

Wholesale Compensation Selection Form

In compliance with Regulation Z of the Truth in Lending Act ("Regulation Z"), the undersigned wholesale broker (the "Company") hereby selects the following compensation to apply to all funded loans where the borrower(s) has chosen for Stockton Mortgage Funding to pay the Company's compensation ("Lender-Paid Loans") for the period starting on the _____ day of _____, _____. The Company will have the right to select different compensation on a quarterly basis by completing a Wholesale Compensation Selection Form prior to the first day of each calendar quarter ("Adjustment Date"). If the Company does not submit a new Wholesale Compensation Selection Form, the compensation selections currently in effect will continue to apply.

Any changes to the compensation selections will apply prospectively from the Adjustment Date based upon the earlier of the application (1003) or lock date. For example, if the Adjustment date is April 1st, the new compensation percentage will be applied to any Lender-Paid loan with an application date on or after April 1st, unless the loan is locked prior to that date, in which case the loan must be disclosed using the Company's compensation in effect prior to April 1st.

Compensation Percentage Election

Company selects a fixed _____% of the loan amount as compensation for all Lender-Paid Loans.
Company may select compensation percentages from 0.50% to 2.75% in 0.125% increments.

Your selection may limit the rebate that can be used towards closing costs on certain loans/products. Please also consider the QM 3% Points and Fees Caps, Higher Priced Mortgage Loan thresholds and federal and state high-cost tests when making your selection. All broker compensation, regardless of who pays it, is included in the QM Points and Fees Test. Borrower paid compensation may never be greater than the Lender Paid compensation listed above.

Minimum and Maximum Compensation Elections

In addition to the fixed percentage chosen above, Company;

Elects the following minimum and/or maximum compensation amount(s) for all Lender-Paid Loans:

Minimum Compensation**: \$ _____ Maximum Compensation: \$ _____

***Minimum Compensation selection not to exceed \$3,000. Consider QM, HOEPA and HPML Thresholds when selecting Minimum Compensation.*

Elects not to place a minimum or maximum compensation amount

Attestations and Confirmations

By executing this form, and whenever the Company receives compensation on a loan funded by Stockton Mortgage Funding, the Company represents and warrants that:

- The Company is operating in compliance with Regulation Z, the Broker Agreement and Stockton’s guidelines and written policies regarding Regulation Z, including the Company’s compensation arrangements with employees.
- On each Lender-Paid loan, (1) the payment received from Stockton Mortgage Funding will be the sole source of compensation received by the Company and its affiliates and (2) neither the Company nor any affiliate will charge or collect any additional fees for loan activities from the borrower.

Upon execution, this Wholesale Compensation Selection Form (“Form”) shall become an integral part of the Company’s existing Mortgage Broker Agreement with Stockton Mortgage Funding; as such Mortgage Broker Agreement is amended from time-to-time.

Company Name

Printed Name of Authorized Signer

Signature of Authorized Signer

Title

Date

FHA Sponsorship Request Form

Agent Company Name: _____
FHA ID # (if applicable): _____
Federal Tax ID: _____

Are you currently sponsored by a FHA lender? YES NO

If the answer is yes, please list one of the lenders: _____

Signature of Authorized Signer

Printed Name

Title

Date