



Cornerstone
HOME LENDING, INC.
Correspondent Lending Division

TO: Correspondent Lenders
FROM: Angela Breidenbach, Operations Manager
DATE: July 8, 2015
RE: Tax Transcript Reject Policy

Please follow the guidelines outlined in the table below when IRS rejects and IRS Form 4506-T request for identity theft or other reasons:

When the Reason for the IRS Rejection is...	Then Provide
Unable to Process, or Limitation	<ul style="list-style-type: none">• Evidence the IRS rejected the IRS Form 4506-T request,• A borrower-obtained <i>Record of Account Transcript</i>, in pdf format, for all applicable years missing from the www.irs.gov website, and• A signed IRS Form 4506-T for the year(s) impacted by the IRS rejection. Notes: <ul style="list-style-type: none">• The <i>Record of Account Transcript</i> combines information from the tax account and the tax transcripts.• This transcript must validate that the documents provided by the borrower are accurate and may not be used in lieu of the tax returns provided by the borrower• You may need to access the IRS website, "Get Transcripts" several times, as the location may be temporarily unavailable.
Identity Theft	<ul style="list-style-type: none">• Proof identification theft was reported to and received by the IRS (IRS Form 14039) or• A copy of the notification from the IRS alerting taxpayer to possible identification theft, and• Validation of the reported income on the tax returns by providing the following documentation:<ul style="list-style-type: none">○ Borrower obtained <i>Record of Account Transcript</i>, in pdf format, for all applicable years missing from www.irs.gov, or all of the following:<ul style="list-style-type: none">▪ W-2 of 1099 transcripts which match the W-2 or 1099 income reflected on the transcripts,▪ Validation of prior tax year(s) income (income for the current year must be comparable to prior year(s),▪ 1099 Mortgage interest should match reported interest on Schedule A of Schedule E (if applicable),▪ 1099G Unemployment should match reported unemployment (if applicable),▪ 1099 Dividend and Interest should match reported dividend and interest income (if applicable)

Do not use these guidelines when a "no record found" or "data does not match" response is received from the IRS.

As always, your business is greatly appreciated. If you have questions regarding these issues, please contact me at abreidenbach@houseloan.com.

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