

MANDATE OF THE BOARD OF DIRECTORS

This mandate applies to Eclipse Residential Mortgage Investment Corporation (the “Corporation”).

The Board of Directors has responsibility for:

1. Supervising the management of the Corporation and monitoring the performance of the Corporation under the Management Agreement.
2. Monitoring the performance of the Corporation’s mortgage services provider.
3. Periodically reviewing the investment objectives, investment strategies, investment guidelines and investment restrictions of the Corporation.
4. Establishing policies and processes regarding the Corporation’s internal control and management information systems.
5. Reviewing and approving disclosure, privacy and other policies deemed appropriate for the Corporation.
6. Reviewing and approving financial statements, management’s discussion and analysis, annual information forms, prospectuses and other offering documents.
7. Keeping abreast of developments in corporate governance issues.