



MLO COMPENSATION POLICY & AGREEMENT

This Mortgage Loan Originator (MLO) Compensation Policy and Agreement (“Agreement”) is presented to and acknowledged by _____ (“Broker”), doing business with GIANT Lending (“GIANT”) as of _____.

WHEREAS, the terms and conditions of this Agreement shall apply to all Covered Transactions; and

WHEREAS, it is understood by Broker that it is the policy of GIANT to comply fully with the Compensation Rule, which means, among other things, that GIANT will not pay Compensation to a MLO based on the terms of a Covered Transaction, or a proxy for a term, nor will GIANT pay Compensation to a Broker if it has received Compensation from the borrower; and

WHEREAS, Broker will be given a plan to execute that will outline the Compensation terms allowable under the terms of this Agreement (the “Compensation Plan,” attached Lender Paid Compensation Election Form);

NOW, THEREFORE, in consideration of the promises and mutual agreement set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Broker agrees as follows:

1. **Scope:** Broker will prepare and submit to GIANT for funding consideration completed loan application packages in connection with Covered Transactions. Nothing in this Agreement will create any obligation on the part of GIANT to accept or approve a loan application package as presented. Broker agrees that all Compensation will be paid only on closed and funded Covered Transactions, and that it will be compensated according to the terms of this Agreement then in effect.
2. **Definitions:**
 - a. **Compensation:** The term “Compensation” shall mean salaries, commissions, and any financial or similar incentive, and includes, but is not limited to, annual or periodic bonuses and awards of merchandise, services, trips, or similar prizes.
 - b. **Compensation Plan:** The Lender paid broker compensation plan that Broker is required to sign, which will be issued and updated on a regular basis.
 - c. **Compensation Rule:** The Final Rule on Mortgage Loan Originator Compensation, as set forth in Regulation Z at 12 CFR § 1026.36 (https://files.consumerfinance.gov/f/201301_cfpb_loan-originator-compensation-rule_summary.pdf).
 - d. **Covered Transaction:** A “Covered Transaction” refers to a closed-end consumer credit transaction secured by a dwelling, including closed-end reverse mortgage transactions.
 - e. **Mortgage Loan Originator (or Loan Originator):** The term “Loan Originator” shall have the meaning set forth in Regulation Z at 12 CFR § 1026.36(a) and shall include, but is not limited to, any person who, in expectation of direct or indirect compensation or other monetary gain, takes an application for a Covered Transaction, or offers, arranges, or assists a consumer in obtaining or applying to obtain a Covered Transaction.
 - f. **Steering:** The term “Steering” shall have the meaning used in Regulation Z at 12 CFR § 1026.36(e) and shall include, but is not limited to, advising, counseling, or otherwise influencing a consumer to accept a particular Covered Transaction.
3. **Representations and Warranties:**
 - a. **Compensation:** Broker represents and warrants it will comply at all times with the Compensation Rule. Without limiting the foregoing, for each loan application package submitted to GIANT for funding consideration, Broker represents and warrants that all Compensation will be paid by one source, in accordance with the Compensation Rule, meaning that Broker will be paid either by the borrower or GIANT. Broker represents and warrants it did not and shall not receive Compensation based on the terms of a Covered Transaction.
 - b. **Steering:** Broker represents and warrants that it did not and shall not steer the borrower to consummate a transaction that was not in the interest of the borrower.
 - c. **Policies and Procedures:** The Broker represents and warrants that it has implemented appropriate written policies and procedures designed to ensure compliance with all aspects of the Compensation Rule and any revisions to the policies and procedures shall be done in compliance with the Compensation Rule. Broker agrees to make its policies and procedures available to GIANT upon request.
4. **Record Retention:** Broker shall retain all documentation including, without limitation, all records sufficient to evidence all compensation it receives from a creditor, a consumer or other person, regarding a Covered Transaction between itself and GIANT for a period of not less than three (3) years after the date of its receipt of Compensation, or longer if required by applicable state law.
5. **Annual Attestation of Compliance:** As part of the recertification process with GIANT, Broker shall provide GIANT with a written attestation of its compliance with all aspects of the Compensation Rule.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed:

Company Name			
Broker of Record Signature	Date	Principal Officer Signature	Date
X		X	
Broker of Record Printed Name		Principal Officer Printed Name	
Broker of Record Title (if Company Title in Addition to Broker)		Principal Officer Title	



**LENDER PAID COMPENSATION
ELECTION FORM**

LOAN ORIGINATOR INFORMATION

Legal Name of Company	Broker of Record
GIANT Lending Account Executive Name	Broker ID Number
	Implementation Term* <input checked="" type="checkbox"/> Month-to-Month

* **The Implementation Term** is effective for one month. Broker is not required to change or reaffirm its compensation level every month. Unless GIANT Lending (“GIANT”) receives written notice of Broker’s selection of a different compensation plan level within the election window, the Compensation Plan with GIANT will automatically renew for the next month. The Lender Paid Compensation Election Form must be returned to GIANT five (5) days before the start of a new term. Please email to GIANT at clients@TheGIANTLending.com

<p>LENDER PAID COMPENSATION DESIGNATION (Select only one.)</p> <p>Please indicate by marking one checkbox. This first box allows choosing in 0.125 increments up to 2.750%.</p> <p> <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 Please Initial Here: _____ </p>	
<p>Flat Fee</p> <p>Flat Fees are eligible on LPC comps not to exceed 2.25% (1.000—2.250%); any comps above 2.250% cannot include a Flat Fee.</p> <p> <input type="checkbox"/> \$500.00 <input type="checkbox"/> \$750.00 </p>	
<p>Minimum Revenue Amount</p> <p>NOTE: Please consider Closed End Seconds when choosing minimum compensation</p> <p>\$</p>	<p>Maximum Revenue Amount</p> <p>\$</p>

CERTIFICATION

Broker or a Broker-designated Authorized Signatory, indicates with his/her signature below that this compensation election request is approved for the Company named above and further certifies that the submitted plan is in compliance with current regulations. At least one signature is required below.

Broker of Record Signature	Date	Authorized Signatory	Date
X		X	
Broker of Record Printed Name		Authorized Signatory Printed Name	
Broker of Record Title (if Company Title in Addition to Broker)		Authorized Signatory Title	