

CONGRATULATIONS!

You have chosen to partner with the premier national lender for your mortgage origination.

Sun West Mortgage Company, Inc. is a FHA, VA, Freddie Mac, Fannie Mae and Ginnie Mae approved full-service mortgage banker. Sun West has been servicing its nationwide client base since 1980. Its diversified loan programs include FHA and Jumbo Reverse Mortgages, FHA Single Family and Multi-Family, VA, Conventional, Jumbo and Home Equity mortgages. Sun West is one of the few direct lenders to provide in-house underwriting, funding and servicing for reverse mortgage products. Based in California and doing business nationally, Sun West is dedicated to offering exceptional customer service coupled with integrity, reliability, strength and stability.

Becoming an approved broker with Sun West is a simple process. Sign and return the attached Application Form and Agreement along with supporting documents in the checklist.

We want you to have a successful relationship with us. So, be sure to read the agreement carefully and understand all of its contents. Your Client Relations Manager will discuss the Compensation Schedule with you. Should you have a question, please feel free to speak to your Client Relations Manager (CRM).

Please send all correspondences to:

Attention: Broker Approval Department

Sun West Mortgage Company, Inc.

6131 Orangethorpe Avenue, Suite 500

Buena Park, CA 90620

Phone: (562) 924 7884

Fax: (562) 252 0085

Email: broker@swmc.com

SUN WEST MORTGAGE COMPANY, INC.

BROKER APPLICATION FORM

Contact Information		
SWMC Client Relations Manager (CRM): (If you have been contacted by an CRM, please name them here, else we shall assign one to you)		
Company Name:		
Contact Person:	· E-Mail:	
Cell:	· Phone:	· FAX:
Application for Approval as (please check [X] as applicable)		
ALLOWED ORIGINATION TYPES -		
FHA Approved Clients - [Clients approved on Neighborhood Watch website]		
<input type="checkbox"/> FORWARD MORTGAGE		
<input type="checkbox"/> B14- Client Originates & Processes, SWMC Underwrites, draw Docs in the name of SWMC & Funds		
<input type="checkbox"/> REVERSE MORTGAGE		
<input type="checkbox"/> B14- Client Originates & Processes, SWMC Underwrites, draw Docs in the name of SWMC & Funds		
Non-FHA Approved Clients - [Clients not approved on Neighborhood Watch website]		
<input type="checkbox"/> FORWARD MORTGAGE		
<input type="checkbox"/> B12 - Client Originates & Processes, SWMC Underwrites, draw Docs in the name of SWMC & Funds		
<input type="checkbox"/> REVERSE MORTGAGE		
<input type="checkbox"/> B03 - Client Originates & Processes, SWMC Underwrites, draw Docs in the name of SWMC & Funds		
Business Information		
Company Legal Name:		
AKAs/DBAs:		
Business Type: <input type="checkbox"/> Corporation <input type="checkbox"/> LLC <input type="checkbox"/> Partnership <input type="checkbox"/> Sole Proprietorship		
Main Activity: <input type="checkbox"/> Broker <input type="checkbox"/> Banker <input type="checkbox"/> Other _____		
Contact Info: Tel: ()		· Fax: ()
Street Address:		
City:	· State:	· Zip Code:
Biz Estd. Date:		
Federal Tax ID:		

E&O / Fidelity Insurance / Bond				
We have, <input type="checkbox"/> E&O / <input type="checkbox"/> Fidelity Insurance / <input type="checkbox"/> Bond & is attached with the application				
Do not have <input type="checkbox"/> E&O / <input type="checkbox"/> Fidelity Insurance / <input type="checkbox"/> Bond				
Principal / Owner/ Officer Information				
[] If Corporation, identify Principals and/or Officers				
[] If Sole Proprietorship/Partnership, identify Owners				
Name	Title	SSN		
Mr./Ms.				
Mr./Ms.				
Mr./Ms.				
Post Closing Contact Information				
Mr./Ms:				
E-Mail :				
Phone :				
Licensing Information				
Agency	Date Approved	ID Number		
HUD/FHA Mortgagee				
FNMA				
FHLMC				
GNMA				
VA				
MERS ID				
NMLS ID				
Production Volumes				
	Last Year:		Year to Date:	
	No. of Loans	Value	No. of Loans	Value
FHA/VA				
Conventional				
Reverse (HECM)				
Lender References				
Company Name	Contact Person	Phone #	E-Mail	
1.				

Disclosures	
If you answer 'Yes' to any of the following questions, please attach a detailed, signed explanation :	
1. Has your firm, management, and/or senior officers been a party in a lawsuit in reference to the origination, sale, and/or servicing of loans in the last 5 years?	<input type="checkbox"/> Y · <input type="checkbox"/> N
2. Are you or any members of management and/or senior officers of this firm presently involved in any pending litigation, either civil or criminal?	<input type="checkbox"/> Y · <input type="checkbox"/> N
3. Have you or any members of management and/or senior officers of this firm had any judgments entered against you/them in the past 12 months?	<input type="checkbox"/> Y · <input type="checkbox"/> N
4. Have you or any members of management and/or senior officers of this firm ever been convicted of a crime or named in a criminal proceeding excluding traffic violation?	<input type="checkbox"/> Y · <input type="checkbox"/> N
5. Has your firm, management, and/or senior officers, or loan officers ever been terminated or placed on an exclusionary list by an investor, HUD, private mortgage insurance company, or by a regulator?	<input type="checkbox"/> Y · <input type="checkbox"/> N
6. Has your firm, management, and/or senior officers had any formal complaints filed against it by any state or federal agency in the past 3 years?	<input type="checkbox"/> Y · <input type="checkbox"/> N
7. Has your firm, management, and/or senior officers ever been prohibited from engaging in regulated activities or had licenses denied, suspended?	<input type="checkbox"/> Y · <input type="checkbox"/> N
8. Has your firm received any investor repurchase or indemnification requested in the last 12 months?	<input type="checkbox"/> Y · <input type="checkbox"/> N
9. Has your firm, management, and/or senior officers had any pending unsatisfied judgments against you/them?	<input type="checkbox"/> Y · <input type="checkbox"/> N
10. Has your firm, management, and/or senior officers been a party to a bankruptcy within the past seven (7) years?	<input type="checkbox"/> Y · <input type="checkbox"/> N
11. Has your firm, management, and/or senior officers had property foreclosed upon/given title or deed in lieu thereof in the past seven (7) years?	<input type="checkbox"/> Y · <input type="checkbox"/> N

The undersigned applicant hereby certifies that the above information is true and correct to the best of the applicant's knowledge. The undersigned authorizes SWMC, as necessary, to verify information provided by the applicant. I (We) hereby understand that I (we) am (are) fully responsible for the activity for all my (our) sales personnel, that ethical and proper selling practices will be followed, and that immediate attention will be given to all complaints. I (We) hereby certify that the above statements are true, and I (we) understand this application shall remain the property of the financial institution to which it is submitted and, if requested, a copy may be furnished to FHLMC, FNMA, or any other institution insuring, or approving my (our) loan packages submitted to you to provide financing for customers.

Signature of Authorized Officer, Title

Name (please print)

Date

MORTGAGE BROKER AGREEMENT

This **Mortgage Broker Agreement** ("Agreement") is effective as of _____, 20____ and is made by and between Sun West Mortgage Company, Inc. ("SWMC"), located at 6131 Orangethorpe Avenue, Suite 500, Buena Park, CA 90620 and _____ ("Broker") located at _____.

WHEREAS, Broker desires to solicit, originate, and broker Mortgage Loans to SWMC, in accordance with the terms of this Agreement.

NOW, THEREFORE, in consideration of the promises set forth in this Agreement and for other good and valuable consideration, sets forth the terms and conditions upon which the Broker agrees to submit originated Mortgage Loans to SWMC and SWMC agrees to accept Mortgage Loans from the Broker.

1. Guides and Definitions

The Broker has received and reviewed SWMC's Guides. The parties agree that the Guides along with this Agreement and any amendments to this Agreement or the Guides constitute the complete agreement between the parties as to the submission by the Broker to SWMC and acceptance of Mortgage Loans from the Broker by SWMC.

"Guides" mean and include the SWMC Forward Mortgage Broker Guide, Underwriting Guide, SWMC Reverse Mortgage Broker and Underwriting Guide, SWMC's Product Manual, lender alerts, and all other materials, including without limitation, product profiles, underwriting standards, loan commitments, closing instructions, other communications, overlays, announcements or guidelines published by SWMC on its website or provided to Broker from time to time, as amended and supplemented, that are in effect at loan Funding. SWMC may amend the Guides from time to time. Posted updates to SWMC's website shall constitute notice to the Broker of such updated Guides.

Capitalized terms not otherwise defined in this Agreement shall have the meaning ascribed to such term in the Guides.

"TRID Application" is the submission to Broker by a consumer of that consumer's minimum information to constitute an "Application" as defined by Regulation Z at 12 CFR § 1026.2(a)(3)(ii) as amended and in effect at the time the consumer submits his or her TRID Application information to Broker. SWMC may reject TRID Applications that Broker submits to SWMC that do not meet SWMC's then current Broker submission requirements or published guidelines. A "Loan Estimate" means the disclosure required pursuant to Regulation Z at 12 CFR §§ 1026.19(e) and 1026.37 as amended and in effect at the time of the consumer's TRID Application. A "Closing Disclosure" means the disclosure required pursuant to Regulation Z at 12 CFR §§ 1026.19(f) and 1026.38 as amended and in effect at the time of the consumer's TRID Application.

2. Locks / Commitments

The Broker may request Locks / Commitments from SWMC in accordance with the Guides for Eligible Mortgage Loans, as Eligible Loan is defined below, which the Broker intends to broker to SWMC. When the Lock / Commitment Request is submitted, SWMC will send the Broker a written Lock / Commitment Confirmation. Nothing in this Agreement or the Broker Guide requires SWMC to accept any Lock / Commitment or Loan from the Broker or for Broker to submit any Loan to SWMC.

3. Eligible Mortgage loans

Eligible Mortgage Loans are Mortgage Loans which satisfy all of the requirements contained in the Guides and the product profile / terms for the particular Eligible Mortgage Loan shown on the Lock / Commitment.

4. Locked Price

The Locked Price for each Eligible Mortgage Loan brokered by the Broker to SWMC shall be determined as set forth in the Guides. The Locked Price will be shown on the Lock / Commitment Confirmation relating to the Eligible Mortgage Loan. SWMC agrees to guarantee the Locked Price for the Eligible Mortgage Loan for the time period shown on the Lock / Commitment Confirmation and the Broker agrees to close the Eligible Mortgage Loan with SWMC within the time period.

5. Representations and Warranties

The Broker hereby makes all representations, warranties and covenants set forth in the Guides as such are amended from time to time. Additionally, Broker represents, warrants, and covenants to SWMC as of the date of this Agreement, and as of each date Broker enters into a Commitment with respect to a Mortgage Loan under the terms of this Agreement, as follows:

- a. It is duly organized and existing, in good standing pursuant to the laws of the state of its organization.
- b. The execution, delivery and performance of this Agreement by Broker do not, and shall not, violate any provision of any law, rule, regulation, order, writ, judgment, injunction, decree, determination or award now or hereafter applying to Broker.
- c. It has the requisite authority and capacity to enter into this Agreement and any Commitment, such that compliance with the terms and conditions of this Agreement does not violate any provision of Broker's Articles of Incorporation, By-Laws, Partnership Agreements or any other organizational or existential document.
- d. The terms, conditions and performance of this Agreement do not and shall not violate any instrument relating to the conduct of Broker's business or any other agreement to which Broker is a party.
- e. This Agreement constitutes, when duly executed and delivered by Broker, a legal, valid and binding obligation of Broker, enforceable against Broker according to its terms.
- f. There are to Broker's knowledge, no actions, suits or proceedings pending or threatened against or affecting Broker or any of its assets before any court or governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, (A) which if determined adversely to Broker, would have a material adverse affect on the financial condition or operations of Broker; or (B) which involve the Mortgage Loan, the mortgaged property, or the borrower.
- g. At all times during the term of this Agreement, Broker, its employees and officers, and each of them, have and shall maintain all applicable licenses in all states to the extent necessary to properly and lawfully perform their obligations pursuant to this Agreement. Without limitation, all such licenses shall be active and in good standing. Broker agrees to submit copies of said licenses to SWMC. Broker agrees to provide a copy of license renewals to SWMC as they are issued. Broker shall notify SWMC immediately if any such license lapses, is suspended, or is revoked.

- h. Broker does not and shall not employ anyone, and shall not receive any Loan Application from any borrower, whose name appears on (a) HUD's exclusionary list, including, but not limited to, LDP, GSA, and CAIVRS, (b) the most recently published Freddie Mac Exclusionary List; (c) the most recent list which may be published from time to time by any government-sponsored agency which shows individuals or companies which are excluded from doing business with that agency.
- i. Broker, prior to submitting a Loan Application, has fully familiarized itself with the requirements of the Guides.
- j. Broker has all requisite corporate power 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.
- k. Each of Broker and each guarantor, if any, is solvent and will not be rendered insolvent by any the transactions contemplated by this Agreement and, after giving effect to such transaction(s), will not be left with an unreasonably small amount of capital with which to engage in its business. Neither Broker nor any guarantor intends to incur, nor does it believe that it has incurred, debts beyond its ability to pay such debts as they mature and 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 such entity or any of its assets. Neither Broker nor any guarantor has transferred any assets with any intent to hinder, delay or defraud any of its creditors.
- l. All information, reports, exhibits, schedules, financial statements or certificates of Broker, any guarantor or any affiliate thereof or any of their officers furnished or to be furnished to SWMC in connection with this Agreement, the guaranty or any other agreement between Broker, any guarantor or SWMC is true and complete and does not omit to disclose any material facts necessary to make the statements herein or therein, in light of the circumstances in which they are made, not misleading.
- m. There is no action, proceeding or investigation pending with respect to which Broker or any guarantor has received service of process or, to the best of Broker's or either guarantor's knowledge threatened against it before any court, administrative agency or other tribunal (A) asserting the invalidity of this Agreement, the guaranty or any other agreement among the parties, (B) seeking to prevent the consummation of any of the transactions contemplated by this Agreement, the guaranty or any other agreement among the parties, (C) making a claim individually in an amount greater than \$5,000 against Broker or any of its officers, shareholders, owners, or affiliates, (D) making a claim for an unspecified amount of damages, or (E) which could adversely affect the validity of the Mortgage Loans or the performance by it of its obligations under, or the validity or enforceability of this Agreement, the guaranty or any other agreement among the parties.
- n. Broker, each guarantor and their respective subsidiaries have timely filed all tax returns that are required to be filed by them and have paid all taxes, except for any such taxes as 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 Broker, each guarantor and their respective subsidiaries in respect of taxes and other governmental charges are, in the opinion of Broker or any guarantor, as applicable, adequate.
- o. Broker, as of the date of this Agreement and any Commitment, (A) does not have any unsatisfied obligations to reimburse any other mortgage company or any other person or entity in connection with any demand for any (i) early payment defaults, (ii) early payoff premiums, (iii) repurchase demands or (iv) indemnification

obligations with respect to any of the foregoing, and (B) has not been notified by any mortgage company, any other person or entity, or have reason to suspect that a demand is forthcoming, with respect for any (i) early payment defaults, (ii) early payoff premiums, (iii) repurchase demands or (iv) indemnification obligations with respect to any of the foregoing, and (C) is not entering into this Agreement or any Commitment due to any other mortgage company or any other person or entity, having terminated Broker from any similar type of broker or correspondent agreement based on Broker's failure to timely and promptly pay any (i) early payment defaults, (ii) early payoff premiums, (iii) repurchase demands or (iv) indemnification obligations with respect to any of the foregoing.

- p. Broker makes credit accessible to all qualified applicants in accordance with Applicable Law. Broker has not discriminated, and will not discriminate, against credit applicants on the basis of any prohibited characteristic, including race, color, religion, national origin, sex, marital or familial status, age (provided that the applicant has the ability to enter into a binding contract), handicap, sexual orientation or because all or part of the applicant's income is derived from a public assistance program or because of the applicant's good faith exercise of rights under the Federal Consumer Protection Act. Furthermore, Broker has not discouraged, and will not discourage, the completion of any credit application based on any of the foregoing prohibited bases. In addition, Broker has complied with all anti-redlining provisions and equal credit opportunity laws, rules and regulations under Applicable Law.
- q. Broker has no outstanding judgments, and Broker has no judgment, court order, claim, counterclaim, defense, right of set-off or similar right against SWMC or any of its affiliates.
- r. Broker shall, upon request from SWMC, supply proof satisfactory to SWMC of Broker's compliance with (i) all representations and warranties contained in this Agreement, and (ii) all local, state and federal laws, rules and regulations.
- s. Broker consents to the distribution by SWMC, via email to any and all email address associated with Broker, information relating to loan product updates, news, pricing changes and other information relating to the products and services offered by SWMC.
- t. Broker shall comply with all applicable anti-money laundering laws and regulations, including without limitation the USA Patriot Act of 2001, The Bank Secrecy Act ("BSA") and the statutes, rules and regulations administered by the Office of Foreign Assets Control ("OFAC"), the Financial Crimes Enforcement Network ("FinCEN") and any other similar local, State or Federal Law related to anti money laundering and financial transaction security and integrity that may be enacted from time to time (collectively, the "Anti-Money Laundering Laws"). Broker has established an anti-money laundering compliance program as required by the Anti-Money Laundering Laws, has conducted the requisite due diligence in connection with the origination of each Mortgage Loan for purposes of the Anti-Money Laundering Laws, including with respect to the legitimacy of the applicable borrower and the origin of the assets used by the said borrower to purchase the property in question, and maintains, and will maintain, sufficient information to identify the applicable borrower for purposes of the Anti-Money Laundering Laws. Broker agrees to provide the copy of anti-money laundering compliance program established by the company to SWMC for review. No Mortgage Loan is subject to nullification pursuant to Executive Order 13224 (the "Executive Order") or the regulations promulgated by the Office of Foreign Assets Control of the United States Department of the Treasury (the "OFAC Regulations") or in violation of the Executive Order or the OFAC Regulations, and the borrower is not subject to the provisions of such Executive Order or the OFAC Regulations nor listed as a "blocked person" for purposes of the OFAC Regulations.

6. Events of Default

The following are Events of Default under this Agreement:

- a. Uncured Breach. Broker or any guarantor has breached any representation, warranty, covenant, or other obligation contained in this Agreement, any guaranty, the Guide or any other agreement between SWMC and Broker or any guarantor and Broker or any guarantor has failed to cure such breach (to the extent a breach is capable of being cured) to the satisfaction of SWMC within ten (10) days of SWMC's notice thereof; provided, that, with respect to the representations and warranties which are made to the best of Broker's or any guarantor's knowledge, if it is discovered by Broker, any guarantor or SWMC that the substance of such representation and warranty is inaccurate and such inaccuracy materially and adversely affects the value of the related Mortgage Loan or the interests of SWMC therein, notwithstanding Broker's or any guarantor's lack of knowledge with respect to the substance of such representation or warranty, such inaccuracy shall be deemed a breach of the applicable representation or warranty.
- b. Failure to Deliver Documents. Broker fails to provide all of the documentation required by SWMC and/or fails to satisfy all other requirements of this Agreement within ninety (90) days following the related Funding Date.
- c. Bankruptcy, Insolvency. Broker or any guarantor or affiliate becomes insolvent; institutes or has instituted against it a proceeding in bankruptcy or under any insolvency law or for reorganization, receivership or dissolution; otherwise seeks to take advantage of any bankruptcy or insolvency statutes; admits in writing its inability to pay its debts as they mature; makes an assignment for the benefit of its creditors; consents to the appointment of a trustee, receiver or similar person or entity for all or a substantial part of its property; discontinues its business; or adopts a resolution providing for dissolution or a liquidation of its business.
- d. Loan Ineligible For Purchase. In the reasonable judgment of SWMC, the Mortgage Loan is not eligible for Ginnie Mae, Fannie Mae, or Freddie Mac pool participation or whole loan purchase or purchase by an Investor.
- e. Investor Demand. For reasons other than the action of SWMC, an Investor requires SWMC to repurchase a Mortgage Loan, indemnify the Investor, or reimburse the Investor for pricing premiums, fees, or other losses.
- f. Early Payment Default. An early payment default ("EPD") occurs (A) on a forward Mortgage Loan, an EPD occurs when a borrower becomes ninety (90) days delinquent on any one of the first six (6) scheduled monthly payments due either (i) under the terms of the note of the related Mortgage Loan or (ii) to SWMC, and (B) on a reverse Mortgage Loan, an EPD occurs when any basis for acceleration of the debt occurs within the first six (6) months after Funding.
- g. Early Loan Pre-Payment. An early loan pre-payment ("Early Pre-Payment") occurs when a pre-payment in excess of \$10,000.00 is made on the related Mortgage Loan within six (6) months following the date of the first payment under the note for the related Mortgage Loan (by way of illustration, if a Mortgage Loan has a first payment due on March 1, 2016, then SWMC would have the protection of this section through September 1, 2016 meaning that any Mortgage Loan that is paid off in full during such time would result in an Early Pre-Payment). Broker is prohibited from directly or indirectly soliciting for a potential refinance any borrower on a Mortgage Loan that Broker sold to SWMC or causing any such borrower on a Mortgage Loan that Broker sold to SWMC to be solicited by a third party for a potential refinance.
- h. Borrower/Applicant Claims. An applicant or borrower on any Mortgage Loan: (i) makes a claim to SWMC relating to any misrepresentation, misconduct, or negligence by Broker when the borrower was solicited or the Mortgage

Loan was originated; and/or (ii) SWMC is named in any litigation relating to Broker's or any guarantor's or any of their affiliates' misrepresentations, negligence or misconduct, or when a Mortgage Loan was originated.

7. Remedies

- a. Upon the occurrence of an Event of Default, SWMC may elect, at its sole discretion, any one or more of the following remedies:
- I. Cure. Broker may be required to cure the error.
 - II. Indemnification. Broker agrees to indemnify and defend and hold SWMC, and its officers, directors, employees, agents, shareholders, representatives, successors, assigns, agents and affiliates (collectively, the "Indemnities"), harmless from and against, and shall reimburse the Indemnities with respect to, any and all losses, damages, demands, claims, liabilities, costs and expenses, including reasonable attorneys' fees, whether or not a lawsuit is filed (collectively, "Losses"), of any nature or cause whatsoever, incurred by reason of or arising out of or in connection with: (A) an Event of Default; (B) an investigation undertaken by SWMC with respect to any document included as part of a Loan Application package or Mortgage Loan; (C) a claim by an applicant or borrower resulting from SWMC's failure or refusal to Fund a Mortgage Loan; (D) a claim by an applicant or borrower arising out of Broker's charging fees in excess of those allowed by Applicable Law, Fannie Mae (if applicable), Freddie Mac (if applicable) or an Investor; or (E) errors, omissions, and intentional misconduct of Broker or any Affiliated Service Provider; (F) any claims by an applicant or borrower that Broker committed any wrongful act, failed to take any necessary action, or made any misrepresentations in the solicitation and/or origination of a Mortgage Loan; (G) the failure to deliver the Mortgage Loan Documentation in the manner required by the Guides, or any loss or damage to any portion of the Mortgage Loan Documentation; and (H) lost profits, expenses and attorney's fees incurred by SWMC in connection with or as a result of the disposal of any Mortgage Loan or the related mortgaged property. SWMC's indemnity under this Section shall not be limited or reduced by SWMC's acts or omissions.
 - III. Anticipated Claim. In addition to and in no way imitating any of SWMC's other rights and remedies under this Agreement, in the event that (i) any Investor, Insuring Agency, private mortgage insurer or any other person or entity makes a demand for repurchase, indemnity or any other claim seeking damages or equitable relief with respect to any Mortgage Loan or (ii) SWMC or any other person or entity discovers any defect in any Mortgage Loan (including without limitation any TILA, RESPA/TRID, or any other potential current or contingent liability with respect to such Mortgage Loan) ((i) and (ii) above, collectively, a "Claim"), then in each such instance Broker shall deposit with SWMC United States dollars in an amount equal to the Claim made by such Investor, Insuring Agency, private mortgage insurer, SWMC or any other person or entity. SWMC will hold such funds until such time as the Claim is resolved. Once a final resolution has been reached SWMC will either (i) remit any excess monies deposited by Broker with SWMC in respect of such Claim back to Broker, or (ii) demand additional monies from Broker to the extent that the monies previously delivered by Broker were insufficient to fully satisfy the Claim. SWMC shall have the right, in its sole and absolute discretion, to decrease or increase the amount of money to be deposited with it under this sub-section based on revised, new or additional demands made by any Investor, Insuring Agency, private mortgage insurer, SWMC or any other person or entity with respect to the Mortgage Loan or based

on SWMC's good faith judgment that the amount of such Claim has changed. Nothing in this Agreement shall be interpreted to limit any other remedy SWMC may have herein or under Applicable Law.

- IV. EPD Remedy. In the event of an EPD, in addition to the other remedies available to SWMC under Section 6, Broker shall (A) return the Yield Spread Premium ("YSP"), SRP, commissions, and any other consideration paid by SWMC to Broker or on Broker's behalf; (B) pay any fee charged by the Investor in connection with the EPD; and (C) pay \$2,000 to SWMC as reimbursement for SWMC's administrative expenses.
- V. Early Pre-Payment. In the event of an Early Pre-Payment, in addition to the other remedies available to SWMC under Section 6, Broker shall within ten (10) days: (A) pay to SWMC an amount equal to the SRP, YSP, and any other consideration paid by SWMC to Broker or on Broker's behalf; (B) pay any Investor charge to SWMC for the Early Pre-Payment; and (C) pay SWMC \$2,000 for reimbursement of SWMC's administrative expenses.
- b. Upon the occurrence of an Event of Default and SWMC's election of the remedies, SWMC will invoice Broker for the amount of estimated Losses. Broker agrees to pay the invoiced amounts within ten (10) days. SWMC, upon determination of the actual amount of Losses, will refund any excess amounts to Broker.
- c. SWMC, in its sole discretion, may withhold any amount payable to Broker during any investigation of a potential or actual breach of a representation, warranty, or covenant under this Agreement or an Event of Default, and SWMC may use any funds so withheld to pay for any legal fees and/or costs incurred by SWMC in connection therewith; provided that SWMC shall provide an accounting of the use of such funds upon written request by Broker.
- d. In the event that SWMC is the subject of any claim, demand, notice or cause of action by an applicant or borrower on any Mortgage Loan relating to the actions or inactions of Broker when the applicant or borrower was solicited or the Mortgage Loan was originated, SWMC may, at its sole and absolute discretion, retain counsel to defend SWMC against such claims, and the cost and fees incurred shall be paid by Broker. In addition, to the extent SWMC reasonably determines that it is necessary or prudent to settle such claim, demand, notice or cause of action, SWMC may use any amounts held pursuant to Section 7(c) above towards such settlement.
- e. The remedies provided for in this Section shall survive the termination of the Agreement and such remedies are cumulative and non-exclusive, and shall be in addition to any and all other remedies available to SWMC. The remedies provided in this Section shall not be affected by SWMC taking any of the following actions with or without notice to Broker: (i) liquidation, repayment, retirement, or sale or resale of any Mortgage Loan; (ii) foreclosure of any Mortgage Loan; or (iii) sale or resale of any real or personal property securing any Mortgage Loan.

8. Nonexclusive Agreement

Each party's rights under this Agreement are on a nonexclusive basis, and each party shall be free to contract with other parties for the purposes set forth herein.

9. Independent Contractor

SWMC and Broker are, and shall remain, independent contractors under the terms of this Agreement. The provisions of this Agreement shall not be construed as reserving to Broker any right to bind SWMC, or exercise control or direction of SWMC, its activities, employees, or agents. Neither party to this Agreement shall have authority to

employ any person as an employee or agent of the other party. Except as provided herein, neither party to this Agreement, nor any person performing duties for, or engaging in activities at the request of, either party, shall be deemed to be an employee or agent of the other party unless authorized in writing by SWMC.

10. Review of Broker Operations, Financials, and Credit Report

- a. Review Of Operations. SWMC shall be entitled to audit Broker's operations, practices, policies and procedures, inspect its premises, from time to time during business hours upon reasonable notice, so that SWMC may perform quality control tests. Broker shall fully cooperate with SWMC in such reviews.
- b. Financial Statements. Broker agrees to provide to SWMC at least annually (or more frequently if reasonably required by SWMC) current financial statements consisting of profit and loss statements and balance sheets and any other documents, records or other information reasonably requested by SWMC. "Current" is defined as the most recently completed quarter.
- c. Credit Report. Broker authorizes SWMC to obtain a business credit report with respect to Broker upon Broker's execution of this Agreement and from time to time thereafter as deemed necessary or appropriate by SWMC.

11. Notification of Disciplinary or Other Action

- a. Broker shall immediately notify SWMC in writing of the threat, initiation, pendency, or resolution of any disciplinary, enforcement, or criminal action, lawsuit, administrative proceeding, or similar action, proceeding, or investigation by FHA, VA, Freddie Mac, Fannie Mae, HUD, Ginnie Mae, or any state or federal agency having jurisdiction over real estate, housing, banking, or financial institutions against Broker or any of Broker's affiliated companies, or against any of the directors, officers, employees, or agents of either Broker or any of Broker's affiliated companies.
- b. Broker shall immediately notify SWMC in the event that any director, officer, or loan officer of either Broker or any of Broker's affiliated companies is charged with or convicted of (i) any crime involving dishonesty or fraud; or (ii) of any felony, irrespective of the nature of the crime.
- c. Broker shall immediately notify SWMC in writing of (i) the occurrence of any breach of a representation or warranty or Event of Default as set forth in this Agreement; (ii) any litigation or proceeding affecting Broker, any guarantor or any affiliated person or entity, if adversely determined, could have a material adverse effect on the business, operations, property or financial or other condition of Broker or the ability of Broker to perform its obligations hereunder; (iii) receipt by Broker of notice from any agency concerning revocation, suspension or any other adverse action or potential action relating to any of Broker's licenses to conduct its business; or (iv) any material adverse change in the business, operations, property or financial or other condition of Broker.

12. Power of Attorney

Broker does hereby irrevocably make, constitute and appoint SWMC and any of its properly designated officers, employees, or agents as the true and lawful attorneys of Broker with power to sign the name of Broker on any document or instrument that, in SWMC's reasonable opinion, must be signed in order to effectuate the terms and provisions of this Agreement, including, but not limited to, any assignments, and/or endorsements of loan documents pertaining to any Mortgage Loan Funded by SWMC. This power, being coupled with an interest, is irrevocable until this Agreement is terminated and all of Broker's obligations hereunder have been fully satisfied. At SWMC's request, Broker shall provide an executed power of attorney in the form required by SWMC.

13. Notices

Any notice necessary to be given under the provisions of this Agreement shall be sufficient if in writing and delivered either personally or by mail, first-class postage prepaid or nationally recognized overnight carrier to the address on file in each Party's records relating to the other Party. Notices sent by first class mail shall be deemed received three days following the date when mailed, and notices personally delivered or sent by overnight carrier shall be deemed received on the earlier of actual receipt or two days after sending.

14. Non-Disclosure of Confidential Information

Neither Broker or SWMC shall disclose any Confidential Information of the other party to any person or entity other than with the prior written consent of the other party except (i) to such party's counsel; (ii) as may be strictly necessary for such party to perform its duties under the terms of this Agreement; or (ii) pursuant to a subpoena or order issued by a court of competent jurisdiction or administrative or legislative body. Further, each of Broker and SWMC will comply with all applicable federal state, and local privacy laws, rules, regulations and ordinances including, without limitation, Title V of the Gramm-Leach-Bliley Act and the regulations promulgated hereunder. To the extent that any such privacy laws, rules, regulations or ordinances require additional or modified security, privacy, or confidentiality agreements between SWMC and Broker, each party hereto agrees to execute such additional or modified agreements as requested from time to time by the other party. Broker and SWMC shall notify the other party immediately of any disclosure of Confidential Information in violation of this Agreement.

If Broker or SWMC receives such a subpoena or order requesting it to disclose any Confidential Information, such party shall notify the other party of the subpoena or order as soon as reasonably practicable and reasonably cooperate with the other party in taking steps to resist or narrow the request for Confidential Information or to obtain assurances that the confidentiality of the Confidential Information shall be maintained to the extent feasible.

15. Recording of Telephone Conversations

Broker acknowledges that SWMC and its agents may record telephone conversations between Broker and SWMC by electronic recording equipment, and Broker consents to such recording. This authorization constitutes standing and continuing permission to record all telephone conversations, and SWMC need not give specific notice of the recording of any particular telephone conversation.

16. Specific Performance

The Broker recognizes that SWMC intends to rely on its commitments from the Broker and will without notice to the Broker, make binding commitments in reliance thereon and that actual delivery of the Mortgage Loans under each Commitment is the essence of this Agreement and is mandatory within the delivery period as set forth in the Guides. The Broker acknowledges and agrees that SWMC shall be entitled, therefore, in addition to the remedies set forth in the Guides, to specific performance if the Broker fails to perform any of the Broker's commitments since money damages may not adequately compensate SWMC for its losses and SWMC may be unable to effect cover in order to satisfy its commitments with third parties. Upon the Brokers insolvency, repudiation or failure in SWMC's sole judgment to perform its obligations, SWMC may proceed immediately by its own acts, order or seizure, or such other remedy as may be available at law or equity to take possession of all documents relating to a loan belonging to the Broker which could qualify for submission to SWMC pursuant to the Broker commitments.

17. Privacy Act and Regulations

In the course of performance of services under this Agreement, either party may provide to the other nonpublic personal information (Information) regarding consumers and customers, as these terms are defined by the Gramm-Leach-Bliley Act, Pub. L. 106-102 and the accompanying regulations, 16 CFR 313.1 to 16 CFR 313.18, as amended from time to time (Privacy Act and Regulations). Each party hereunder acknowledges and agrees that it has reviewed, understands, and will abide by all requirements of the Privacy Act and Regulations with respect to the Information shared in the course of its performance under this Agreement.

By way of illustration, and not of limitation, the parties agree to the following: (i) Neither party will disclose the Information it receives to any third party except as authorized by the Privacy Act and Regulations; and (ii) The receiving party will use the Information only to carry out the performance of services as required by this Agreement and not for any other purpose. In no event, will the Information be used for marketing purposes.

Each party shall indemnify and hold the other harmless from and against, and shall reimburse the same with respect to, any and all losses, damages, demands, claims, liabilities, costs, and expenses, including reasonable attorneys fees, (collectively Losses) from any cause whatsoever, incurred by reason of or arising out of or in connection with any breach of any agreement, covenant, representation or warranty contained in this addendum.

18. Termination

This Agreement may be terminated (i) by either party, by giving notice of termination to the other party in writing; or (ii) by SWMC, without prior notice, upon the occurrence of an Event of Default. In the event of termination, this Agreement shall remain in full force and effect with respect to all obligations existing at the time of any such notice, except that SWMC shall have no obligation to Fund any Mortgage Loans that have been submitted to or approved by SWMC, whether or not such Loans have been "locked-in."

19. Right to Offset

SWMC shall have the right to deduct any amounts owed by Broker to SWMC (including unreimbursed Losses) from any amount owed by SWMC to Broker ("Right of Offset"). This Right of Offset may be exercised by SWMC at any time, and from time to time, without prior notice to or demand upon Broker; provided, however, absent an Event of Default, SWMC shall provide Broker with two (2) days notice prior to effectuating a Right to Offset and Broker shall have the right to cure the event giving rise to the Right to Offset within such two day period. The rights to prior notice or demand upon Broker are hereby waived by Broker.

20. Miscellaneous

- a. Applicable Law. This Agreement is deemed to have been made in California, and it shall be interpreted and construed in accordance with, and shall be governed by, the laws of the State of California. Any suit or proceeding shall be brought in the federal or state courts located in Los Angeles County, California, which courts shall have sole and exclusive in persona, subject matter and other jurisdiction in connection with such suit or proceedings, and venue shall be appropriate for all purposes in such courts. Broker expressly waives all defenses based on lack of jurisdiction and inconvenient venue.
- b. Waiver Of Jury Trial. IN THE EVENT OF ANY LITIGATION ARISING FROM THIS AGREEMENT, SWMC AND BROKER HEREBY AGREE TO WAIVE ANY RIGHTS TO A JURY TRIAL.

- c. No Modification. No provision of this Agreement shall be modified except with the prior written consent of SWMC and Broker.
- d. No Assignment By Broker. Neither this Agreement nor any rights hereunder shall be assignable or delegable by Broker without SWMC's prior written consent, which may be withheld in SWMC's sole discretion.
- e. Severability. Should any provision of this Agreement, for any reason, be declared invalid by a court of competent jurisdiction, such declaration shall not affect the validity of the remaining provisions, which shall remain in full force and effect.
- f. Authorized Signatories. Both SWMC and Broker acknowledge that the individuals executing this document, and any other persons designated by these individuals in writing, are fully authorized by SWMC and Broker as the case may be, and by their respective boards of directors to enter into a binding commitment for the submission of Mortgage Loans.
- g. Time Of The Essence. Broker understands and agrees that time is of the essence with respect to each and every provision of this Agreement, in particular, with respect to the Commitments entered into pursuant to this Agreement.
- h. Headings, Joint Preparation. Headings contained on this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. This Agreement shall be deemed to have been drafted jointly by the parties, and any ambiguity in this Agreement shall not be construed against any drafter and shall be construed equally against each party.
- i. Waiver. Neither (i) any failure of a party to exercise any right given to it under this Agreement or to insist on the other party's strict compliance with any obligation of this Agreement nor (ii) any custom or practice of the parties or of the industry that is at variance with the terms of this Agreement shall constitute a waiver of either party's right to demand of the other party exact compliance with the terms and conditions of this Agreement. Waiver, by either party of a particular default by the other party shall not affect or impair the first party's rights with respect to any subsequent default by the other party, whether of the same or of a different nature. Nor should any delay or omission of either party to exercise rights arising from a default of the other party affect or impair the first party's right with respect to that default or any subsequent default.
- j. Entire Agreement. This Agreement, the Guides, Program Guidelines and other documents referenced herein contains the entire agreement of the parties, and any representatives, inducements, promises, or agreements between the parties not contained herein or therein shall have no force and effect.
- k. Attorneys' Fees and Costs and interest on past due amounts. In the event of any controversy, claim or action between the parties, arising from or related to this agreement, the prevailing party will be entitled to receive from the other party its reasonable attorneys' fees and costs. All sums owed or payable to SWMC hereunder that are not paid when due shall bear interest at the rate of one and one half percent (1.5%) per month, or such lower rate as may be the maximum rate permitted under Applicable Law, from the original due date to the date paid in full.
- l. Successors and Assigns. This Agreement is binding upon, and will inure to the benefit of, the parties to this agreement, and their respective successors and/or assigns.

- m. Further Assurances. Broker and any guarantor required by SWMC in its sole and absolute discretion agrees to execute and deliver to the SWMC such reasonable and appropriate additional documents, instruments or agreements as may be necessary or appropriate to effectuate the purposes of this Agreement, including, without limitation, any personal guaranty required by SWMC of Broker's equity holders.
- n. Counterparts, Electronic/Facsimile Signature. This Agreement may be signed in any number of counterparts and by the different parties hereto on separate counterparts, each of which when so executed and delivered shall be an original, but all of which shall collectively constitute one and the same agreement. The Agreement shall be effective with the facsimile or scanned signature of the parties, and such facsimile or scanned signature shall be deemed an original for all purposes.

IN WITNESS WHEREOF, The parties have signed this Mortgage Broker Agreement as of the date and year shown in the first sentence of this Agreement, thereby acknowledging their acceptance of the terms and conditions set forth herein, and of the terms and conditions contained in the Addendum(s) and Exhibits attached hereto.

SUN WEST MORTGAGE COMPANY, INC.

BY: _____

NAME: _____

ITS: _____

[BROKER]

BY: _____

NAME: _____

ITS: _____

**LOAN ORIGINATOR COMPENSATION AND ANTI-STEERING ADDENDUM FOR BROKERED,
CORRESPONDENT ORIGINATED, AND TPO ORIGINATED LOANS**

This Loan Originator Compensation and Anti-Steering Addendum ("Compensation Addendum") is effective as of January 10, 2014.

1. Definitions.

"Compensation" has the meaning set forth in the Compensation Rule. Broker/Correspondent ("B/C") acknowledges and agrees that Compensation includes, without limitation, salaries, commissions and any financial or similar incentive received by a loan originator, and that Compensation does not include bona fide and reasonable fees collected by a party for the payment of actual charges to third parties not affiliated with that party.

"Compensation Rule" means the rules amending Regulation Z regarding loan originator Compensation and anti-steering provisions, which is found at Section 1026.36 of Regulation Z, along with the Commentary thereto, together with such other statutes, rules and regulations imposing similar restrictions or having a similar effect.

"High Cost Mortgage Loan" shall mean a Mortgage Loan classified as (a) a "high cost" loan under the Home Ownership and Equity Protection Act of 1994, or (b) a "high cost," "threshold," "covered," or "predatory" loan (or a similarly classified loan using different terminology) under any other applicable state, federal or local law, regulation or ordinance imposing heightened regulatory scrutiny or additional legal liability for residential mortgage loans having high interest rates, points and/or fees.

Except as provided in this Compensation Addendum, all terms used in this Compensation Addendum that are not otherwise defined shall have the respective meanings ascribed to such terms in that certain Mortgage Broker Agreement dated as of _____ and/or Correspondent Agreement between SWMC and B/C dated as of _____ (collectively, the "Agreement").

2. Scope. The terms and conditions of this Compensation Addendum apply to all Mortgage Loans and Loan Applications received or locked by SWMC on or after the effective date of this Compensation Addendum.

3. Policies & Procedures. As of the latter of the date of the Agreement or April 1, 2011, B/C shall have implemented policies and procedures designed to ensure compliance with all aspects of the Compensation Rule, and any revisions to its policies and procedures shall comply with the Compensation

4. Prohibitions. SWMC will not pay, and B/C shall not receive, any Compensation based on the terms or conditions of a consumer credit transaction, other than as permitted by the Compensation Rule. B/C shall not pay to a loan originator or receive as a loan originator in connection with the same consumer credit transaction, compensation of any kind directly from both the borrower (or any party deemed to be the borrower) and from any other source.

5. Compensation. For each Mortgage Loan or Loan Application, a Broker may select one of two compensation options: lender-paid compensation ("Lender-Paid Compensation") or consumer-paid compensation ("Consumer-Paid Compensation").

6. Ability to Repay Requirements; Qualified Mortgages. Broker agrees that(i) prior to the origination of each Mortgage Loan, B/C will make a reasonable and good faith determination that the applicant has a reasonable ability to repay the Mortgage Loan according to its terms, in accordance with, at a minimum, the eight underwriting factors set forth in Section 1026.43(c) of Regulation Z and, for FHA loans, HUD underwriting standards for "qualified Mortgages" as set forth in 24 C.F.R. §203.19 each Mortgage Loan will be a "Qualified Mortgage" as defined in Section 1026.43(e) of Regulation Z, or, for FHA loans, as defined in 24 C.F.R. §203.19. B/C shall provide to SWMC with respect to each Mortgage Loan such written evidence as SWMC deems necessary to establish its compliance with this paragraph.

7. High Cost Mortgage Loans. B/C shall not deliver to SWMC, and SWMC will not close, any High Cost Mortgage Loans and B/S shall not be entitled to any compensation in respect of any High Cost Mortgage Loan in any circumstance (and any attempt to originate, fund or close such Mortgage Loan shall be deemed to be a material breach of the Agreement).

8. No Steering. B/C is prohibited from directing or "steering" a consumer to consummate a transaction based on the fact that B/C would increase the amount of Compensation that B/C would receive for that transaction compared to other transactions, unless the consummated transaction is in the consumer's interest. B/C shall take all actions required under the Compensation Rule to establish and verify that it is not so directing or steering a consumer.

9. Record Retention. B/C shall retain all documentation, Compensation agreements, and settlement statements on transactions funded by SWMC for a period of not less than three (3) years or such longer period as required by applicable state or other law.

10. Additional Representations, Warranties and Covenants.

B/C represents and warrants that B/C is in compliance, and has policies and procedures in place to ensure compliance, with mortgage loan originator Compensation rules as required by Applicable Law, including but not limited to the Compensation Rule.

As to each Mortgage Loan and Loan Application submitted by B/C to SWMC, B/C represents, warrants and covenants that:

- All Compensation will be paid in accordance with Applicable Law, including, without limitation, the Compensation Rule.
- Compensation to be received by B/C will either be paid by the lender or by the borrower, but not by both. If the lender will pay Compensation to B/C, B/C shall not receive Compensation from the borrower. If B/C will receive Compensation from the borrower, such Compensation shall be disclosed by B/C to SWMC, and B/C will not receive any Compensation from a lender or any other party.

11. Annual Attestation of Compliance. As part of its recertification with SWMC, B/C shall provide SWMC with a written attestation of its compliance with all aspects of the Compensation Rule in the form attached as Exhibit 1.

12. Conditions Precedent to Earn Compensation. In order for B/C to earn Compensation in connection with any Mortgage Loan, all of the following conditions precedent must be satisfied, as determined by SWMC in its sole discretion: (1) B/C and any Third Party Originator ("TPO") must be licensed to originate loans by the state in which the property financed by the Mortgage Loan is located; (2) B/C or Correspondent's TPO must originate the Mortgage Loan; (3) all appraisal fees and field review fees must be collected from the appropriate parties by B/C; (4) B/C and Correspondent's TPO must follow all SWMC procedures for originating the Mortgage Loan and comply with all other SWMC policies and procedures in connection with the Mortgage Loan, and must properly and accurately complete and validate all paperwork in connection with the origination and funding of the Mortgage Loan. All such paperwork must be accurate, true and complete; (5) B/C and Correspondent's TPO must comply with all state, federal, and local laws, rules, and regulations in connection with the Mortgage Loan; (6) the Mortgage Loan must have been funded by SWMC, or, in the case of correspondent originated loans by the correspondent using its own funds or funds from a bona fide warehouse line of credit; (7) there shall be no Early Pre-Payment of the Mortgage Loan, as defined in Section 5h of the Agreement; (8) the Mortgage Loan must not be rescinded or otherwise become unfunded following the funding of the Mortgage Loan; and (9) B/C's Compensation and/or correspondent's TPO's compensation, whether Lender Paid or Consumer Paid (as each such term is defined in Exhibit 2 hereto), is clearly and correctly disclosed to the consumer in compliance with all applicable laws, rules and regulations, and does not vary based upon loan terms other than loan amount. If any of these conditions is not satisfied in connection with a Mortgage Loan, as determined by SWMC in its discretion, B/C will not earn or receive any Compensation in connection with such Mortgage Loan.

13. Third Party Origination ("TPO"). A broker may not offer SWMC any loan that has been originated by anyone other than that broker. A correspondent may offer SWMC TPO loans, subject to SWMC approval. Correspondent hereby warrants to SWMC that a third party originating any loan offered by correspondent to SWMC is in compliance with the Compensation Rule and any other applicable rules and regulations, and that the third party originator was

not compensated, nor will it be compensated, for originating the loan, in a manner that violates the Compensation Rule or any other applicable rule or regulation.

14. Miscellaneous.

- This Compensation Addendum, the Agreement, and all other amendments, addenda, schedules, and exhibits thereto, embody the entire agreement between B/C and SWMC with respect to the matters described therein. In the event of any conflict or inconsistency between the provisions of the Agreement and this Compensation Addendum, the provisions of this Compensation Addendum shall control and govern.
- Except as specifically modified and amended herein, all of the terms, provisions, requirements and specifications contained in the Agreement remain in full force and effect.

Broker/Correspondent: _____

By: _____

Name: _____

Title: _____

EXHIBIT 1 – ATTESTATION AND CERTIFICATION OF COMPLIANCE

Date: _____

_____ (“B/C”) attests, on behalf of itself and its third party originators, that for mortgage loans which have been delivered to Sun West Mortgage Company, Inc. (“SWMC”) for purchase or funding: (1) such mortgage loans are in compliance with all loan originator compensation rules under the federal Truth in Lending Act, including implementing Section 1026.36 of Regulation Z (the “Compensation Rule”), TILA/RESPA Integrated Disclosures Rule as interpreted by the CFPB Official Staff Commentary, including, without limitation, that neither B/C nor any other party has paid compensation to any loan originator in an amount that is based on a term or condition of the Mortgage Loan or a proxy for a term or condition of the mortgage loan (as defined in the Compensation Rule), or received compensation from any person that is based on a term or condition of the Mortgage Loan other than loan amount, (2) no consumer has been steered to a product or program on the basis of increased loan compensation for B/C or any other loan originator; and (3) B/C has complied with the Real Estate Settlement Procedures Act, including Regulation X, and other applicable state and federal law in connection with the origination of each such mortgage loan.

Attached hereto is a true and complete copy of B/C’s loan originator compensation policies and procedures for retail originators.

Broker/Correspondent: _____

By: _____

Name: _____

Title: _____

NMLS Loan Origination Company ID: _____

**EXHIBIT 2 – COMPENSATION PLAN SELECTION FOR WHOLESALE TRANSACTIONS
SUBMITTED TO SWMC**

Sun West is offering two compensation models to B/C who submit loans to SWMC on wholesale basis:

“Consumer Paid” is the option where originator Compensation will be paid to B/C directly by the consumer. When “Consumer Paid” Compensation is selected, B/C may not receive Compensation directly or indirectly from any other person or entity.

“Lender Paid” is based on Compensation negotiated between B/C and SWMC. The negotiated payment will be used for all Mortgage Loans regardless of program type. When “Lender Paid” compensation is selected, B/C may not receive Compensation or fees from the borrower.

B/C may apply either the Consumer Paid or Lender Paid pricing model on a loan level basis per RESPA/ TRID guidelines. Compensation formula may only be adjusted once in every two (2) months. If B/C does not select a compensation plan, then B/C will be deemed to have selected Lender Paid 2.00% and consumer paid compensation plan of 1.00%. Your selection of a compensation level on the following forms will govern the Lender Paid and Consumer Paid compensation for all the mortgage loan products subject to the Compensation Rule and for all the offices in all locations.

B/C Name: _____

Date: _____

COMPENSATION LEVEL SELECTION FORM FOR LENDER PAID

- The Lender Paid compensation level selected will govern the Compensation factor for all the loans submitted to SWMC under lender paid compensation.

You must choose one compensation level below:

COMPENSATION LEVEL	CHECK ONE (1)
0.750%	<input type="checkbox"/>
0.875%	<input type="checkbox"/>
1.000%	<input type="checkbox"/>
1.125%	<input type="checkbox"/>
1.250%	<input type="checkbox"/>
1.375%	<input type="checkbox"/>
1.500%	<input type="checkbox"/>
1.625%	<input type="checkbox"/>
1.750%	<input type="checkbox"/>
1.875%	<input type="checkbox"/>
2.000%	<input type="checkbox"/>
2.125%	<input type="checkbox"/>
2.250%	<input type="checkbox"/>
2.375%	<input type="checkbox"/>
2.500%	<input type="checkbox"/>
2.625%	<input type="checkbox"/>
2.750%	<input type="checkbox"/>

COMPENSATION LEVEL SELECTION FORM FOR CONSUMER PAID

Following key points must be noted before selecting the compensation level for Consumer Paid Compensation Plan:

- The Consumer Paid compensation level selected will govern the Compensation factor for all the loans submitted to SWMC under this compensation.
- A loan may not be accepted by Sun West if the compensation selected below exceeds maximum allowed compensation on a loan type. For example, if you choose a compensation of 1.25%, Sun West will not accept a VA loan as the maximum allowed consumer paid compensation is 1%.

You must choose one compensation level below:

COMPENSATION LEVEL	CHECK ONE (1)
0.750%	<input type="checkbox"/>
0.875%	<input type="checkbox"/>
1.000%	<input type="checkbox"/>
1.125%	<input type="checkbox"/>
1.250%	<input type="checkbox"/>
1.375%	<input type="checkbox"/>
1.500%	<input type="checkbox"/>
1.625%	<input type="checkbox"/>
1.750%	<input type="checkbox"/>
1.875%	<input type="checkbox"/>
2.000%	<input type="checkbox"/>
2.125%	<input type="checkbox"/>
2.250%	<input type="checkbox"/>
2.375%	<input type="checkbox"/>
2.500%	<input type="checkbox"/>
2.625%	<input type="checkbox"/>
2.750%	<input type="checkbox"/>

Minimum/Maximum Dollar Amount Compensation (Optional):

Minimum \$: _____ Maximum \$: _____

Note: Minimum or maximum amount of compensation is subject to compliance with QM points and fees test and any restriction on the compensation by the respective agency.

Zero Loan Fraud Notice

All Broker approved with Sun West Mortgage Company, Inc. must be aware that principal owner(s), the loan officer and all employees of licensed mortgage Broker bear the responsibility for all instances of fraud in loan origination/closing. Brokers are responsible for the content and quality of each application taken and each loan submitted to Sun West Mortgage.

The submission of a loan application containing false information is a crime. Evidence of loan fraud of any type will result in the immediate termination of approval.

Types of Loan Fraud:

- 1) Submission of inaccurate information, including false statements on a loan application and falsification of documents purporting to substantiate credit, employment, deposit and asset information, personal information including identity, ownership / non-ownership of real property, etc.
- 2) Forgery of partially or predominantly accurate information, including forged signatures on any documents in the loan file.
- 3) Incorrect statements regarding current occupancy or intent to maintain minimum continuing occupancy as stated in the security instrument.
- 4) Lack of due diligence by the employee, including failure to obtain all information required by the application and failure to request further Information as dictated by Borrower's response to other questions.
- 5) Unquestioned acceptance of information or documentation, which is known, should be known, or should be suspected to be inaccurate.
- 6) Simultaneous or consecutive processing of multiple owner-occupied loans from one applicant on multiple properties, or from one applicant supplying different information on each application.
- 7) Allowing an applicant or interested third-party to "assist" with the processing of the loan.
- 8) Nondisclosure of relevant information to anyone involved in the loan process (i.e. lender, title Company, etc.).

Consequences to Sun West Mortgage:

The effect of the loan fraud is costly to all parties involved. Sun West Mortgage Company, Inc. stands behind the quality of its loan production. Fraudulent loans cannot be sold into the secondary market and if sold, will require repurchase by Sun West Mortgage Company, Inc. Fraudulent loans damage our reputation with our investors and mortgage insurance providers. The price by those who participate in loan fraud is even more costly. Following are a few of the potential consequences that may be incurred.

Consequences to Broker:

- 1) Criminal Prosecution.
- 2) Loss of broker's License
- 3) Loss of lender access due to exchange of information between lenders, mortgage insurance companies including submission of information to investors (Freddie Mac/Fannie Mae), police agencies, and licensing agencies and Department of Real Estate. state.
- 4) Civil action by our Sun West Mortgage Company, Inc.
- 5) Civil action by applicant / borrower or other parties to the transaction
- 6) Loss of approval status with Sun West Mortgage Company, Inc

Consequences to Borrower:

- 1) Acceleration of debt (FNMA / FHLMC Deed of Trust revised 9/90, item #6 states: "Borrower shall also be in default if Borrower, during the loan application process, gave materially false or inaccurate information of statements to lender (or failed to provide lender with any material information) in connection with the loan evidence by the note including but not limited to representations concerning Borrower's occupancy of the property as a principal residence." NOTE: Foreclosure under this section of the Deed of Trust does not require the Borrower to be in "payment default". As such, the Borrower will not have the benefit of reinstatement. In order to cure the default, the Borrower must pay of the loan in full prior to the sale date of the property.
- 2) Criminal Prosecution.
- 3) Civil action by lender.
- 4) Civil action by other parties to the transaction.
- 5) Employee termination.
- 6) Loss of professional license if any.
- 7) Adverse effect on credit history.

ACKNOWLEDGEMENT

I, _____, CERTIFY THAT I HAVE CAREFULLY READ, FULLY

UNDERSTAND AND WILL ABIDE BY THE CONTENTS IN THIS ZERO LOAN FRAUD AGREEMENT. I UNDERSTAND SUN WEST MORTGAGE COMPANY, INC'S POSITION ON LOAN FRAUD AND UNDERSTAND THE CONSEQUENCES TO ME IF INVOLVED IN LOAN FRAUD IN ANY WAY.

Signature of Authorized Officer, Title

Date

Name

Date: _____

Company: _____

CERTIFIED CORPORATE RESOLUTION

I, _____, of _____
 (Co. Name), a _____ (State) Corporation, do hereby certify that at a meeting of the Board of Directors of the "Corporation", duly called and held at the office of the Corporation at _____ (Address), on the _____ (mm/dd/yyyy), at which a quorum was present and voting, the resolution was unanimously adopted and that said Resolution is now in full force and effect:

"BE IT RESOLVED THAT _____, are authorized to
(Name of person(s) authorized)
 execute the Mortgage Broker Agreement and related Addendums with Sun West Mortgage Company, Inc. dated _____ (mm/dd/yyyy).

"BE IT FURTHER RESOLVED THAT any of those officers of this Corporation as noted below is authorized to make, execute, lock-in commitments, and deliver on behalf of this Corporation as its act and deed any and all loan documents pursuant to GNMA, FHA, and VA guidelines to bind the Corporation in matters involving the sale of mortgage loans (with or without concurrent funding) to Sun West Mortgage Company, Inc. this _____ (mm/dd/yyyy)."

(Affix corporate seal here, if applicable)

_____, President
(Sign)

_____, _____
(Sign) Title

_____, _____
(Sign) Title

DUAL AGENCY COMPLIANCE DISCLOSURE

I, _____ Owner/President of _____ a _____
 (Name) (State)

Corporation hereby certifies that:

1. I/We have beneficial interest in the companies listed below.
2. The borrower is always provided with the relevant affiliated business arrangement and/or dual agency disclosures as required by current federal and state regulations.
3. As per the HUD Handbook 4000.1 Chapter 2-9 the company and its officers are in compliance with HUD's requirements of Companies with Joint Officers.

Company Name	Address	Phone	Company Type (Real Estate, Escrow, etc.)	Relationship

BY: _____

NAME: _____

ITS: _____

APPLICATION CHECKLIST

Please use this checklist to make sure you have included all of the necessary documents.

Note: An incomplete application will delay your approval.

Once you have completed this application, please scan the application & email it with all the supporting documents to broker@swmc.com and mail in the originals to the address mentioned on the welcome page.

Application Form and Agreement	Check
Sun West Broker Application Form	[]
Agreement & Addendums (please sign where required and initial ALL the pages) <ul style="list-style-type: none"> • Mortgage Broker Agreement • Compensation and Anti-Steering Addendum • Zero Loan Fraud Notice 	[]
Executed Corporate Resolution (for all Business Type) (affix seal, if applicable)	[]
Dual Agency Compliance Disclosure	[]
Supporting Documents (Signed by the Principal Officer & on company's letterhead)	
Anti - Money Laundering Policy	[]
Interim Financials - Year to Date	[]
QC Procedures & Guidelines	[]
Details of Employee hiring Procedure and Background Checks	[]
Red Flags Policy	[]
Other Supporting Documents	
Last two years Audited Financial Statements	[]
E&O / Fidelity Insurance / Bond	[]
W-9 Form	[]
Explanation of Default Claim Ratio from FHA Connection	[]
Resume of Principal Officers and Underwriting Staff	[]
Other ()	

Request for Taxpayer Identification Number and Certification

**Give Form to the
requester. Do not
send to the IRS.**

▶ Go to www.irs.gov/FormW9 for instructions and the latest information.

Print or type. See Specific Instructions on page 3.	<p>1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.</p> <hr/> <p>2 Business name/disregarded entity name, if different from above</p> <hr/> <p>3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes.</p> <p><input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate</p> <p><input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____</p> <p>Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.</p> <p><input type="checkbox"/> Other (see instructions) ▶ _____</p>	<p>4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):</p> <p>Exempt payee code (if any) _____</p> <p>Exemption from FATCA reporting code (if any) _____</p> <p><small>(Applies to accounts maintained outside the U.S.)</small></p>
	<p>5 Address (number, street, and apt. or suite no.) See instructions.</p> <hr/> <p>6 City, state, and ZIP code</p> <hr/> <p>7 List account number(s) here (optional)</p>	<p>Requester's name and address (optional)</p> <hr/>

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number											
				-			-				
or											
Employer identification number											
				-							

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here	Signature of U.S. person ▶	Date ▶
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General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/FormW9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting*, later, for further information.

Note: If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States.

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Pub. 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items.

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

Backup Withholding

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 24% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the instructions for Part II for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code*, later, and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships*, earlier.

What is FATCA Reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code*, later, and the Instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account (other than an account maintained by a foreign financial institution (FFI)), list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9. If you are providing Form W-9 to an FFI to document a joint account, each holder of the account that is a U.S. person must provide a Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

Note: ITIN applicant: Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or “doing business as” (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C corporation, or S corporation.** Enter the entity’s name as shown on the entity’s tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a “disregarded entity.” See Regulations section 301.7701-2(c)(2)(iii). Enter the owner’s name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner’s name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity’s name on line 2, “Business name/disregarded entity name.” If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

Line 3

Check the appropriate box on line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box on line 3.

IF the entity/person on line 1 is a(n) . . .	THEN check the box for . . .
• Corporation	Corporation
• Individual • Sole proprietorship, or • Single-member limited liability company (LLC) owned by an individual and disregarded for U.S. federal tax purposes.	Individual/sole proprietor or single-member LLC
• LLC treated as a partnership for U.S. federal tax purposes, • LLC that has filed Form 8832 or 2553 to be taxed as a corporation, or • LLC that is disregarded as an entity separate from its owner but the owner is another LLC that is not disregarded for U.S. federal tax purposes.	Limited liability company and enter the appropriate tax classification. (P= Partnership; C= C corporation; or S= S corporation)
• Partnership	Partnership
• Trust/estate	Trust/estate

Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space on line 4 any code(s) that may apply to you.

Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys’ fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

- 1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)
- 2—The United States or any of its agencies or instrumentalities
- 3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities
- 4—A foreign government or any of its political subdivisions, agencies, or instrumentalities
- 5—A corporation
- 6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession
- 7—A futures commission merchant registered with the Commodity Futures Trading Commission
- 8—A real estate investment trust
- 9—An entity registered at all times during the tax year under the Investment Company Act of 1940
- 10—A common trust fund operated by a bank under section 584(a)
- 11—A financial institution
- 12—A middleman known in the investment community as a nominee or custodian
- 13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt payees 1 through 5 ²
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B—The United States or any of its agencies or instrumentalities

C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a)

J—A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

Note: You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns. If this address differs from the one the requester already has on file, write NEW at the top. If a new address is provided, there is still a chance the old address will be used until the payor changes your address in their records.

Line 6

Enter your city, state, and ZIP code.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN.

If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note: See *What Name and Number To Give the Requester*, later, for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at www.SSA.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/Businesses and clicking on Employer Identification Number (EIN) under Starting a Business. Go to www.irs.gov/Forms to view, download, or print Form W-7 and/or Form SS-4. Or, you can go to www.irs.gov/OrderForms to place an order and have Form W-7 and/or SS-4 mailed to you within 10 business days.

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note: Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, 4, or 5 below indicates otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code*, earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983.

You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983.

You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions.

You must sign the certification. You may cross out item 2 of the certification.

4. Other payments.

You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), ABLE accounts (under section 529A), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions.

You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account) other than an account maintained by an FFI	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Two or more U.S. persons (joint account maintained by an FFI)	Each holder of the account
4. Custodial account of a minor (Uniform Gift to Minors Act)	The minor ²
5. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee ¹
b. So-called trust account that is not a legal or valid trust under state law	The actual owner ¹
6. Sole proprietorship or disregarded entity owned by an individual	The owner ³
7. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The grantor*
For this type of account:	Give name and EIN of:
8. Disregarded entity not owned by an individual	The owner
9. A valid trust, estate, or pension trust	Legal entity ⁴
10. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
11. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
12. Partnership or multi-member LLC	The partnership
13. A broker or registered nominee	The broker or nominee

For this type of account:	Give name and EIN of:
14. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
15. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(i)(B))	The trust

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴ List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships*, earlier.

*Note: The grantor also must provide a Form W-9 to trustee of trust.

Note: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records From Identity Theft

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Pub. 5027, Identity Theft Information for Taxpayers.

Victims of identity theft who are experiencing economic harm or a systemic problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes.

Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at spam@uce.gov or report them at www.ftc.gov/complaint. You can contact the FTC at www.ftc.gov/idtheft or 877-IDTHEFT (877-438-4338). If you have been the victim of identity theft, see www.IdentityTheft.gov and Pub. 5027.

Visit www.irs.gov/IdentityTheft to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.