrevocably waived, and Executive hereby expressly waives any statute of limitations which is longer than six (6) months. Any award by the arbitrator(s) pursuant to the terms of this Agreement shall be entered as a judgment and enforced by any court of competent jurisdiction. In reaching a decision, the arbitrator(s) shall interpret, apply and be bound by this Agreement and all applicable federal, state and local laws, and issue a confidential and binding opinion which states the reasons and basis of the opinion, including finding of facts and conclusions of law.

19. **Indemnification and Liability Insurance.** The Company shall indemnify and hold harmless Executive, to the fullest extent permitted by law and the Company's governing documents, against all claims, expenses, damages, liabilities and losses incurred by Executive by reason of the fact that Executive is or was, or had agreed to become, a director, officer, employee, agent or fiduciary of the Company or any Rocket Company, or is or was serving at the request of the Company as a director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another corporation, partnership, joint venture, business, person, trust, employee benefit plan or other entity. The indemnification obligations of the Company shall survive from the Effective Date of this Agreement and continue until six (6) years following his cessation of service with the applicable entity or, if longer, one (1) year after the expiration of any applicable statute of limitations for any potential claim. During Executive's term as a director or officer, and for a period of six (6) years thereafter, the Company shall cause Executive to be covered by and named as an insured under any policy or contract of insurance obtained by it to insure its directors and officers against personal liability for acts, errors or omissions in connection with service as an officer or director of the Company or any of its subsidiaries or affiliates or service in any other capacities at the request of the Company. The coverage provided to Executive shall be of a scope and on terms and conditions at least as favorable as the most favorable coverage provided to any other officer or director of the Company (or any successor). Anything in this Agreement to the contrary notwithstanding, this Section 19 shall survive the termination of this Agreement for any reason. Nothing in this Agreement shall limit or reduce any other rights to indemnification that apply to Executive, whether pursuant to contract or otherwise.

20. **Jointly Drafted.** The Parties and their respective counsel have participated jointly in the negotiation and drafting of this Agreement. In the event that an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

21. **Cooperation.** Executive agrees that, upon reasonable notice and without the necessity of the Company obtaining a subpoena or court order, Executive shall provide reasonable cooperation in connection with any suit, action or proceeding (or any appeal from any suit, action or proceeding), and any investigation and/or defense of any claims asserted against any of Executive and the Company, its respective affiliates, their respective predecessors and successors, and all of the respective current or former directors, officers, employees, shareholders, partners, members, agents or representatives of any of the foregoing, which relates

to events occurring during Executive's employment with the Company and its affiliates as to which Executive may have relevant information (including but not limited to furnishing relevant information and materials to the Company or its designee and/or providing testimony at depositions and at trial), provided that with respect to such cooperation occurring following termination of employment, the Company shall reimburse Executive for expenses (including attorneys' fees) reasonably incurred in connection therewith, and further provided that any such cooperation occurring after the termination of Executive's employment shall be scheduled to the extent reasonably practicable so as not to unreasonably interfere with Executive's business or personal affairs.

22. **Withholding Taxes.** The Company may deduct and withhold from any amounts payable under this Agreement such Federal, state, local, non-U.S. or other taxes as are required to be withheld pursuant to any applicable law or regulation.

23. **Governing Law.** This Agreement shall in all respects be governed by and construed in accordance with the laws of the State of Michigan, not including the choice-of-law rules thereof. The exclusive venues for all disputes arising out of this Agreement will be the United States District Court for the Eastern District of Michigan and the Third Judicial Circuit, Wayne County, Michigan (the "Agreed-Upon Venues"), and no other venues. The Parties stipulate that this Agreement is an arms-length transaction entered into by sophisticated parties, and that the Agreed-Upon Venues are convenient, are not unreasonable, unfair, or unjust, and will not deprive any Party of any remedy to which it may be entitled. The Parties agree to consent to the dismissal of any action arising out of this Agreement that may be filed in a venue other than one of the Agreed-Upon Venues; the reasonable legal fees and costs of the Party seeking dismissal for improper venue will be paid by the Party that filed suit in the improper venue.

*[remainder of page intentionally left blank]*

**IN WITNESS WHEREOF**, each of the parties hereto have caused this Employment Agreement to be duly executed as of the date first written above.

**RKT HOLDINGS, LLC**

/s/ Tina V. John  
By: Tina John  
Title: General Counsel and Secretary

/s/ William C. Emerson  
**BILL EMERSON**

## **EXHIBIT A**

### **PERMITTED ACTIVITIES**

1. Detroit Labs, LLC, Manager
2. Dictionary.com, LLC, Manager
3. Rocket Giving Fund, President
4. Xenith Holdco LLC, Manager



**ROCKET COMPANIES, INC.  
2020 OMNIBUS INCENTIVE PLAN  
NOTICE OF NON-EMPLOYEE DIRECTOR RSU GRANT**

**Participant:** #####PARTICIPANT\_NAME###

**# of Shares Underlying RSUs:** #####TOTAL\_AWARDS###

**Date of Grant:** #####GRANT\_DATE###

**Vesting Schedule:** The RSUs shall vest upon the first to occur of (i) the first anniversary of the Date of Grant or (ii) the date of the first regularly scheduled annual meeting of stockholders of the Company following the Date of Grant.

By signing your name below, you accept the RSUs and acknowledge and agree that the RSUs are granted under and governed by the terms and conditions of the 2020 Omnibus Incentive Plan and the Award Agreement set forth on Annex I, both of which are hereby made a part of this document.

**PARTICIPANT**

###PARTICIPANT NAME###

**ROCKET COMPANIES, INC.**

By: Jim Livingston

Title: Chief People Officer, Rock  
Central LLC, and Authorized  
Person on behalf of Rocket  
Companies, Inc.

**ROCKET COMPANIES, INC.  
2020 OMNIBUS INCENTIVE PLAN  
RESTRICTED STOCK UNIT – NON-EMPLOYEE DIRECTOR AWARD AGREEMENT**

Pursuant to the RSU Grant Notice (“Grant Notice”) and this Award Agreement, Rocket Companies, Inc. (together with its Subsidiaries, whether existing or thereafter acquired or formed, and any and all successor entities, the “Company”) has granted the Participant restricted stock units (the “RSUs”) under the Rocket Companies, Inc. 2020 Omnibus Incentive Plan (the “Plan”) with respect to the number of Shares indicated in the Grant Notice. Each RSU represents the right to receive one Share. The RSUs are granted to the Participant effective as of the Date of Grant. Capitalized terms not explicitly defined in this Award Agreement or in the Grant Notice but defined in the Plan shall have the same definitions as in the Plan.

**1. Vesting Schedule; Settlement.**

(a) Vesting Schedule. Subject to the provisions contained herein, the RSUs shall vest as provided in the Grant Notice.

(b) Settlement. Subject to the provisions of this Award Agreement, upon the vesting of any of the RSUs, the Company shall deliver to the Participant (or the Participant’s beneficiary, in the event of the Participant’s death prior to settlement or Permitted Transferee, as applicable), as soon as reasonably practicable after the Vesting Date (or, if applicable, an earlier vesting date under Section 3(a) or Section 4), one Share for each RSU, provided that such delivery of Shares shall be made no later than the 30<sup>th</sup> day after the Vesting Date (or, if applicable, an earlier vesting date under Section 3(a) or Section 4). Upon such delivery, such Share shall be fully assignable, saleable and transferable by the Participant, provided that any such assignment, sale, transfer or other alienation with respect to such Shares shall be in accordance with applicable securities laws.

**2. Dividend Equivalents.** Unless otherwise provided by the Committee, the Participant shall not be eligible to receive dividend equivalents with respect to the RSUs unless and until the Participant becomes the record owner of the Shares underlying the RSUs, at which time accrued dividend equivalents shall be paid.

**3. Termination of Service.**

(a) Subject to review by the Board, the Committee or another delegated Board committee, in the event of the Participant’s termination of service with the Company due to the Participant’s death or a termination by the Company due to Disability (as defined below) prior to the Vesting Date, the RSUs then held by the Participant shall, to the extent unvested, become immediately vested and settled in accordance with Section 1(b) above.

(b) Other than as provided in Section 3(a) above (and other than as provided in Section 4(a) below), in the event that the Participant’s service with the Company is terminated for any reason, all unvested RSUs shall be canceled immediately and the Participant shall not be entitled to receive any payments with respect thereto.

For purposes of this Agreement, “Disability” shall mean cause for termination of the Participant’s service due to a determination that the Participant is (i)(A) disabled in accordance with a long-term disability insurance program maintained by the Company or (B) totally disabled by the U.S. Social Security Administration and (ii) disabled in accordance with the policies adopted by the Company’s Human Resources Department (*i.e.*, the “Pulse”) from time to time.

4. **Change in Control.** In the event of a Change in Control, the RSUs then held by the Participant shall, to the extent unvested, become immediately vested and settled in accordance with Section 1(b) above if either (a) the Participant shall not continue as a member of the Board of Directors of the Company, acquirer or surviving company as applicable following the Change in Control or (b) if the RSUs are not continued or assumed in connection with the Change in Control.

5. **Rights as a Stockholder.** The Participant shall have no voting rights with respect to the RSUs unless and until the Participant becomes the record owner of the Shares underlying the RSUs.

6. **Taxes.** The Participant shall be solely responsible for any applicable taxes and penalties, and any interest that accrues thereon, that the Participant incurs in connection with the receipt, vesting or settlement of any RSU granted hereunder.

7. **Clawback.** To the extent required by applicable law or the rules and regulations of the NYSE or any other securities exchange or inter-dealer quotation system on which the Shares are listed or quoted, or if so required pursuant to a written policy adopted by the Company, the RSUs shall be subject (including on a retroactive basis) to clawback, forfeiture or similar requirements (and such requirements shall be deemed incorporated by reference into this Award Agreement). The Participant hereby acknowledges and agrees that the RSUs shall be subject to any clawback policies approved by the Committee from time to time, the Committee retains the right at all times to decrease or terminate all awards and payments under the Plan, and any and all amounts payable under the Plan, or paid under the Plan, shall be subject to clawback, forfeiture, and reduction to the extent determined necessary to comply with applicable law and/or policies of the Company.

8. **Trade Secrets and Confidential Information.**

(a) **“Confidential Information”** means all non-public or proprietary data or information (other than Trade Secrets) concerning the business and operations of the Company or any of its Affiliates, including, but not limited to, any non-public information (regardless of whether in writing or retained as personal knowledge) pertaining to research and development; product costs, designs and processes; equityholder information; pricing, cost, or profit factors; quality programs; annual budget and long-range business plans; marketing plans and methods; contracts and bids; business ideas and methods, inventions, innovations, developments, graphic designs, website designs, patterns, specifications, procedures, databases and personnel. **“Trade Secret”** means trade secret as defined by applicable state law. In the absence of such a definition, Trade Secret means information including, but not limited to, any technical or nontechnical data, formula, pattern, compilation, program, device, method, technique, drawing, process, financial data, financial plan, product plan, list of actual or potential customers or suppliers or other information similar to any of the foregoing, which (i) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can derive economic value from its disclosure or use and (ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

(b) The Participant acknowledges that in the course of the Participant’s prior services to affiliates of the Company and the Participant’s future services to the Company, the Participant has received or shall receive and has had or shall have access to Confidential Information and Trade Secrets of the Company or any of its Affiliates, and that unauthorized or improper use or disclosure by the Participant of such Confidential Information or Trade Secrets shall cause serious and irreparable harm to the Company or any of its Affiliates. Accordingly, the Participant is willing to enter into the covenants contained herein in order to provide the

Company and its Affiliates with what the Participant considers to be reasonable protection for its interests.

(c) The Participant hereby agrees to (i) hold in confidence all Confidential Information of the Company or any of its Affiliates that come into the Participant's knowledge during the Participant's service with the Company and (ii) not disclose, publish or make use of such Confidential Information, other than in the good-faith performance of the Participant's duties, without the prior written consent of the Company for as long as the information remains Confidential Information.

(d) The Participant hereby agrees to hold in confidence all Trade Secrets of the Company or any of its Affiliates that come into the Participant's knowledge during the Participant's service with the Company and not to disclose, publish, or make use of at any time after the date hereof such Trade Secrets without the prior written consent of the Company for as long as the information remains a Trade Secret.

(e) Notwithstanding the foregoing, the provisions of this Section 8 shall not apply to (i) Confidential Information or Trade Secrets that otherwise becomes generally known in the industry or to the public through no act of the Participant or any person or entity acting by or on the Participant's behalf or information which the Participant can demonstrate to have had rightfully in the Participant's possession prior to the Participant's commencement of services with the Company or (ii) information required to be disclosed by judicial or governmental proceedings; provided that, in the event the Participant is ordered by a court or other government agency to disclose any Confidential Information, the Participant shall (1) promptly notify the Company of such order, (2) diligently contest such order at the sole expense of the Company as expenses occur, and (3) seek to obtain at the sole expense of the Company such confidential treatment as may be available under applicable laws for any information disclosed under such order.

(f) Notwithstanding anything to the contrary herein, none of the covenants set forth herein shall prohibit the Participant from making reports of possible violations of federal law or regulation to any governmental agency or entity in accordance with the provisions of and rules promulgated under Section 21F of the '34 Act or Section 806 of the Sarbanes-Oxley Act of 2002, or of any other whistleblower protection provisions of federal law or regulation, or require modification or prior approval by the Company or any other Rocket Company of any such reporting.

(g) Notwithstanding anything to the contrary contained herein, pursuant to the Defend Trade Secrets Act of 2016, the Participant shall not be held criminally or civilly liable under any federal or state Trade Secret law for the disclosure of a Trade Secret that: (i) is made (A) in confidence to a Federal, state, or local government official, either directly or indirectly, or to an attorney; and (B) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. the Participant also understands that if the Participant files a lawsuit for retaliation by the Company for reporting a suspected violation of law, the Participant may disclose the Trade Secret to the Participant's attorney and use the Trade Secret information in the court proceeding, if the Participant (i) files any document containing the Trade Secret under seal, and (ii) does not disclose the Trade Secret, except pursuant to court order.

## 9. Miscellaneous.

(a) Compliance with Legal Requirements. The granting of the RSU, and any other obligations of the Company under this Award Agreement, shall be subject to all applicable U.S.

federal, state and local laws, rules and regulations, all applicable non-U.S. laws, rules and regulations and to such approvals by any regulatory or governmental agency as may be required. The Participant agrees to take all steps that the Committee or the Company determines are reasonably necessary to comply with all applicable provisions of U.S. federal and state securities law and non-U.S. securities law in exercising the Participant's rights under this Award Agreement.

(b) Transferability. The RSUs shall be subject to Section 15(b) of the Plan.

(c) Waiver. No amendment or modification of any provision of this Award Agreement shall be effective unless signed in writing by or on behalf of the Company and the Participant, except that the Company may amend or modify this Award Agreement without the Participant's consent in accordance with the provisions of the Plan or as otherwise set forth in this Award Agreement. No waiver of any breach or condition of this Award Agreement shall be deemed to be a waiver of any other or subsequent breach or condition whether of like or different nature. Any amendment or modification of or to any provision of this Award Agreement, or any waiver of any provision of this Award Agreement, shall be effective only in the specific instance and for the specific purpose for which made or given.

(d) Section 409A. This Award Agreement is intended to comply with the requirements of Section 409A of the Code and the regulations thereunder, and the provisions of this Award Agreement shall be interpreted in a manner that satisfies the requirements of Section 409A of the Code, and this Award Agreement shall be operated accordingly. If any provision of this Award Agreement or any term or condition of the RSUs would otherwise conflict with this intent, the provision, term or condition shall be interpreted and deemed amended so as to avoid this conflict. Notwithstanding anything else in this Award Agreement, if the Committee considers a Participant to be a "specified employee" under Section 409A of the Code at the time of such Participant's "separation from service" (as defined in Section 409A of the Code), and the amount hereunder is "deferred compensation" subject to Section 409A of the Code any distribution that otherwise would be made to such Participant with respect to RSUs as a result of such separation from service shall not be made until the date that is six months after such separation from service, except to the extent that earlier distribution would not result in such Participant's incurring interest or additional tax under Section 409A of the Code. If the Award includes a "series of installment payments" (within the meaning of Section 1.409A-2(b)(2)(iii) of the Treasury Regulations), the Participants' right to the series of installment payments shall be treated as a right to a series of separate payments and not as a right to a single payment. Notwithstanding the foregoing, the tax treatment of the benefits provided under this Award Agreement is not warranted or guaranteed, and in no event shall the Company be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by the Participant on account of non-compliance with Section 409A of the Code.

(e) General Assets. All amounts credited in respect of the RSUs to the book-entry account under this Award Agreement shall continue for all purposes to be part of the general assets of the Company. The Participant's interest in such account shall make the Participant only a general, unsecured creditor of the Company.

(f) Notices. All notices, requests and other communications under this Award Agreement shall be in writing and shall be delivered in person (by courier or otherwise), mailed by certified or registered mail, return receipt requested to the contact details below. The parties may use e-mail delivery, so long as the message is clearly marked, sent to the e-mail address(es) set forth below.

if to the Company, to:

Rocket Companies, Inc.  
1050 Woodward Avenue  
Detroit, Michigan 48226  
Attention: General Counsel

if to the Participant, to the address, facsimile number or e-mail address that the Participant most recently provided to the Company, or to such other address, facsimile number or e-mail address as such party may hereafter specify for the purpose by notice to the other parties hereto.

(g) Severability. The invalidity or unenforceability of any provision of this Award Agreement shall not affect the validity or enforceability of any other provision of this Award Agreement, and each other provision of this Award Agreement shall be severable and enforceable to the extent permitted by law.

(h) Successors. The terms of this Award Agreement shall be binding upon and inure to the benefit of the Company and its successors and assigns, and of the Participant and the beneficiaries, executors, administrators, heirs and successors of the Participant.

(i) Entire Agreement. The Participant acknowledges receipt of a copy of the Plan and represents that the Participant is familiar with the terms and provisions thereof (and has had an opportunity to consult counsel regarding the RSU terms). The Participant hereby agrees to accept as binding, conclusive and final all decisions and interpretations of the Committee regarding any questions relating to the RSU. In the event of a conflict between the terms and provisions of the Plan and the terms and provisions of this Award Agreement, the Plan terms and provisions shall prevail. This Award Agreement, including the Plan, constitutes the entire agreement between the Participant and the Company on the subject matter hereof and supersedes all proposals, written or oral, and all other communications between the parties relating to such subject matter.

(j) Governing Law. This Award Agreement shall be construed and interpreted in accordance with the laws of the State of Delaware, without regard to principles of conflicts of laws thereof, or principles of conflicts of laws of any other jurisdiction that could cause the application of the laws of any jurisdiction other than the State of Delaware.

(k) Dispute Resolution; Consent to Jurisdiction. The Participant and the Company agree that any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with this Award Agreement (whether brought by any party or any of its Affiliates or against any party or any of its Affiliates) shall be brought in the Third Judicial Circuit, Wayne County, Michigan or the United States District Court for the Eastern District of Michigan, and each of the parties hereby irrevocably consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum. Process in any such suit, action or proceeding may be served on any party anywhere in the world, whether within or without the jurisdiction of any such court.

(l) International Participants. To the extent the Participant resides or works outside of the United States or is subject to non-U.S. legal restrictions or regulations, the Committee may amend the terms of this Award Agreement in order to conform the terms hereunder or accommodate the requirements of local laws, procedures or practices or to obtain more favorable

tax or other treatment for the Participant, the Company or its Affiliates. Without limiting the generality of this Section 9(1), the Committee is specifically authorized to adopt rules and procedures with provisions that limit or modify rights on death, disability, retirement or other terminations of employment, available methods of settlement of the RSUs granted hereunder, payment of income, social insurance contributions or payroll taxes, withholding procedures and handling of any stock certificates or other indicia of ownership that vary with local requirements. The Committee may also adopt rules or procedures applicable to particular Subsidiaries, Affiliates or locations.

(m) Electronic Signature and Delivery. This Award Agreement may be accepted by return signature or by electronic confirmation. By accepting this Award Agreement, the Participant consents to the electronic delivery of prospectuses, annual reports and other information required to be delivered by U.S. Securities and Exchange Commission rules (which consent may be revoked in writing by the Participant at any time upon three business days' notice to the Company, in which case subsequent prospectuses, annual reports and other information shall be delivered in hard copy to the Participant).

(n) Electronic Participation in Plan. The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

*[Remainder of page intentionally blank]*



**CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN REDACTED.**

## INCREASED COMMITMENT SUPPLEMENT

This INCREASED COMMITMENT SUPPLEMENT (this “Supplement”) is dated as of August 7, 2023 and entered into by and among ROCKET MORTGAGE, LLC (the “Borrower”), WELLS FARGO BANK, NATIONAL ASSOCIATION (the “New Lender”) and JPMORGAN CHASE BANK, N.A., as administrative agent for itself and the other Lenders (in such capacity, together with its successors in such capacity, the “Agent”), and is made with reference to that certain Revolving Credit Agreement dated as of August 10, 2022 (as amended, the “Credit Agreement”), by and among the Borrower, the Lenders party thereto and the Agent. Capitalized terms used herein without definition shall have the same meanings herein as set forth in the Credit Agreement.

### RECITALS

Pursuant to Section 2.21 of the Credit Agreement, the Borrower and the New Lender have agreed that the New Lender will provide an incremental Commitment under the Credit Agreement and become a Lender thereunder for all purposes with such incremental Commitment, and the parties hereto wish to enter into this Supplement to effect the foregoing.

Now, therefore, in consideration of the premises and the agreements, provisions and covenants herein contained, the parties hereto agree as follows:

Section 1. Increase in Commitments. Subject to the terms and conditions hereof, the New Lender agrees that on the Supplement Effective Date (as defined below) its Commitment shall be \$150,000,000 (the “Incremental Revolving Commitment”)

Section 2. Upfront Fee. As consideration for the New Lender’s agreement to provide the Incremental Revolving Commitment, the Borrower shall pay to the New Lender a non-refundable upfront fee (the “Upfront Fee”) in an amount equal to [\*\*\*] of the Incremental Revolving Commitment.

Section 3. New Lender. The New Lender (i) confirms that it has received a copy of the Credit Agreement (including all schedules and exhibits thereto), together with copies of the most recent financial statements of the Borrower delivered under Sections 3.04 or 5.01 and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Supplement; (ii) agrees that it has, independently and without reliance upon the Agent, any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Supplement; (iii) agrees that it will, independently and without reliance upon the Agent, any other Lender under the Credit Agreement or any of their Related Parties and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Agreement; (iv) appoints and authorizes the Agent to take such action as agent on its behalf and to exercise such powers and discretion under the Credit Agreement as are delegated to the Agent by the terms thereof, together with such powers and discretion as are reasonably incidental thereto; and (v) agrees that on the Supplement Effective Date it shall be a “Lender” under the Credit Agreement with a Commitment equal to the Incremental Revolving Commitment and will perform in accordance with their terms all of the obligations that by the terms of the Credit Agreement are required to be performed by it as a Lender.

Section 4. Representations and Warranties. In order to induce the New Lender to enter into this Supplement and to supplement the Credit Agreement in the manner provided herein, the Borrower represents and warrants to Agent and the New Lender that (a) the representations and warranties of the

Borrower contained in the Loan Documents are and will be true, correct and complete in all material respects (or, in the case of any representation and warranty qualified by materiality, all respects) on and as of the Supplement Effective Date, except to the extent such representations and warranties specifically relate to any earlier date in which case such representations and warranties shall have been true and correct in all material respects as of such earlier date (or, in the case of any representation and warranty qualified by materiality, in all respects as of such earlier date); and (b) no Default or Event of Default shall exist immediately prior to or after giving effect to the Incremental Revolving Facility.

Section 5. Conditions for Effectiveness of the Supplement. This Supplement shall become effective on the date (the "Supplement Effective Date") when:

(a) The Agent (or its counsel) shall have received from each party hereto an executed counterpart of this Supplement (which, subject to Section 8, may include any Electronic Signatures transmitted by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page).

(b) The Agent shall have received a certificate, dated the Supplement Effective Date and signed by a Responsible Officer of the Borrower, certifying that immediately prior to and after giving effect to the Supplement, (i) the representations and warranties set forth in this Supplement, the Credit Agreement (after giving effect to this Supplement) and the other Loan Documents are and will be true, correct and complete in all material respects (or, in the case of any representation and warranty qualified by materiality, all respects) on and as of the Supplement Effective Date, except to the extent such representations and warranties specifically relate to any earlier date in which case such representations and warranties shall have been true and correct in all material respects as of such earlier date (or, in the case of any representation and warranty qualified by materiality, in all respects as of such earlier date) and (ii) no Default or Event of Default shall exist immediately prior to or after giving effect to the Incremental Revolving Commitments.

(c) The Agent shall have received a letter from each of Paul, Weiss, Rifkind, Wharton & Garrison LLP, counsel for the Borrower, and Bodman PLC, Michigan counsel for the Borrower, for the benefit of the New Lender confirming that the New Lender may rely on the opinions delivered by such firm on the Closing Date.

(d) The New Lender shall have received the Upfront Fee.

(e) The Agent shall have received all fees and expenses required to be paid by the Borrower pursuant to the Credit Agreement for which invoices have been presented at least one Business Day prior to the Supplement Effective Date or such later date to which the Borrower may agree (including the reasonable fees and expenses of legal counsel that are payable under the Credit Agreement), in each case on or before the Supplement Effective Date.

Section 6. Effect of Supplement. The terms and provisions set forth in this Supplement shall modify and supersede all inconsistent terms and provisions set forth in the Credit Agreement and except as expressly modified and superseded by this Supplement, the terms and provisions of the Credit Agreement and the other Loan Documents are ratified and confirmed and shall continue in full force and effect. The Borrower, the Agent, and the Lenders party hereto agree that the Credit Agreement as supplemented hereby and the other Loan Documents shall continue to be legal, valid, binding and enforceable in accordance with their respective terms. Any and all agreements, documents, or instruments now or hereafter executed and delivered pursuant to the terms hereof or pursuant to the terms

of the Credit Agreement as supplemented hereby, are hereby amended so that any reference in such documents to the Credit Agreement shall mean a reference to the Credit Agreement as supplemented hereby. This Supplement shall be deemed to be a Loan Document

Section 7. Applicable Law. This Supplement shall be governed by and construed in accordance with the applicable law pertaining in the State of New York.

Section 8. Counterparts, Effectiveness. (a) This Supplement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Supplement shall become effective on the date when the Agent receives executed counterparts of this Supplement signed by the Borrower, the Lenders and the Agent which date shall be the “effective date” hereof.

(b) Delivery of an executed counterpart of a signature page of this Supplement that is an Electronic Signature transmitted by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page shall be effective as delivery of a manually executed counterpart of this Supplement. The words “execution,” “signed,” “signature,” “delivery,” and words of like import in or relating to this Supplement shall be deemed to include Electronic Signatures, deliveries or the keeping of records in any electronic form (including deliveries by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page), each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be; *provided* that nothing herein shall require the Agent to accept Electronic Signatures in any form or format without its prior written consent and pursuant to procedures approved by it; *provided further*, without limiting the foregoing, (i) to the extent the Agent has agreed to accept any Electronic Signature, the Agent and the New Lender shall be entitled to rely on such Electronic Signature purportedly given by or on behalf of the Borrower without further verification thereof and without any obligation to review the appearance or form of any such Electronic signature and (ii) upon the request of the Agent or the New Lender, any Electronic Signature shall be promptly followed by a manually executed counterpart. Without limiting the generality of the foregoing, the Borrower hereby (i) agrees that, for all purposes, including without limitation, in connection with any workout, restructuring, enforcement of remedies, bankruptcy proceedings or litigation among the Agent, the New Lenders and the Borrower, Electronic Signatures transmitted by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page and/or any electronic images of this Supplement shall have the same legal effect, validity and enforceability as any paper original, (ii) the Agent and the New Lenders may, at its option, create one or more copies of this Supplement in the form of an imaged electronic record in any format, which shall be deemed created in the ordinary course of such Person’s business, and destroy the original paper document (and all such electronic records shall be considered an original for all purposes and shall have the same legal effect, validity and enforceability as a paper record), (iii) waives any argument, defense or right to contest the legal effect, validity or enforceability of this Supplement based solely on the lack of paper original copies of this Supplement, including with respect to any signature pages thereto and (iv) waives any claim against any Lender-Related Person for any Liabilities arising solely from the Agent’s and/or the New Lender’s reliance on or use of Electronic Signatures and/or transmissions by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page, including any Liabilities arising as a result of the failure of the Borrower to use any available security measures in connection with the execution, delivery or transmission of any Electronic Signature.

Section 9. Entire Agreement. This Supplement embodies the final, entire agreement among the parties relating to the subject matter hereof and supersede any and all previous commitments, agreements, representations and understandings, whether oral or written, relating to the subject matter

hereof and may not be contradicted or varied by evidence of prior, contemporaneous or subsequent oral agreements or discussions of the parties hereto.

**IN WITNESS WHEREOF**, the parties hereto have caused this Supplement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first written above.

Borrower

ROCKET MORTGAGE, LLC

By: /s/ Brian Brown  
Name: Brian Brown  
Title: Treasurer

Agent:

JPMORGAN CHASE BANK, N.A., as the Agent

By: /s/ Preeti Yeung

Name: Preeti Yeung

Title: Authorized Officer

New Lender:

WELLS FARGO BANK, NATIONAL ASSOCIATION,  
as the New Lender

By: /s/ Anthony Richter  
Name: Anthony Richter  
Title: Managing Director

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER**

I, William C. Emerson, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Rocket Companies, Inc. (the "Registrant") for the quarterly period ended June 30, 2023;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: August 9, 2023

By: /s/ William C. Emerson

Name: William C. Emerson

Title: Chief Executive Officer (interim)



**CERTIFICATION OF CHIEF FINANCIAL OFFICER**

I, Brian Brown, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Rocket Companies, Inc. (the "Registrant") for the quarterly period ended June 30, 2023;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: August 9, 2023

By: /s/ Brian Brown

Name: Brian Brown

Title: Chief Financial Officer and Treasurer

**ROCKET COMPANIES, INC.  
CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, William C. Emerson, Chief Executive Officer (interim) of Rocket Companies, Inc. (the “Company”), do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- the Quarterly Report on Form 10-Q of the Company for the quarter ended June 30, 2023 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- information contained in the Report fairly presents, in all material respects, the financial condition and results of the operations of the Company.

Date: August 9, 2023

By: /s/ William C. Emerson

Name: William C. Emerson

Title: Chief Executive Officer (interim)

The foregoing certification is being furnished as an exhibit to the Report pursuant to Item 601(b)(32) of Regulation S-K and Section 1350 of Title 18 of the United States Code and, accordingly, is not being filed with the U.S. Securities and Exchange Commission as part of the Report and is not to be incorporated by reference into any filing of the Company under the Securities Act of 1933 or the Securities Exchange Act of 1934 (whether made before or after the date of the Report, irrespective of any general incorporation language contained in such filing).

**ROCKET COMPANIES, INC.  
CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, Brian Brown, Chief Financial Officer and Treasurer of Rocket Companies, Inc. (the “Company”), do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- the Quarterly Report on Form 10-Q of the Company for the quarter ended June 30, 2023 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- information contained in the Report fairly presents, in all material respects, the financial condition and results of the operations of the Company.

Date: August 9, 2023

By: /s/ Brian Brown

Name: Brian Brown

Title: Chief Financial Officer and Treasurer

The foregoing certification is being furnished as an exhibit to the Report pursuant to Item 601(b)(32) of Regulation S-K and Section 1350 of Title 18 of the United States Code and, accordingly, is not being filed with the U.S. Securities and Exchange Commission as part of the Report and is not to be incorporated by reference into any filing of the Company under the Securities Act of 1933 or the Securities Exchange Act of 1934 (whether made before or after the date of the Report, irrespective of any general incorporation language contained in such filing).