



Flanagan State Bank Application Checklist

- Application (included in this package)
- Agreement/Contract (included in this package)
- Board Resolution (included in this package) (As applicable)
- Audited Financials OR Profit & Loss Statement for the last 2 years (Banks & Credit Unions N/A)
- Resume of Experience on main contact
- Licenses (Broker Only) Current NMLS printout
- Certificate of Surety Bond from provider
- Fidelity Bond Coverage
- E & O Insurance (Broker) D & O Insurance (Bank)
- Limited Liability Coverage
- Copy of Quality Control Procedures
- Breakdown of Compensation Policies

Please email this finished package back to your initial contact and forward the original Agreement to:

Flanagan State Bank
Attn: Robert Anderson
333 Chicago Road, PO Box 302
Paw Paw, IL 61353



MORTGAGE ORIGATION SERVICES AGREEMENT

THIS MORTGAGE ORIGATION SERVICES AGREEMENT (the "Agreement") is entered into between - _____ ("Service Provider") and Flanagan State Bank ("Lender") to be effective this ____ day of _____ 20__.

WHEREAS, Service Provider warrants that it is a duly organized and validly existing entity and that it is in good standing under applicable laws and regulations of the United States of America and the state(s) in which it conducts business; and

WHEREAS, Service Provider has the requisite corporate authority and capacity to enter into this Agreement and that compliance with the terms and conditions of this Agreement will not violate any provisions of Service Provider's charter or bylaws, any instrument relating to the conduct of its business, or any other agreement to which it may be a party; and

WHEREAS, Service Provider develops prospects for mortgage loans and wishes to send to Lender some of its prospects so that Lender can evaluate whether to extend credit to such prospects; and

WHEREAS, Service Provider will promote Lender's loan program, as it deems appropriate, and will provide personnel and space to take applications and forward the same to Lender; and

WHEREAS, Lender will consider extending credit to prospects sent by Service Provider as provided for in this Agreement.

THEREFORE, IT IS HEREBY AGREED between Service Provider and Lender, in consideration of the aforementioned premises and the following mutual obligations and covenants as provided hereinafter, as follows:

1. **Service Provider's Services:** In addition to taking information from the prospect, Service Provider will perform for each prospect and Lender five (5) or more of the listed items:
 - a. ☒ Taking information from the prospect and filling out the application.
 - b. ☐ Analyzing the prospect's income and debt and pre-qualifying the prospect to determine the maximum mortgage that the prospect can afford.
 - c. ☐ Educating the prospect in the home buying and financing process, advising the prospect about the different types of loan products available, and demonstrating how closing costs and monthly payments could vary under each product.
 - d. ☐ Collecting financial information (tax returns, bank statements, etc.) and other related documents that are part of the application process.
 - e. ☐ Initiating / ordering VOEs (verifications of employment) and VODs (verifications of deposits).
 - f. ☐ Initiating / ordering requests for mortgage and other loan verifications.
 - g. ☐ Initiating / ordering appraisals.
 - h. ☐ Initiating / ordering inspections or engineering reports.
 - i. ☐ Providing disclosures (Truth in Lending, Good Faith Estimate, etc.) to prospect.
 - j. ☐ Assisting the prospect in understanding and clearing credit problems.
 - k. ☐ Maintaining regular contact with the prospect, realtors, Lender, between application and closing to apprise them of the status of the application and gather any additional information as needed.

- l. ____ Ordering legal documents.
- m. ____ Determining whether the property is located in a flood zone or ordering such service.
- n. ____ Participating in the loan closing.

2. Lender's Services.

- a. Performing mortgage origination services from Section 1 not performed by Service Provider, and other loan application processing services.
- b. Approving or declining any loan application submitted or modifying the amount or terms requested.
- c. Reviewing said package with reasonable promptness and advising Service Provider of its approval, disapproval or such additional information it needs to make a decision.
- d. Arranging for the closing and funding of the loan, if approved, and the recording of loan documents.
- e. Recording the loan application and action taken on the Home Mortgage Disclosure Act Loan Application Register.

- 3. Compensation.** For services rendered by Service Provider to a prospect and Lender in accordance with Section 1.0, Lender shall pay to Service Provider a fee of 100 bps or max of \$5,000 on each loan for which Service Provider provides services which subsequently closes. Service Provider shall not charge any fee to a prospect or collect any other discount or origination points from a prospect. Lender will not charge a fee that duplicates the Service Provider's fee. Service Provider must comply with all applicable laws and regulations with respect to any fees charged and collected by Service Provider, and Service Provider shall not charge or collect any fee that is not reflected on the loan closing settlement sheet. The parties agree that all compensation paid pursuant to this Agreement is and shall continue to be in relation to the reasonable value of the services actually performed in the relevant marketplace. In the event that Service Provider owes any amount to Lender hereunder or under any other agreement, understanding or arrangement between Service Provider and Lender, then Lender shall have the right, without notice, to deduct any and all of such amounts from amounts that otherwise would be payable hereunder by Lender to Service Provider.
- 4. Term.** This Agreement shall have an indefinite term, which may be terminated by either party, which termination shall be effective upon thirty (30) days' written notice from either party. Upon the fax or delivery of any such termination notice, it is agreed that no new loans or transactions shall be undertaken by the parties working together. However, it is further agreed that all loans or transactions in progress shall be completed, even if the time to do so extends beyond thirty (30) days, unless other arrangements are made to complete the work, to the mutual satisfaction of both parties. In the event Service Provider is in breach of its obligations under this Agreement, Lender may choose not to accept loans which it has not already funded.
- 5. Service Provider's Representations and Warranties.** Service Provider is properly qualified to do business and licensed in all jurisdictions where such qualification and licensing are required, and Service Provider has complied, and at all times relevant to this Agreement shall comply, with all applicable federal, state and local laws and regulations, including, without limitation, ECOA, RESPA, SAFE, and other fair-lending laws and regulations. Each loan application package must be originated in accordance with, and satisfy the requirements of (i) all applicable federal, state and local laws, regulations and rules, (ii) any and all underwriting standards, loan product descriptions, policies, procedures, guidelines, memoranda and other requirements issued by Lender from time to time, and (iii) this Agreement. Pursuant to applicable federal and state law, Service Provider shall fully disclose all Service Provider compensation received for services rendered to a prospect and Lender.

Where required by applicable federal or state law, Service Provider shall provide Lender with a copy of a written agreement signed by the prospect setting forth the terms of the relationship including all services rendered in connection with the loan transaction and all compensation received by the Service Provider as more fully described in Section 3. All forms used and all actions taken by Service Provider shall comply with applicable federal, state and local laws and regulations. Service Provider shall not make any representations to any person as to Lender's actions or intentions without Lender's express written consent. All documents submitted by Service Provider shall be accurate and complete, and all signatures shall be genuine. No fraud has been or shall be committed, nor has any misrepresentation been or shall be made, by any person or entity including, without limitation, Service Provider and the prospect, in connection with the application, execution or submission of any loan application package. All of Service Provider's representations, warranties, and covenants shall be true and correct and deemed made on the date hereof and on each day on which Service Provider sends a prospect to Lender or submits a loan application package through and including the day on which the related loan closes.

6. Additional Requirements.

- a. Concurrent with the delivery of a loan application package to Lender hereunder, Service Provider shall be deemed to have assigned, and hereby does assign, all of its rights, title and interest in and to such loan application package to Lender.
- b. The decision to reject a loan application package or to approve a loan in connection with a loan application package shall be made by Lender in its sole discretion. Service Provider has no authority to, and shall not, make any commitment or agreement on behalf of Lender with any prospect or other third party, or make any representation to any prospect or other third party on behalf of Lender, other than as may be expressly authorized in writing by Lender. Without limiting the foregoing, Service Provider shall not (i) represent to a prospect that Lender will approve a loan application or make any particular determination with respect to a loan application, (ii) represent to a prospect that Lender has made a particular determination with regard to the loan application when Lender has not done so, or make a representation to a prospect that is inconsistent with Lender's determination regarding the loan application, or (iii) represent to a prospect that an interest rate has been locked-in with Lender unless Lender has issued a written lock-in confirmation, or make any representation to a prospect that is inconsistent with any lock-in confirmation issued by Lender.
- c. With respect to any loan made by Lender in connection with a loan application package delivered by Service Provider to Lender hereunder, Service Provider shall not solicit the borrower(s) for a refinance of the mortgage loan within 120 days of origination. Lender will not solicit the borrower for any purpose, including the refinancing of such loan.
- d. At or before execution of this Agreement and within ninety (90) days after the close of each fiscal year during the term of this Agreement, Service Provider shall provide Lender with copies of Service Provider's financial statements. At the time of execution of this Agreement and on each anniversary of the execution date hereof, Service Provider shall deliver to Lender copies of all mortgage origination-related licenses, exemptions, registrations and permits. Lender also may request copies of said licenses at any time during this Agreement. At the time of execution of this Agreement, Service Provider shall deliver to Lender a resolution indicating that the individual(s) executing this Agreement are fully authorized by its managing body to execute and deliver this Agreement on behalf of Service Provider and designating the individuals who are authorized to bind Service Provider for all loan application packages submitted by Service Provider hereunder. Service Provider shall permit Lender and its authorized representatives to examine all books first receiving reasonable notice from Lender, observe Service Provider's facilities and business bureau and other reports and conducting reference checks, and to share information with others about its experiences with Service Provider.

7. **Miscellaneous.** Service Provider is an independent contractor and not an employee of Lender. If Lender determines that Service Provider's application package is incomplete, or if Lender turns down an application package, Lender may, as its option, provide to Service Provider the information necessary for Service Provider

to provide a third-party ECOA adverse action notice to the former prospect. Service Provider shall send such notice in compliance with all applicable laws and regulations. Lender shall have the right to take reasonable steps to ensure Service Provider's compliance with this provision. This Agreement shall be non-exclusive, and Lender may accept prospects from other sources, and Service Provider may send prospects to other lenders. No compensation shall be payable to Service Provider except when Service Provider submits a prospect to Lender for a specific loan and the prospect closes such loan with Lender. Further, no compensation shall be payable to Service Provider in connection with any subsequent refinance of the initial loan. Service Provider shall indemnify, defend and hold Lender harmless from and against any losses, liabilities and claims, including attorneys' fees incurred by or assessed against Lender by reason of Service Provider's breach or alleged breach of any provision of this Agreement. Lender shall have the right to engage legal counsel to represent the interests of Lender if any third party claim falling within the scope of this indemnity is asserted, and Service Provider shall reimburse Lender for all fees and costs of such legal counsel. Service Provider's indemnity obligations shall be fully applicable regardless of whether Lender has underwritten or approved the related loan and regardless of the contents of the loan application package. This indemnity shall survive the term of this Agreement. Lender shall indemnify, defend and hold Service Provider harmless from and against any losses, liabilities and claims, including attorney's fee incurred by or assessed against Service Provider by reason of Lender's breach or alleged breach of any provision of the Agreement. Service Provider shall have the right to engage legal counsel to represent the interests of Service Provider if any third party claim falling within the scope of this indemnity is asserted, and Lender shall reimburse Service Provider for all fees and costs of such legal counsel. This indemnity shall survive the term of this Agreement. The parties agree that this Agreement shall be governed by the laws of the State of Illinois. This Agreement is the entire agreement between the parties and may be modified only in writing signed by the parties.

Service Provider recognizes the time, effort and expense incurred by Lender in the training and education of its employees and agrees, as additional consideration to Lender, that during the term of this Agreement, not to hire any employees of Lender for a period of one (1) year after termination of the respective employee's employment for any employment which provides direct or supervisory duties concerning the application, servicing and sale of mortgage loans. This restriction shall also apply to any entity which Service Provider has an ownership or management interest. If Service Provider wishes to directly employ an employee of Lender, it shall contact Lender, and Lender and Service Provider shall discuss whether acceptable terms can be reached under which Lender will waive its rights under this provision.

8. **Confidentiality.** Service Provider acknowledges that certain items and types of confidential and proprietary information (collectively, the "Proprietary Information"), including without limitation this Agreement, the pricing terms, the trade and service marks of Lender, the forms, disclosures and other documents provided to Service Provider in connection with this Agreement, and all non-public personal information of each prospect, are owned and controlled by Lender and constitute valuable assets and trade secrets of Lender. Service Provider shall not sell, lease, assign, license, utilize, distribute, publish or duplicate all or any part of the Proprietary Information, whether received in writing or orally, without obtaining Lender's prior written consent. Service Provider agrees not to disclose any part of the Proprietary Information to any person or entity except to directors, officers and employees of Service Provider who are required to have knowledge of such information in the course of Service Provider's exercise of its rights and obligations under this Agreement. Service Provider agrees to cooperate with Lender in enforcing the provisions of this section against any unauthorized use or disclosure of the Proprietary Information by present or former directors, officers or employees of Service Provider or by others. Upon termination of this Agreement for any reason, Service Provider agrees promptly to return to Lender all of the Proprietary Information provided to Service Provider, to refrain from disclosing any of the Proprietary Information to any persons, and to take all necessary steps to discontinue immediately its use of the Proprietary Information. Service Provider agrees to comply with the privacy and safeguarding requirements of the federal Gramm-Leach-Bliley Act (15 USC § 6801 *et seq.*) and all other applicable regulations and guidelines with regard to information that is subject to such act, regulations and guidelines. The obligations of Service Provider under this section shall survive the termination of this Agreement.
9. **Notices.** All notices required or given with regard to the provisions of this Agreement shall be in writing and faxed or delivered to the parties hereto at the following addresses by hand delivery, overnight courier or certified mail return receipt requested.

Title:
Name:
Company:
Address:
Address:
Phone:

Flanagan State Bank
333 Chicago Road
PO Box 302
Paw Paw, IL 61353

10. **Binding Effect.** The provisions of this Agreement shall be binding upon and inure to the benefit of Service Provider and Lender and their respective successors and assigns.
11. **Complete Agreement.** This instrument represents the complete agreement of the parties hereto as to the matters addressed herein. Neither party has been influenced to enter into this Agreement in reliance upon any statements or representations, oral or written, by either party, or by any other person or entity not otherwise expressly set forth herein.

Service Provider, Inc.

By: _____ Date: _____

Its: *President*

Flanagan State Bank

By: _____ Date: _____

Robert Anderson

Its: *Senior Vice President*

LIMITED POWER OF ATTORNEY

Know all persons that be these presents, that the undersigned does make and constitute and appoint the Flanagan State Bank, its true and lawful attorney for it and in its name, place and stead, for its use and benefit, to execute, acknowledge, deliver and, as applicable, record escrow instructions, deeds, leases, assignments of leases, covenants, agreements and assignments of agreements, mortgages and assignments of mortgages, conveyances in trust, to secure indebtedness and other obligations, and assign the beneficial interest hereunder, subordinations of liens or encumbrances, bills of lading, receipts, evidences of debt, releases bonds, notes, bills, and requests to reconvey deeds of trust, partial or full judgements, satisfactions or mortgages, and other debts, and other written instruments of whatever kind and nature, all upon terms and conditions as said attorney shall approve; provided, however, that Flanagan State Bank shall act hereunder solely within its authority under, and in furtherance of purpose of, that certain Loan Purchase Agreement and that certain Processing Agreement, both dated_____.

SELLER

BY:_____

ITS:_____

SIGNATURE:_____

FLANAGAN STATE BANK

BY:_____

ITS:_____

SIGNATURE:_____

WHOLESALE/CORRESPONDENT APPLICATION

Account Executive: _____

CLIENT INFORMATION

Full Business Name:		NMLS ID	
Address:			
City:	State:	Zip:	
Phone Number:	Fax:		
Primary Contact(s):	Email:		
Type of Ownership: <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> LLC			
Agency Approval: <input type="checkbox"/> FNMA <input type="checkbox"/> FHLMC <input type="checkbox"/> FHA # <input type="checkbox"/> VA #			
Tax ID Number:			
Date of Incorporation:		Fiscal Year End:	
HUD Approved: YES or NO			
HUD Approved in which state(s):			
Warehouse Lender:		Line of Credit S	
Number/Location of Branch(es):			
States Where Licenses to Do Business:			
PARENT COMPANY (IF APPLICABLE)			
Company Name:			
Address:			
City/State/Zip:			
Company's Primary Business:			

PRINCIPAL OWNERS/OFFICERS					
Name	Title	% Ownership	Years	Date of Birth	SSN*
<i>*Financial Institutions please note that DOB and SSN are not required. SSN are used to obtain a business MARI report. We do not pull credit.</i>					

PRODUCT VOLUME			
Year	FHA/VA	Conventional Conforming	Conventional Non-Conforming
Past Year 20_____	\$:		
	# Units:		
Past Year 20_____	\$:		
	# Units:		
REFERENCES			
Wholesale Lender		Contact	Telephone
<input type="checkbox"/> YES <input type="checkbox"/> NO	Has your Company ever been denied an application to do business with any Investor and/or MI company?		
<input type="checkbox"/> YES <input type="checkbox"/> NO	Has your Company ever been suspended or terminated by any Investor and/or MI Company?		
<input type="checkbox"/> YES <input type="checkbox"/> NO	Has any officer of your Company been involved in a lawsuit pertaining to the obligation, sale or servicing of mortgage loans in the last five years?		
<input type="checkbox"/> YES <input type="checkbox"/> NO	Has any officer or employee of your Company ever been listed on any agency exclusionary list?		
<input type="checkbox"/> YES <input type="checkbox"/> NO	Does your Company have an affiliated relationship with any settlement service, such as title company, reality business, etc.?		
Please list the name(s) of all Settlement Agents, such as title company, realty business; that typically perform your closings.			
If you answered YES to any of the above questions, please explain. Attach a separate sheet if necessary.			



Seller/Broker/Correspondent Agreement

This Seller/Broker / Wholesale/ Correspondent Agreement ("this Agreement") is made this ____ day of _____, 20____ between _____, with a principal place of business at _____ ("Seller/Broker") and Flanagan State Bank, an Illinois state banking association with a principal place of business at 301 W. Falcon Hwy, Flanagan, IL, 61740 ("Buyer/Lender").

Whereas, Seller/Broker is an institution engaged in the business of making loans to individual borrowers (each obligation and all documents evidencing, securing, and in any way related to the origination of such obligation is hereinafter referred to as a "Loan" and collectively as "Loans") and evidencing and securing the repayment of these obligations with promissory notes (each a "Note") and deeds of trust, mortgages, or other security instruments (each a "Mortgage") upon improved real estate ("the Mortgage Property"); and

Whereas, Seller/Broker wishes to originate certain loans for Buyer/ Lender to fund in accordance with the provisions of this Agreement.

Now, therefore, in consideration of the mutual promises, covenants, and undertakings provided hereinafter, Seller/Broker and Buyer/Lender agree as follows:

SECTION 1. FUNDING OF MORTGAGE LOANS

Subject to the terms of this Agreement, Seller/Broker shall sell to Buyer/Lender and Buyer/Lender shall fund Loans originated by Seller/Broker pursuant to the terms and conditions of Buyer/Lender's residential lending requirements. Seller/Broker shall comply with all loan registration, approval, closing, and delivery procedures required by Buyer/ Lender.

SECTION 2. REGISTRATION OF LOANS

Each application for a Loan shall be registered with Buyer/Lender prior to its submission for funding in accordance with Buyer/Lender's required procedures.

SECTION 3. INTEREST AND LOAN TERM

The rate of interest and term for each Loan shall be established by Buyer/Lender or anticipated at the time of registration or thereafter pursuant to Buyer/Lender's requirements.



SECTION 4. LOAN APPROVAL

Each application for a Loan to be submitted for funding by Seller/Broker must have been approved by Buyer/Lender prior to the funding date in accordance with Buyer/Lender's required procedures. It is understood by Seller/Broker and Buyer/Lender that the Loan approval rights of Buyer/Lender run between Seller/Broker and Buyer/Lender, and Seller/Broker shall not represent to any party that Seller/Broker is the agent of Buyer/Lender for any purpose, and in particular for Loan approval purposes.

SECTION 5. BEST EFFORTS DELIVERY

Seller/Broker shall use its best efforts to close and deliver on each Loan that has a commitment or rate lock. If a Loan with a commitment or rate lock closes, Seller/Broker must deliver the Loan. If Seller/Broker does not deliver a closed Loan upon which Buyer/Lender has issued a commitment or rate lock, Buyer/Lender may require Seller/Broker to pay any and all losses, expenses, and damages incurred by Buyer/Lender as a result of non-delivery of the Loan under the terms committed in the rate lock.

SECTION 6. PURCHASE PRICE AND FEES

The premium price for each Loan shall be determined by the daily pricing sheet. Fees shall be determined by Buyer/Lender and may be re-established from time to time.

SECTION 7. RELEASE OF SERVICING

Each Loan shall be funded by Buyer/Lender on a "servicing released" basis, meaning that Seller/Broker shall release, transfer, and assign in a form and manner acceptable to Buyer/Lender all of Seller/Broker's rights, title, and interest in and to the Loan, including without limitation any right to provide mortgage servicing in connection therewith. Seller/Broker shall provide notice to borrowers of the transfer of a Loan in form and manner acceptable to Buyer/Lender and in compliance with all applicable regulations.

SECTION 8. GENERAL WARRANTIES AND REPRESENTATIONS BY SELLER/BROKER

To induce Buyer/Lender to enter into this Agreement, Seller/Broker represents and warrants to Buyer/Lender, at the time of execution of this Agreement and at the time of delivery of each Loan, as follows:

1. Seller/Broker is a corporation or organization duly organized, validly existing, and in good standing under the laws of the state in which it is incorporated and has all licenses necessary to carry on its business as now being conducted, and is licensed, qualified, and in good standing in the state where the Mortgage Property is located. If the state laws of such state require licensing or qualifications for the conduct of business of the type conducted by it, Seller/Broker has the



corporate power and authority to execute, deliver, and perform this Agreement (including all instruments of transfer to be delivered pursuant to this Agreement) and the consummation of the transactions contemplated hereby have been duly and validly authorized. This Agreement evidences the valid, binding, and enforceable obligations of Seller/Broker.

2. No approval of the transactions contemplated by this Agreement from any regulatory authority having jurisdiction over Seller/Broker or any other person is required or, if required, such approval has been or will be obtained.
3. The transfers, assignments, and conveyances herein are not subject to the bulk transfer or any similar statutory provisions in effect in any applicable jurisdiction. The consummation of the transactions contemplated by this Agreement are in the ordinary course of Seller/Broker's business and will not conflict with or constitute a default under any obligation, agreement, indenture, or loan or credit agreement or other instrument to which Seller/Broker is subject.
4. There are no actions, suits, or proceedings pending or, to the best of Seller/Broker's knowledge, threatened against Seller/Broker in any court or before any administrative agency, the adverse outcome of which would have any material effect on Seller/Broker's financial condition or Seller/Broker's title to the Loans.
5. Seller/Broker shall immediately notify Buyer/Lender of any substantial change in the management or ownership of Seller/Broker. Seller/Broker shall immediately notify Buyer/Lender of any substantial change in Seller/Broker's financial condition.
6. Seller/Broker has never been disqualified, excluded, or suspended from being able to originate loans intended to be guaranteed or insured by HUD, the VA, or any other governmental agency.
7. Seller/Broker has not in connection with this Agreement entered into any agreement, incurred any obligation, made any commitment, or taken any action that might result in a claim for or an obligation to pay a sales or origination commission, finder's fee, or similar fee or compensation with respect to this Agreement or the transactions contemplated hereby.
8. Seller/Broker shall cooperate with Buyer/Lender in furnishing of documents and information as requested from time to time by Buyer/Lender and shall comply with all procedures established by Buyer/Lender for closing Loans pursuant to this Agreement.
9. All Loans submitted to Buyer/Lender by Seller/Broker conform to all applicable requirements of this Agreement. Each Loan was originated, registered, approved, and delivered to Buyer/Lender in accordance with the procedures set forth in this Agreement.



10. Seller/Broker is the sole originator of each Loan, and Seller/Broker has the authority to sell, transfer, and assign such Loan on the terms herein set forth. Seller/Broker has not assigned, sold, or pledged any Loan and, as of the date of funding by Buyer/Lender, the Loan will be free and clear of claims or encumbrances of any type.
11. A title insurance commitment and title insurance policy on currently prescribed American Land Title Association forms or such other form approved in writing by Buyer/Lender and acceptable to Fannie Mae or Freddie Mac will be furnished to Buyer/Lender and will insure Buyer/Lender and its successors and/or assigns, without exception, as holding the first lien against the Mortgage Property for the full amount of the Loan.
12. There is in force for each Loan a hazard insurance policy meeting Buyer/Lender's requirements. There is in force such flood insurance policy as is required under the Flood Disaster Protection Act of 1973, as amended, and its implementing regulations. Seller/Broker shall make Buyer/Lender the loss payee on each title policy, mortgage insurance policy, hazard insurance policy, and flood insurance policy.
13. Seller/Broker has complied with all applicable federal and state laws and regulations related to the making of each Loan, including but not limited to: (i) the Federal Truth in Lending Act of 1969 ("TILA") and Federal Reserve Regulation Z hereunder; (ii) the Federal Equal Credit Opportunity Act ("EOCA") and Federal Reserve Regulation B hereunder, (iii) the Federal Fair Credit Reporting Act; (iv) the Federal Real Estate Settlement Procedures Act of 1974 ("RESPA") and Regulation X hereunder, (v) the Flood Disaster Protection Act of 1973, (vi) the Fair Housing Act, (vii) the Home Mortgage Disclosure Act, (viii) the Financial Institutions Reform Recovery and Enforcement Act of 1989, (ix) any and all licensing requirements relating to Seller/Broker's rights to originate and sell the Loans, (x) the requirements of any agency that regulates Seller/Broker, (xi) any and all laws, rules, ordinances, and regulations relating to adjustable rate mortgages, negative amortization, and graduated payment mortgages. Seller/Broker shall maintain in its possession, available for inspection by Buyer/Lender, evidence of compliance with all such requirements.
14. Seller/Broker understands Buyer/Lender intends to sell the Loans to investors in the secondary market. Seller/Broker represents, covenants, and warrants that in submitting Loans to Buyer/Lender it is in full compliance with all pertinent requirements of Fannie Mae, Freddie Mac, FHA, and VA. In the event that a Loan is returned to Buyer/Lender because of an investor's unwillingness to purchase the Loan because of non-compliance with disclosures, loan estimate or other regulation under RESPA, TRID or future changes not yet noted, Buyer/Lender will require Seller/Broker to repurchase the Loan within 10 days of being notified by Buyer/Lender. Buyer/Lender reserves the right to retain servicing on any Loans funded by Buyer/Lender.



15. Seller/Broker has no knowledge of any circumstances or conditions with respect to the Mortgage, the Mortgage Property, the mortgagor, or the mortgagor's credit standing that can be reasonably expected to cause private institutional investors to regard the Mortgage as an unacceptable investment, cause the Loan to become delinquent, or adversely affect the value or marketability of the Loan.
16. All Loan documents prepared by Seller/Broker are genuine, accurate, and complete and meet the requirements and specifications established by Fannie Mae and Freddie Mac and product descriptions and underwriting guidelines listed in the Desktop and Loan Prospector underwriting guides. Buyer/Lender will prepare Initial/Early Disclosures based on the information provided by Seller/Broker, but only when instructed to do so by the submission of an Initial Disclosure form by Seller/Broker. Seller/Broker is responsible for ensuring that all figures in disclosures prepared by Buyer/Lender are correct and that all forms are signed in a timely manner to meet RESPA and TRID guidelines for disclosure. Buyer/Lender will prepare re-disclosures only if Buyer/Lender prepared the Initial Disclosures or if the Loan is for a brokered file that will be closed in Buyer/Lender's name. Seller/Broker is responsible for the content contained in the re-disclosure and must supply a Change of Circumstance form when terms of the Loan change. When a Loan is locked with Buyer/Lender or extended, Buyer/Lender will complete the re-disclosure with an email notification from Seller/Broker to confirm the file has been locked or extended. Beyond basic rate locks and extensions, any changes directed by Seller/Broker when Seller/Broker is a correspondent and when Buyer/Lender is preparing the re-disclosure must have a Change of Circumstance form submitted. Brokered files will be prepared in the same manner. Any changes other than rate lock or rate extension will require a Change of Circumstance form to be submitted. Correspondents will be responsible for the delivery of the re-disclosures and signatures, as needed. If any investor or agency does not find a disclosure to be acceptable, Buyer/Lender will notify Seller/Broker of the discrepancy and ask for resolution to the problem presented.
17. Seller/Broker warrants that total points and revenue fees, including any yield spread premium paid by Buyer/Lender, shall be less than or equal to 3% of the Loan amount. Fees for bona fide loan services that are passed through a non-affiliated third party may be excluded from this 3% limitation. Buyer/Lender shall not be required to fund any Loan that, in Buyer/Lender's sole discretion, has exceeded this 3% limitation.
18. Seller/Broker shall be responsible for the information used to register a Loan, which information is used to lock and price the Loan. If the information is entered incorrectly or not updated to recent information, as it is known, then the pricing could be erroneous and cause inaccurate rate quotes. Buyer/Lender is not responsible for errors in the registration screen. If Seller/Broker is working through Buyer/Lender's Assisted Correspondent Team, the submission form will identify the information that is needed for an accurate registration. If information changes and



the Assisted Correspondent Team is not notified of the changes, Seller/Broker shall be responsible for any rate changes that occur. Buyer/Lender shall assist Seller/Broker with registration of the Loan only if Seller/Broker has an Assisted Correspondent Level 1 relationship with Buyer/Lender. Seller/Broker must lock Loans using the Lock Screen function. All extensions are to be completed using the Lock Extension screen. Any expired locks must email the lock desk for assistance with extensions. Buyer/Lender encourages the use of Mortgagebot to lock all Loans. The Assisted Correspondent Team is available for assistance and will re-disclose upon receiving an email from Seller/Broker that a Loan has been locked, if Seller/Broker notifies Buyer/Lender by email in a timely manner.

19. Seller/Broker warrants that each Loan funded by Buyer/Lender is not a "high cost loan" or "predatory loan" as defined by the Home Ownership and Equity Protection Act of 1994, specifically Section 32 of Regulation A, or any other state law or municipal ordinance.
20. Seller/Broker shall be responsible for 1098 reporting and origination or discount points to the Internal Revenue Service for Loans originated by Seller/Broker under the terms of this Agreement.
21. Each of the above representations and warranties (i) applies to all Loans funded by Buyer/Lender, (ii) is for the benefit of Buyer/Lender and its successors and/or assigns, (iii) continues in full force and effect for so long as the Loan remains outstanding and for such time that Buyer/Lender is subject to any risk of loss or liability as to any Loan funded for Seller/Broker, and (iv) is in addition to any other specific representations and warranties contained elsewhere herein.

SECTION 9. INDEMNIFICATION

Seller/Broker agrees to indemnify, save, and hold harmless Buyer/Lender from all losses, expenses, damages, liabilities, causes of action, and costs, including attorney's fees, reasonably incurred by Buyer/Lender in connection with or as a result of (i) the failure of any instrument evidencing or securing any Loan to constitute a valid and binding obligation, (ii) the breach of any warranty, obligation, or provision contained in this Agreement, or (iii) any claim asserted under applicable deceptive trade practices and consumer protection acts based on the acts or conduct of Seller/Broker.

SECTION 10. DELIVERY

For Brokered Loans:

- (A) Buyer/Lender will fund all Loans from Seller/Broker on the disbursement date. Seller/Broker represents, covenants, and warrants that all Loans shall be closed by a title agency or settlement attorney. No officer, employee, or agent of Seller/Broker shall close any Loan funded by Buyer/Lender. Funds shall be sent



by Buyer/Lender directly to the title agency or settlement attorney for disbursement

- (B) Buyer/Lender will agree to release funds for a closing only if (i) Seller/Broker has been issued a commitment indicating final approval of the loan application by Buyer/Lender, and (ii) the Loan has a valid lock-in with Buyer/Lender that has not expired.
- (C) Buyer/Lender will review closing packages for completeness and notify Seller/Broker of any deficiencies. If the Loan is in unsalable condition, Seller/Broker must rectify deficiencies within five business days. If deficiencies are not rectified within this time, Buyer/Lender reserves the right to pass on market losses to Seller/Broker or require that Seller/Broker repurchase the loan. Other fees and market costs to Seller/Broker will be negotiated on a case-by-case basis, but will in no instance be less than \$100.

For Correspondent Loans:

- (A) Loans will be purchased from the Correspondent Seller/Broker.
- (B) All Loans will close in the name of Seller/Broker. Funding will be completed by Seller/Broker.
- (C) All products available for Correspondent will include VA, Conventional, and USDA.
- (D) Seller/Broker will identify if it will prepare closing documents or if Buyer/Lender will prepare those documents.
- (E) Closed Loan packages will be delivered via electronic delivery or USPS within 5 days of the closing.
- (F) Seller/Broker shall within five business days of the closing, deliver to Seller/Broker the original note, the original allonge, and the original of any bailee letter.

SECTION 11. REPURCHASE OF LOANS

If any representation or warranty made by Seller/Broker in this Agreement proves to have been untrue or inaccurate in any material respect when made or if Seller/Broker breaches any provision of this Agreement that causes a Loan to be unsalable, Buyer/Lender at its option may (i) require Seller/Broker to repurchase the Loan from Buyer/Lender in the amount of principal balance of the Loan at date of repurchase, plus any accrued and unpaid interest, late charges, and any costs incurred by Buyer/Lender to affect said repurchase, including without limitation, all of Buyer/Lender's collection costs, court costs, and attorney's fees; further including, without limitation, all such costs and fees incurred as a result of Buyer/Lender's participation in any proceeding involving Seller/Broker under the Federal Bankruptcy Code, or (ii) offer Seller/Broker an opportunity to negotiate an administrative fee for the costs associated with foreclosure proceedings and losses accrued by Buyer/Lender in association with the default of a Loan.

Early Payoff All Buyer/Lender Products: If any Loan sold to Buyer/Lender is paid in full within 120 days of the disbursement date, Seller/Broker shall refund and return the full premium paid to Seller/Broker by



Buyer/Lender.

Early Payment Default: If a borrower fails to make the first monthly payment within 30 days after such payment was due in the first 120 days, Buyer/Lender reserves the right to require Seller/Broker to repay to Buyer/Lender the premium that Buyer/Lender paid to Seller/Broker for the Loan, plus an administrative fee of \$2,500.

SECTION 12. FINANCIAL STATEMENTS AND CORPORATE RESOLUTIONS

Seller/Broker shall provide Buyer/Lender with Seller/Broker's most recently audited annual financial statement as soon as it is available but not later than 90 days after fiscal year-end. In addition, Seller/Broker shall provide immediately upon request other financial reports and information reasonably requested by Buyer/Lender from time to time. If requested by Buyer/Lender, Seller/Broker shall provide any applicable certificates of good standing in the jurisdiction where Seller/Broker is located or does business and a certificate of resolution authorizing and designating representatives or officers of Seller/Broker to transact the business contemplated by this Agreement with Buyer/Lender.

SECTION 13. INDEPENDENT CONTRACTORS

This Agreement shall not be deemed to constitute the parties hereto as partners or joint ventures, nor shall either party be deemed to designate the other party as its agent. Buyer/Lender does not assume any liability or incur any obligations of Seller/Broker by the execution of this Agreement. It is the intention of the parties that no part of the consideration to be paid for any Loan shall be considered a fee paid for the goodwill of Seller/Broker.

SECTION 14. SURVIVAL OF AGREEMENTS

All representations and warranties of Seller/Broker herein and all covenants and agreements herein shall continue and shall survive the closing and delivery of any Loan and the termination of this Agreement.

SECTION 15. SUCCESSORS AND ASSIGNS

All covenants and agreements herein contained by or on behalf of Seller/Broker shall bind its successors and permitted assigns and shall inure to the benefit of Buyer/Lender and its successors and assigns. Seller/Broker shall not assign its rights or obligations under this Agreement without Buyer/Lender's prior written consent, which Buyer/Lender may withhold in its sole discretion.



SECTION 16. WAIVERS/CUMULATIVE RIGHTS

No course or dealing on the part of either party, its officers, or employees, nor any failure or delay by either party with respect to exercising any right, power, or privilege under this Agreement shall operate as a waiver thereof. The parties hereto shall be entitled to all rights and remedies, which shall be cumulative, and the exercise or partial exercise of any such right or remedy shall not preclude the exercise of any other right or remedy.

SECTION 17. TERMINATION WITHOUT CAUSE

This Agreement may be terminated at any time by either party after 30 days' written notice to the other party. However, any such termination shall have no effect on previously registered Loans, as long as such previously registered Loans continue to meet the requirements of this Agreement and as long as Seller/Broker does not have an outstanding repurchase obligation under this Agreement. Buyer/Lender's election to terminate this Agreement under this Section shall not impair or terminate Buyer/Lender's rights or Seller/Broker's obligations under the Loan repurchase provisions of this Agreement.

SECTION 18. TERMINATION FOR CAUSE

If Seller/Broker has breached any term of this Agreement, including a default of its repurchase obligations under Section 11 of this Agreement, Buyer/Lender shall have the option of notifying Seller/Broker of such breach or default and providing Seller/Broker with a reasonable time, not to exceed ten days, to cure such breach or default. If Seller/Broker fails to cure such breach or default within the time set forth in Buyer/Lender's notification, Buyer/Lender shall have the option to immediately terminate this Agreement upon notification to Seller/Broker. Termination under this Section shall release Buyer/Lender from any and all obligations to purchase Loans, including Loans registered prior to the effective date of the termination. Buyer/Lender's election to terminate this Agreement under this Section shall not impair or terminate Buyer/Lender's rights or Seller/Broker's obligations under the Loan repurchase provisions of this Agreement.

SECTION 19. SEVERABILITY AND CONSTRUCTION

If for any reason a portion of this Agreement is found to be illegal and unlawful under applicable law, that portion of this Agreement will be deleted from the Agreement with the remainder of the Agreement remaining in effect. This Agreement is a contract made under and shall be construed in accordance with and governed by the laws of the State of Illinois.



SECTION 20. NOTICES

BUYER/LENDER: **Flanagan State Bank**
 301 W Falcon Hwy
 Flanagan, IL 61740
 Att: TPO Department

SELLER/BROKER: _____

All notices, requests, and communications hereunder shall be in writing and sent by registered or certified mail to the appropriate address set forth above. Either party may, by proper written notice to the other party, change the address to which notices shall be sent.

SECTION 21. LOCATION OF MORTGAGE OF PROPERTY

The Loans shall be secured by property in the state where Seller/Broker is licensed.

SECTION 22. MODIFICATION OF AGREEMENT

This Agreement may be modified by written agreement only.

SECTION 23. CUSTOMER COMPLAINTS

In the situation that a complaint is received by Buyer/Lender regarding Seller/Broker, Buyer/Lender will hold to this policy:

- 1) Seller/Broker will be notified of the nature of the complaint and by whom it was made. The notification shall be made in writing to the owner/manager of the company.
- 2) Seller/Broker shall be responsible for addressing the complaint within a 24 - 48 hour time period.
- 3) Seller/Broker will respond to Buyer/Lender, in writing, with the details of the resolution of the complaint within 48 - 72 hours of the original notification



In Witness whereof, the parties have signed this Agreement as of the day and date first above written, thereby acknowledging their acceptance of the terms and conditions set forth herein.

Seller/Broker _____

By: _____

Its: _____

Flanagan State Bank:

By: _____
Robert Anderson, Senior Vice President

LLC MEMBER RESOLUTION

RESOLUTION OF THE MEMBERS

RESOLVED FIRST, that

NAME OF MEMBER	SIGNATURE OF MEMBER	TITLE OF MEMBER
NAME OF MEMBER	SIGNATURE OF MEMBER	TITLE OF MEMBER
NAME OF MEMBER	SIGNATURE OF MEMBER	TITLE OF MEMBER
NAME OF MEMBER	SIGNATURE OF MEMBER	TITLE OF MEMBER

Of this LLC, or any one or more of them or their duly elected or appointed successors in office, be and each of them is hereby authorized and empowered in the name of and on the behalf of this LLC and from time to time while these resolutions are in effect, to execute any and all agreements, contracts, assignments, endorsement and issuance of checks or drafts, reports, mortgage documents, and other papers in connection with documents, and furnish any information required or deemed necessary or proper by Flanagan State Bank, in connection with and of the foregoing.

CERTIFICATION

I HEREBY CERTIFY that the foregoing is a true and correct copy of a resolution presented to and adopted by the Members of _____ at the meeting duly called and held at _____ on the _____ day of _____ 20____, at which a quorum was present and voted, and such resolution is duly recorded in the minute book of this LLC; and are the present incumbents of the respective offices set after their respective names.

SECRETARY

LLC MANAGER RESOLUTION

RESOLUTION OF THE MANAGERS

RESOLVED FIRST, that

NAME OF MANAGER	SIGNATURE OF MANAGER	TITLE OF MANAGER
NAME OF MANAGER	SIGNATURE OF MANAGER	TITLE OF MANAGER
NAME OF MANAGER	SIGNATURE OF MANAGER	TITLE OF MANAGER
NAME OF MANAGER	SIGNATURE OF MANAGER	TITLE OF MANAGER

Of this LLC, or any one or more of them or their duly elected or appointed successors in office, be and each of them is hereby authorized and empowered in the name of and on the behalf of this LLC and from time to time while these resolutions are in effect, to execute any and all agreements, contracts, assignments, endorsement and issuance of checks or drafts, reports, mortgage documents, and other papers in connection with documents, and furnish any information required or deemed necessary or proper by Flanagan State Bank, in connection with and of the foregoing.

CERTIFICATION

I HEREBY CERTIFY that the foregoing is a true and correct copy of a resolution presented to and adopted by the Managers of _____ at the meeting duly called and held at _____ on the _____ day of _____ 20____, at which a quorum was present and voted, and such resolution is duly recorded in the minute book of this LLC; and are the present incumbents of the respective offices set after their respective names.

SECRETARY

Resolution / Certification of Authorization

RESOLUTION OF BOARD OF DIRECTORS and CERTIFICATION OF AUTHORIZED SIGNATURES of

RESOLVED FIRST, that

NAME OF OFFICER	SIGNATURE OF OFFICER	TITLE OF OFFICER
NAME OF OFFICER	SIGNATURE OF OFFICER	TITLE OF OFFICER
NAME OF OFFICER	SIGNATURE OF OFFICER	TITLE OF OFFICER
NAME OF OFFICER	SIGNATURE OF OFFICER	TITLE OF OFFICER

Of this corporation, or any one or more of them or their duly elected or appointed successors in office, be and each of them is hereby authorized and empowered in the name of and on the behalf of this corporation and from time to time while these resolutions are in effect, to execute any and all agreements, contracts, assignments, endorsement and issuance of checks or drafts, reports, mortgage documents, and other papers in connection with documents, and furnish any information required or deemed necessary or proper by Flanagan State Bank, in connection with and of the foregoing.

CERTIFICATION

I HEREBY CERTIFY that the foregoing is a true and correct copy of a resolution presented to and adopted by the Board of Directors of _____ at the meeting duly called and held at _____ on the _____ day of _____ 20____, at which a quorum was present and voted, and such resolution is duly recorded in the minute book of this corporation; and are the present incumbents of the respective offices set after their respective names.

SECRETARY

CONFIDENTIALITY AGREEMENT

This Confidentiality Agreement is made this _____ day of _____, 20____, by and between _____ and each of its divisions and/or affiliates ("Originator") and Flanagan State Bank ("Lender"). The Originator and Lender hereby agree as follows:

The Lender agrees that all disclosures embodying business affairs and activities, including but not limited to the identification of customers and suppliers, financial information pertaining to the Originator or its customers, business plans and all documents and things related to the Originator's business and activities (hereinafter referred to collectively as "Confidential Information") are and remain the sole and exclusive property of the Originator.

The Lender agrees that all disclosures embodying and/or relating to any computer software, systems and related documentation (hereinafter referred to collectively as "Proprietary Information") are the proprietary property of the Originator either by the way of ownership or license agreements with third parties, and that said Proprietary Information is not publicly known or available from other sources and is presently being maintained and disclosed by the Originator in the strictest of confidence.

The Lender agrees that it will not, without the Originator's express written consent, disclose or use any Confidential or Proprietary Information at any time either prior, during, or subsequent to the engagement and rendering of the Services, regardless of whether or not Lender participated in the design and development thereof. The Lender agrees that it will not copy, duplicate or permit anyone else to copy or duplicate, either in whole or in part, and documentation, storage media such as tapes and disks or other things relating to Confidential or Proprietary Information. Upon termination of Lender's services for the Originator for any reason, any copies and/or originals of material containing Confidential or Proprietary Information shall be immediately returned, subject to the Originator's direction.

The Lender agrees that any unauthorized disclosure by Lender, Lender's Staff and/or its agents and employees, of any Confidential or Proprietary Information shall cause irreparable injury to the Originator and that, therefore, the Originator shall be entitled to injunctive relief in addition to any other remedies that may be available at law or in equity, in the event Lender breaches any of its duties and/or obligation under this Agreement. The Lender further agrees to pay all of the Originator's attorney's fees and related costs arising out of any breach of this Agreement. The Originator further agrees to pay all the Lender's attorney's fees and related costs arising out of any breach of this Agreement.

This Confidentiality Agreement may not be modified, amended, or waived in any manner except in writing, executed by both parties. Failure of the Originator or the Lender to enforce rights hereunder shall not be a deemed waiver. Should any provision(s) be ruled invalid by applicable legal authority, such provisions shall be deemed omitted and the remaining terms of the Agreement remain in full force and effect. This Agreement shall be governed by and construed in accordance of the Laws of the State of Illinois.

ORIGINATOR

By: _____

(Signature)

Name: _____

(Printed)

Title: _____

Date: _____

FLANAGAN STATE BANK

By: _____

(Signature)

Name: _____

(Printed)

Title: _____

Date: _____



MORTGAGE LOAN ORIGINATOR COMPENSATION RULES CERTIFICATION AND ANNUAL ATTESTATION

I certify that _____ (company name) has implemented written policies and procedures to ensure compliance with all aspects of the rules regarding compensation for mortgage loan originators adopted by the Federal Reserve Board on August 16, 2010. I also certify that we will ensure that any subsequent revisions to the policies and procedures will be in compliance with the rules.

In addition, I agree to attest on an annual basis that we have complied with all aspects of the Federal Reserve Board rules. Any adverse, negative or irregular findings from audits or examinations that indicate our noncompliance with any provision of the Federal Reserve Board's rules must be promptly provided to Flanagan State Bank unless prohibited by law.

Lender Paid Option: Please note that this page only applies to brokered loans. It will not apply to any loans that are completed as a Correspondent loan. This will only apply to the Lender Paid Compensation following the most current rules and guidelines.

Flat Fee Option: This option is not available through FSB.

Please select ONE of the following:

100 Basis Points

150 Basis Points

175 Basis Points

200 Basis Points

225 Basis Points

250 Basis Points

275 Basis Points

****Please Note:** for any Lender Paid Compensation that is 2.25 or higher, FSB will require the broker to use the Underwriting Fee Waiver Adjustment to "buy out" the Underwriting Fee using the rate to allow the loan to pass the QM Points and Fees test. This will be an automatic assumption and our Lock Desk will reject loans that do not complete the locks to include this adjustment.

Please click check mark or mark box to acknowledge this information and confirm compliance with the Underwriting Fee Waiver Adjustment "buy out".

By: _____

Print Name: _____

Title: _____ Company NMLS ID: _____

Date: _____



App +5 Client Set Up Form

Please complete this form in full. This form can be completed by the App+5 Account with designated boxes to be completed by the Account Executive.

Name of Bank: _____ Main Contact: _____

FSB Assigned LO: _____ AE: _____

How many branches does the App+5 Bank have? _____ How many Loan Officers? _____

Loan Officers needing access to Mortgagebot:

Name	Loan Officer/Processor/Manager?	NMLS ID	Email Address

Where will the check from the loan closing be mailed to: _____

To the attention of: _____ Email: _____

Will the App+5 Accounts retain all contact with borrowers? ☐ Yes ☐ No ☐ Maybe, need more information

FSB prefers using E-sign documents for the borrowers. If a borrower does not have an email address, is the App+5 Loan Officer able and willing to complete the doc signing with the borrower(s)?

☐ Yes ☐ No ☐ Maybe, need more information

Will the App+5 Account enter in the loan information into our Mortgagebot system or will the Loan Officer email the application and available credit? ☐ Yes ☐ No ☐ Maybe, need more information

What date/time for training would you prefer? Please provide 3 options:

- 1) _____
- 2) _____
- 3) _____



APP+5 Checklist and Contract

Notice to Prospective Borrower(s): Read this contract carefully so that you make an informed choice. You are entitled to a copy of this contract. Signing this contract does not obligate you to obtain a mortgage loan, nor does it constitute mortgage loan approval.

The Bank you are working with has a working relationship with Flanagan State Bank Mortgage Department. They will be working together to complete your mortgage loan. Per the current laws regulating mortgages, each company must complete a certain amount of work on your loan to earn the fees that are charged. The compensation charged will be competitive to what you would normally be charged in your area. The benefit to you is the ability to offer you more loan options for financing your mortgage.

This contract outlines the fees charged by _____ (originating bank) and the services they provide to earn the compensation being charged.

This contract is between:

Name(s) of borrower(s): _____
And _____ Originating
Company located at _____.

The Lender, _____, will be authorized by the origination company to work directly with the borrower(s) to complete the loan once the initial steps have been completed by Originating Company. The Lender has authorized the above listed Originating Company to engage the above listed borrower and advise them on various loan products available to them through the Lender.

What Services must be performed by the Originating Company for them to be compensated? The Originating Company must perform counseling, education and consulting type of services. They must take the application and complete 5 additional items in the checklist below to satisfy the regulations allowing for the compensation shown in this contract to be paid to them.

1. ☒ Application (FCRM 1003) completed in detail (required)
2. _____ Educate prospective borrowers on the home buying process
3. _____ Educate prospective borrowers on different financing options
4. _____ Complete Initial disclosures with borrower(s) (provided by Lender)
5. _____ Collect income documentation, assets and basic documents from borrower
6. _____ Request Appraisal
7. _____ Request title commitment
8. _____ Attend Closing
9. _____ Analyze the borrower's income and debt
10. _____ Ordering verifications of employment and deposit
11. _____ Order mortgage and loan verifications
12. _____ Order inspections or engineering reports
13. _____ Counsel borrower on credit problems
14. _____ Request flood certificate



APP+5 Checklist and Contract

Who do I represent?

I/We represent you. We are your agent and owe you a fiduciary duty. I owe all others a duty of fair and honest dealing. I will strive to insure you get the best loan terms possible that meet your loan objectives. I will receive a fee for my services to you through the mortgage loan from the lender (Flanagan State Bank).

What will I be paid and how the fees may work:

The Lender, Flanagan State Bank, may charge an origination fee to you. The Origination section of the Loan Estimate may include an origination fee, discount points or underwriting fee payable to Flanagan State Bank. In turn, this allows the Originating Lender to receive an origination fee not to exceed 1.00%. This fee is payable to the Originating Lender from Flanagan State Bank. No other fees may be charged by the Originating Lender and therefore there will not be any duplication of fees. The fees charged must be reasonable based on the services provided and consistent to meet Equal Credit Opportunity Act regulations.

For arranging your loan of up to \$_____ at an interest rate of _____%** and term of _____ years on a _____ (fixed/adjustable)

My total compensation will be (1.00% or \$_____)

Contract Terms:

The financing request has started as either: ☐ Prequalification ☐ OR ☐ Application (Circle one).

Prequalification Date: _____

Originating Company – Loan Officer Signature & Date

Date _____

Borrower(s) Signature & Date:

Date _____

Date _____

Sample
Document
Only



APP+5 Checklist and Contract

Application Date: _____

Property Address: _____

Please Note: A normal application has 5 components.

1. Taking the loan application and signing the initial disclosure with the borrower
2. Processing it
3. Underwriting it
4. Closing it
5. Funding the mortgage

By signing this portion of the form, you are acknowledging the agreement that you will complete step 1 plus 5 other tasks in the loan to earn the fee due to your organization. If any of these 5 items are not completed, this contract will be null and void.

Flanagan State Bank will be the final originator of this transaction. The borrower(s) will be working directly with Flanagan State Bank and their staff to complete the loan process. You will be able to maintain contact with the borrower in an advisory role and not an originating role.

Originating Company – Loan Officer Signature & Date

Date _____

Flanagan State Bank Representative Signature & Date

Date _____

By signing below, the Originating Company further certifies that the information in this contract is accurate and complies with all provisions of the Real Estate Settlement Procedures Act and the Truth In Lending Reg Z.

Originating Company – Loan Officer Signature & Date

Date _____

You agree to the terms of this contract.

Borrower(s) Signature & Date:

Date _____

Date _____