



## **Broker Compensation Agreement**

**Broker Name:** \_\_\_\_\_

**Corporate/HQ Address:** \_\_\_\_\_

In compliance with Regulation Z, effective with all Applications on or after April 1, 2011 Brokers will be compensated on a predetermined level for all LPC (Lender Paid Compensated) loans. This Compensation Agreement will remain in effect until further notice by both parties with non-frequent changes allowed. Allied Mortgage Group has the right to change this compensation agreement as further clarification or changes are made by the Federal Reserve or CFPB (Consumer Financial Protection Bureau).

Broker will be furnished daily pricing which includes two daily rate sheets (BPC Rate Sheet and LPC Rate Sheet) or Pricing Engine which will show both BPC and LPC Options.

### **Standard Products\***

- Your LPC Compensation will be \_\_\_\_\_ Basis Points per funded loan (from 50 Bps to 300 Bps with increments of 50 Bps).
- Your Minimum LPC Compensation will be \$ \_\_\_\_\_ per funded loan.
- Your Maximum LPC Compensation will be \$ \_\_\_\_\_ per funded loan.

### **Specialty Products\***

- Your LPC Compensation for Reverse Mortgages and 203K loans will be \_\_\_\_\_ Basis Points per funded loan. (From 50 Bps to 300 Bps with increments of 50 Bps). Currently must be the same Basis Points as the Standard Products due to market conditions. Eventually may allow higher compensation due to the additional time required in the production of these products.
- Your Minimum LPC Compensation will be \$ \_\_\_\_\_ per funded loan.
- Your Maximum LPC Compensation will be \$ \_\_\_\_\_ per funded loan.

**\* Note: Due to State Regulations, if you are approved by Allied and licensed in the follow states your LPC Compensation will be limited to a maximum of 2.75%: Arkansas, Illinois, Indiana, Massachusetts, Tennessee, Vermont, And District of Columbia.**

**\* In the following State(s) your LPC Compensation will limited to a maximum of 2.5%: North Carolina.**

### **Acknowledgement**

Broker acknowledge that:

- Broker Compensation to its Originators complies with all applicable laws, including but not limited to 12 CFR 226.36.
- Broker has not requested compensation based on the loan terms or conditions.
- In an LPC Loan, the Broker and the Loan officer cannot receive any compensation from the borrower.
- Broker nor Loan Officer will not receive any compensation from any other source or Affiliate.
- Broker agrees that every loan in order to comply with anti-steering requirements has/will not steer a borrower into a particular loan to increase Broker or Loan Originator's Compensation and has provided the following 3 options (if available):
  1. The product with lowest interest rate for which the consumer qualifies;
  2. The product with the lowest dollar amount of points and origination fees; and
  3. The product with the lowest interest rate without risky features, such as prepayment penalty, negative amortization, or balloon payment in the first seven years.

**Except as specifically set forth in this agreement, all other terms of Allied's Broker Agreement remain in effect and without change or modification.**

Signature: \_\_\_\_\_ Effective Date: \_\_\_\_\_

*Must be signed by Broker Owner, Corporate Officer, or agent designated to execute this agreement.*