

RESIDENTIAL MORTGAGE BROKER APPROVAL PACKAGE

Thank you for your interest in becoming an approved Mid-Continent Funding, Inc. (“MCFI”) Broker Partner. At MCFI, we are committed to providing the highest level of service and the most competitive pricing to our approved Brokers. We strive to make the approval process as swift and straightforward as possible. Once your approval is complete, you will enjoy the following benefits:

- FHA Sponsorship to originate Home Equity Conversion Mortgages;
- Competitive rates on a wide array of Reverse Mortgage products;
- Knowledgeable and responsive Account Executives;
- Dedicated support contact for scenario questions, loan inquiries and escalations;
- 24/7 access to the most up-to-date information on your loan files;
- Exceptionally fast turn-times on new underwriting submissions and condition review;
- Dedicated team of underwriters to promote consistency in underwriting on each loan file;
- Quick closings through our preferred title providers, including in home notary services.

Please use the following checklist to expedite your application and ensure it is complete. MCFI’s Broker Approval Team will review your submission and will generally provide a response within 48 hours of receipt. Please email brokerapp@reversemortgages.com, fax (888) 371-0466, or call (888) 926-2347 with any questions.

- Residential Mortgage Broker Application**
- Residential Mortgage Broker Agreement**
- Residential Mortgage Broker Compensation and Anti-Steering Addendum**
- Loan Origination Service Subordinated Use Agreement**
- Authorization for Verification of Credit and Business References**
- Company Resolution**
- W9 Form**
- Loan Fraud Zero Tolerance Policy**
- Anti-Money Laundering and Bank Secrecy Act Certification of Compliance**
- Marketing and Advertising Certification of Compliance**
- NRMLA Code of Ethics and Professional Responsibility Acknowledgement**
- Quality Control Plan**
- Red Flags Plan**
- Resumes for each owner/officer and key staff member**
- Previous 2 Years Financial Statements including the most recent balance sheet and income statement dated within 90 days. Note: Unaudited financial statements must be signed by an officer/owner of the company.**
- Company Formation Documents (including any DBA or Fictitious Names, as applicable)**

RESIDENTIAL MORTGAGE BROKER APPLICATION

All sections must be completed.

Company Legal Name: _____

Please list any DBAs: _____

Main Office Address: (Should match NMLS. All correspondence will be directed to this address unless otherwise instructed.)

Street

City State Zip

Primary Contact Name: _____

Phone Number: _____ Email: _____

Secondary Contact Name: _____

Phone Number: _____ Email: _____

State of Incorporation or Organization: _____ EIN: _____

Date Company Formed/Incorporated: _____ NMLS ID: _____

Type of Business:

<input type="checkbox"/> Corporation	<input type="checkbox"/> LLC	<input type="checkbox"/> Sole Proprietor	<input type="checkbox"/> Partnership
<input type="checkbox"/> Other:			

Main Office FHA ID (if applicable):			
Do you have branch offices?	YES <input type="checkbox"/>	NO <input type="checkbox"/>	

If Yes, please list the address and FHA ID for each branch office (attach separate sheet, if necessary).

State Licenses

Please indicate all states in which the organization is licensed and able to originate mortgage loans.

<input type="checkbox"/> AL	<input type="checkbox"/> AK	<input type="checkbox"/> AR	<input type="checkbox"/> AZ	<input type="checkbox"/> CA	<input type="checkbox"/> CO	<input type="checkbox"/> CT	<input type="checkbox"/> DC	<input type="checkbox"/> DE	<input type="checkbox"/> FL
<input type="checkbox"/> GA	<input type="checkbox"/> HI	<input type="checkbox"/> IA	<input type="checkbox"/> ID	<input type="checkbox"/> IL	<input type="checkbox"/> IN	<input type="checkbox"/> KS	<input type="checkbox"/> KY	<input type="checkbox"/> LA	<input type="checkbox"/> MA
<input type="checkbox"/> MD	<input type="checkbox"/> ME	<input type="checkbox"/> MI	<input type="checkbox"/> MN	<input type="checkbox"/> MO	<input type="checkbox"/> MS	<input type="checkbox"/> MT	<input type="checkbox"/> NC	<input type="checkbox"/> ND	<input type="checkbox"/> NE
<input type="checkbox"/> NH	<input type="checkbox"/> NJ	<input type="checkbox"/> NM	<input type="checkbox"/> NV	<input type="checkbox"/> NY	<input type="checkbox"/> OH	<input type="checkbox"/> OK	<input type="checkbox"/> OR	<input type="checkbox"/> PA	<input type="checkbox"/> RI
<input type="checkbox"/> SC	<input type="checkbox"/> SD	<input type="checkbox"/> TN	<input type="checkbox"/> TX	<input type="checkbox"/> UT	<input type="checkbox"/> VA	<input type="checkbox"/> VT	<input type="checkbox"/> WA	<input type="checkbox"/> WI	<input type="checkbox"/> WV
<input type="checkbox"/> WY									

Owners/Officers

Please list owners of 10% or more and officers. (Attach additional sheets as needed)

Name:		
Title:	Percentage of Ownership:	
Address:		
City:	State:	Zip:
Name:		
Title:	Percentage of Ownership:	
Address:		
City:	State:	Zip:
Name:		
Title:	Percentage of Ownership:	
Address:		
City:	State:	Zip:
Name:		
Title:	Percentage of Ownership:	
Address:		
City:	State:	Zip:

Mortgage Loan Originators

Please list the name, email address, NMLS ID, and sponsoring branch of each MLO who will be originating loans for your company.
(Attach additional page as needed)

MLO Name	Email Address	NMLS ID	Sponsoring Branch

Disclosure Questions

Please answer the following questions and attach a separate page to provide any additional information requested.

Does the company have procedures in place to ensure compliance with privacy laws/regulation requirements related to maintaining security, confidentiality, and protection of customer data?	YES <input type="checkbox"/>	NO <input type="checkbox"/>
Does the company have a documented complaint management program that requires all complaints to be logged and promptly responded to?	YES <input type="checkbox"/>	NO <input type="checkbox"/>
Are policies and procedures reviewed and tested at least annually?	YES <input type="checkbox"/>	NO <input type="checkbox"/>
Does the company have a training program for all employees that includes all relevant policies and procedures, including compliance and ethics?	YES <input type="checkbox"/>	NO <input type="checkbox"/>
Are background checks performed on all employees prior to hire?	YES <input type="checkbox"/>	NO <input type="checkbox"/>
Has the company done business under a DBA or any other name in the last 10 years?	YES <input type="checkbox"/>	NO <input type="checkbox"/>
Has the company ever been suspended from submitting loans to a lender? If yes, please attach a detailed explanation.	YES <input type="checkbox"/>	NO <input type="checkbox"/>
Has the company or any of its owners, officers, senior management, directors, or partners ever had a state license or agency approval revoked, suspended or been subject to some other disciplinary action? If yes, please attach a detailed explanation.	YES <input type="checkbox"/>	NO <input type="checkbox"/>
Has the company or any of its owners, officers, senior management, directors, or partners ever been the subject of a regulatory action? If yes, please attach a detailed explanation.	YES <input type="checkbox"/>	NO <input type="checkbox"/>
Is the company or any of its owners, officers, senior management, directors, or partners the subject of any pending litigation? If yes, please attach a detailed explanation.	YES <input type="checkbox"/>	NO <input type="checkbox"/>
Has the company or any of its owners, officers, senior management, directors, or partners ever been convicted, named or otherwise involved in a civil or criminal proceeding related to real estate, the mortgage industry or a charge of moral turpitude (e.g. misrepresentation, fraud, forgery, embezzlement, theft, etc.)? If yes, please attach a detailed explanation.	YES <input type="checkbox"/>	NO <input type="checkbox"/>
Has the company or any of its owners, officers, senior management, directors, or partners filed for protection from creditors under any provision of the bankruptcy laws within the past seven years If yes, please attach a detailed explanation.	YES <input type="checkbox"/>	NO <input type="checkbox"/>
Have there been any adverse changes to the company's financial condition that would impair its ability to continue operating or meet existing debt obligations? If yes, please attach a detailed explanation.	YES <input type="checkbox"/>	NO <input type="checkbox"/>

Certifications

I, _____, do hereby certify the following:

- The information contained herein and in any corresponding attachments is true and complete to the best of my knowledge.
- Mid-Continent Funding, Inc. is hereby authorized to verify information from any source disclosed herein or in the corresponding attachments.
- The owners and officers listed herein consent to periodic background checks, including but not limited to criminal history and credit reports.
- Mid-Continent Funding, Inc. is authorized to request financial information including audited or current unaudited financial statements as deemed necessary.
- I attest that I am duly authorized to sign on behalf of the organization applying herein.

Signature of Authorized Signer

Date

Printed Name

Title

RESIDENTIAL MORTGAGE BROKER AGREEMENT

This Residential Mortgage Broker Agreement (“Agreement”) is made and entered into this _____ day of _____, 20____, by and between Mid-Continent Funding, Inc. (“MCFI”), a Missouri Corporation, and _____ (“Broker”).

WHEREAS, Broker is duly licensed and approved to broker one-to-four family mortgage loans and desires to deliver loan application packages for such loans to MCFI.

WHEREAS, MCFI desires to accept certain loan applications for one-to-four family mortgage loans from Broker and when approved, close and fund those loans, upon and subject to the terms and conditions of this agreement.

NOW, THEREFORE, in consideration of the mutual promises and agreements set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto mutually warrant, covenant and agree as follows:

- 1. Delivery of Loan Packages.** Broker agrees to deliver to MCFI loan applications for one-to-four family mortgage loans taken by Broker, together with all related materials required pursuant to the terms and conditions of this Agreement (the “Loan Packages”). Upon delivery of a Loan Package to, and its acceptance by MCFI hereunder, Broker shall be deemed to have assigned, and hereby does assign, all of its rights, title and interests in and to such Loan Package to MCFI.
- 2. Contents of Loan Packages.** Loan Packages shall contain the documents and other materials specified in this Agreement and including without limitation those documents listed in Exhibit A, attached hereto.
- 3. Standards of Loan Packages and Status.** In order for a Loan Package delivered to MCFI to qualify for acceptance by MCFI hereunder, the Loan Package must be originated in accordance with and satisfy all requirements of, (1) all applicable federal, state and local laws, ordinances, regulations, rules and requirements, (2) any and all loan processing standards, loan product descriptions, loan program requirements, policies, procedures, guidelines, memoranda, other requirements issued by MCFI from time to time, and all amendments thereto (collectively, the “Guidelines”), and (3) this Agreement. The decision to reject or approve a loan in connection with a Loan Package shall be made by MCFI in its sole discretion. The rejection of Loan Packages will be communicated by MCFI to Broker, and Broker shall notify applicant in compliance with applicable law. Upon acceptance of a Loan Package, MCFI will underwrite the Loan Package. All loans originated in connection with Loan Packages, delivered hereunder, will be made in the name of MCFI. Broker shall immediately notify MCFI upon learning that or having reason to believe that: (a) any information contained in a Loan Package previously delivered to MCFI is not true or correct; or (b) any government agency that has granted Broker a license, registration exemption or other approval or permission necessary for Broker to legally perform the responsibilities disclosed herein has taken adverse action or made any adverse findings regarding the Broker or its owners, directors, officers, partners or employees. Broker shall also notify MCFI of any changes in ownership, senior management or financial condition of Broker.

4. **Guidelines.** The Guidelines are incorporated herein by reference, and made a part hereof in all respects. In its sole discretion, MCFI reserves the right to revise the Guidelines at any time, and MCFI will notify the Broker of all such revisions. The provisions of the Guidelines that are in effect at the time Broker takes a loan application to be delivered to MCFI pursuant to this Agreement shall apply to such Loan Package notwithstanding any subsequent revisions or revisions to the Guidelines. Any revisions to the Guidelines will be effective immediately in the event that an effective date is not separately specified. By executing this Agreement, Broker acknowledges that it has been provided with a copy of the Guidelines.

5. **Responsibilities of Parties.**
 - a. **Broker Responsibilities.** During the term of this Agreement and for all Loan Packages submitted to MCFI for approval, in addition to all other obligations and responsibilities contained herein and in the Guidelines, Broker shall perform those loan origination-related services identified in Exhibit B, attached hereto. In connection with each Loan Package, Broker must enter into a written disclosure and agreement with the applicant wherein the Broker shall disclose the Broker's fees, if any, the terms of the loan, and anything else as required by applicable law.

 - b. **MCFI Responsibilities.** During the term of this Agreement, MCFI will accept mortgage loans from Broker, underwrite mortgage loans, and close and fund mortgage loans that MCFI determines in its sole discretion to be acceptable. Mortgage loans will be closed in the name of MCFI.

6. **Broker Compensation.** In consideration for the services performed by Broker hereunder, MCFI will pay a fee to Broker, as agreed upon by both parties. MCFI shall pay this fee to Broker only in connection with Loan Packages submitted by Broker that result in loans that are closed and funded by MCFI hereunder. Broker shall not be paid an origination fee or any other form of compensation by the Applicant in connection with any closed end credit mortgage loan. All fees paid to Broker by MCFI shall represent the fair market value for services in the marketplace in which such services are rendered. All compensation paid in connection with a Loan Package shall be in accordance with the loan originator compensation provisions of Regulation Z and the federal Truth-in-Lending Act.

7. **Pricing Terms.** MCFI may regularly notify Broker of MCFI's pricing terms ("Pricing Terms") applicable to Loan Packages that Broker delivers to MCFI hereunder. Broker acknowledges and agrees that such Pricing Terms are subject to change at any time without advance notice. Pricing Terms with MCFI shall be in accordance with the procedures and conditions set forth in the Guidelines. MCFI shall have no obligation to honor Pricing Terms in the event Broker fails to comply with all the procedures contained in the Guidelines or any conditions of the Pricing Terms.

8. **Non-Exclusive Relationship.** The relationship set forth in this agreement, between MCFI and Broker is non-exclusive. Broker acknowledges that MCFI may have previously entered into and may in the future enter into similar relationships with other brokers. As an independent contractor, Broker shall not represent itself to be an agent, employee, partner, or any representative of MCFI.

9. **Non-Solicitation.** Regarding any loan made by MCFI resulting from a Loan Package delivered to MCFI by Broker, hereunder, Broker shall not at any time solicit the related borrower(s) for any purpose, including refinancing of the loan made.

10. **Examinations and Financial Statements.** At the time of execution of this agreement and any time MCFI reasonably requests, Broker shall deliver copies of Broker's financial statements, all mortgage banking and brokering related licenses, exemptions, registrations, and permits. Broker shall delivery to MCFI a corporate resolution, indicating that the individual executing this Agreement is authorized to do so on behalf of Broker and designating the individuals who are authorized to bind Broker for all Loan Packages submitted by Broker hereunder. Broker shall permit MCFI to examine all books and records pertaining to Loan Packages delivered to MCFI upon receiving reasonable notice of MCFI's intention to do so. In addition, within ninety (90) days of the close of its fiscal year, Broker shall provide MCFI with copies of Broker's financial statements.

11. **Confidential and Proprietary Information.** From time to time in connection with this Agreement, Broker may be provided with certain confidential and proprietary information including but not limited to this Agreement, the Guidelines, the Pricing Terms, price sheets, all forms and disclosures, and trademarks of MCFI. Broker agrees not to distribute, sell, lease, assign, utilize, publish, duplicate or disclose to any person or entity except owners, officers, and employees required to have access to such information all or any part of the confidential and proprietary information. Broker agrees to cooperate with MCFI to enforce the provision of this section to protect against any unauthorized use of the confidential and proprietary information. Broker agrees to return all confidential and proprietary information to MCFI and discontinue its use immediately upon termination of this Agreement. From time to time in connection with this Agreement, MCFI may be provided with certain confidential and proprietary information of Broker. MCFI agrees not to distribute, sell, lease, assign, utilize, publish, duplicate or disclose to any person or entity except owners, officers, and employees required to have access to such information all or any part of the confidential and proprietary information. The obligations of MCFI and Broker under this section 11 shall survive the termination of this Agreement.

12. **Representation and Warranties of Broker.** Broker makes the following representations and warranties to MCFI as follows, which shall be deemed made as of the date of this Agreement, the date of submission of each Loan Package and each and every date thereafter during the terms of this Agreement.
 - a. Broker is and will continue to be duly organized, validly existing and in good standing under the laws of its jurisdiction of organization and has all licenses, permits and registrations necessary to carry on its business as now being conducted and the activity contemplated by this Agreement. Broker is and will remain familiar and in compliance with all federal, state and local laws to the extent necessary to perform all activities conducted hereunder and ensure the enforceability of the related loans.

 - b. All loan originators and other applicable employee of Broker who are required to be licensed or registered as a loan originator under applicable law is and will continue to be duly licensed or registered (as applicable) in good standing under the laws of each applicable state and, with such license or registration, is authorized to engage in loan origination services on behalf of Broker hereunder. Broker does not currently employ, and did not employ at the time of preparation of any of the Loan Packages, anyone

whose name appears on the most recently published Freddie Mac Exclusionary List, or the most recent list which may be published from time to time by any investor or agency which shows individuals or companies that are excluded, debarred, suspended, limited or otherwise restricted from doing business with that investor or agency, or HUD, or otherwise in the mortgage industry.

- c. Broker has the full power, authority, and legal right to enter into and perform its obligations under this Agreement and neither the execution and delivery of this Agreement, the consummation of the transactions contemplated herein, nor the fulfillment of compliance with the terms and conditions of this Agreement will conflict with or result in any breach of any term of Broker's articles of incorporation, articles of organization, charter, by-laws, partnership agreement, other organizational document or any other legal restriction to which Broker is a party or by which Broker is bound.
- d. Broker has duly authorized the execution, delivery and performance of this Agreement, and this Agreement constitutes a valid and legally binding obligation of Broker enforceable against it in accordance with its terms, subject to bankruptcy, insolvency and other laws generally affecting creditors' rights.
- e. There is no suit, action, investigation, arbitration or legal or administrative proceeding pending or threatened against Broker to the best of Broker's knowledge, which may result in an adverse change in Broker's business, operations, or financial condition or draw into question the validity or enforceability of this Agreement or any loan application taken in connection with Broker's obligations herein.
- f. Broker shall not represent to any person or applicant that any Loan Package or loan has been or will be approved or funded by MCFI before Broker is officially informed of such by MCFI.
- g. Broker has not and shall not commit any act or omission that will impair or invalidate in any way MCFI's interest in any loan resulting from a Loan Package delivered by Broker to MCFI or the enforceability of such a loan. None of the representations, warranties or written statements made by Broker in this Agreement or furnished pursuant to this Agreement shall contain any untrue fact or omission of a material fact necessary to ensure the representation, warranty, or written statement is not misleading.
- h. Broker shall maintain a net worth of not less than the then-current minimum net worth as specified and required by applicable federal, state or local law.
- i. Broker is and will remain in compliance with any Guidelines, federal, state and local laws, regulations and rules as they apply to any activity conducted by Broker hereunder. Broker maintains proper procedures for implementing changes in or to Broker's obligations as necessary, including it and its loan originators' compliance with S.A.F.E. Act related laws and regulations

13. Representations and Warranties of Individual Loans. Broker makes the following representations and warranties to MCFI as follows, as to each loan and loan application submitted to MCFI under the terms of this Agreement.

- a. All information submitted to MCFI as part of the Loan Package is accurate and complete.

- b. All Loan Packages have been and will be originated in compliance with this Agreement, the Guidelines, and applicable federal, state and local laws.
 - c. Broker agrees to use best efforts to ensure that each loan offered to a borrower is consistent with his or her needs, objectives, and financial situation, including without limitation, (1) a legally sufficient assessment and documentation has been performed and obtained of the borrowers' ability to repay the loan and maintain compliance with the loan terms as applicable, (2) timely, accurate and legally sufficient information and documentation has been provided to the borrower regarding the loan terms, cost and risks and benefits, (3) total loan compensation has been structured to avoid providing any incentive to originate a loan with predatory or abusive characteristics.
 - d. There are no harmful or detrimental factors regarding the eligibility of the loan applicant or any other aspect of such Loan Package which would adversely affect the value or marketability of the loan or security property, cause the loan to become delinquent or in default, cause any regulatory agency, FHA, or a private mortgage insurer, as applicable to regard the loan as not eligible for insurance or guaranty, or cause the loan to become unsalable or be contrary to any information submitted to MCFI.
 - e. All signatures contained in the Loan Package are genuine and each person represented has the legal capacity to enter into to the transaction and to execute all documents bearing his or her signature.
 - f. Broker acknowledges and understands that MCFI is committed to full compliance with any and all applicable laws, rules and regulations relating to fair lending. Broker warrants that it shall not engage in any practice or transaction relating to a loan which would directly or indirectly cause discrimination against the loan applicant on the basis of race, color, religion, national origin, sex, marital status, or age, providing the applicant has the legal capacity to contract and meets program requirements.
 - g. At the time of delivery of a Loan Package contemplated by this Agreement, the Broker has confirmed there is good and marketable title to the security property, free and clear of all liens, encumbrances, charges, and/or rights of others, and the Broker will warrant and defend title thereto.
14. **Indemnification.** Broker shall indemnify, defend and hold MCFI and its officers, directors, employees and shareholders harmless against and in respect of, and shall reimburse MCFI for any and all claims, demands, damages, expenses, liabilities, penalties, fines, forfeitures, judgments, and actions, including but not limited to , reasonable attorneys' fees and expenses, arising out of or relating to (a) any misrepresentation, fraud, or omission by Broker, the applicant, or third party other than MCFI in connection with any Loan Package, (b) any breach of a representation or warranty of Broker or nonfulfillment agreement, covenant or condition of Broker contained in this Agreement, including without limitation failure of Broker to comply with the Guidelines and all applicable federal, state and local laws, rules, and regulations, (c) any dispute by an applicant regarding the fees charged by Broker or the documents and information provided by Broker, (d) the failure of Broker to follow MCFI's lock-in procedures, or (e) any material act or omission of Broker or any employee or agent of Broker which adversely affects any Loan Package submitted to MCFI and funded hereunder. Without limiting the foregoing, Broker's obligations under this section 14 shall include costs and expenses associated with the efforts of MCFI to enforce this Agreement. In all actions with third parties in which MCFI has the right to be indemnified hereunder, MCFI shall have the complete and exclusive right to determine the conduct and defense of such legal proceeding or

investigation with such third party including, without limitation, the right to compromise, settle, defend or continue any such action.

15. **Events of Default.** The occurrence of any one or more of the following events shall constitute a default by Broker under this Agreement (each an “Event of Default”):

- a. Broker fails to observe or perform or breaches any of the representations, warranties, covenants or agreements contained in this Agreement or the Guidelines;
- b. Broker misrepresents or misleads any person about the relationship between Broker and MCFI or any obligations under this Agreement;
- c. Broker engages in or facilitates any fraudulent or deceptive practices or commits negligence or a material error or omission in conducting its responsibilities under this Agreement;
- d. Broker fails to meet any eligibility criteria established by MCFI as amended in MCFI’s sole discretion from time to time;
- e. Broker defaults under the terms of any other agreement to which Client and MCFI are parties.

16. **Remedies.** Upon the occurrence of an Event of Default, MCFI shall be entitled to any one or all of the following remedies in its discretion. No remedy shall be exclusive but shall be in addition to any other rights and remedies available to MCFI under contract, at law, or in equity.

a. **Repurchase.** Arising from any Event of Default, upon receipt of a written demand from MCFI, Broker shall immediately repurchase each loan relating thereto in accordance with this section 16. MCFI’s review and/or underwriting of, or failure to review and/or underwrite, the Loan Package or any part of the Loan Package shall not affect MCFI’s right to demand repurchase of a loan or any other remedies set forth by this Agreement. The option to request or accept repurchase of any loan is at the sole discretion of MCFI and shall survive the termination of this Agreement.

i. **Repurchase Price.** The repurchase price shall be equal to the sum of the following amounts, as applicable:

1. The amount of compensation paid by MCFI to Broker in connection with such loan hereunder;
2. All costs incurred by MCFI in underwriting, closing, funding, or otherwise associated with the loan;
3. The unpaid principal balance of the loan on the date of repurchase;
4. All accrued and unpaid interest on the loan at the applicable note rate through the date of repurchase;

5. Any unreimbursed advances, costs, and expenses incurred by MCFI in connection with the loan;
 6. All losses, costs, damages and expenses incurred by MCFI in connection with such repurchase, including without limitation all reasonable attorney's fees;
 7. If MCFI has sold the loan, any costs incurred by MCFI resulting from repurchase of the loan from the investor or pool.
- ii. **Repurchase Procedure.** Within forty-eight (48) hours after receipt of written demand for repurchase from MCFI, Broker shall remit the purchase price to the bank account designated by MCFI by wire transfer of immediately available funds.
 - iii. **Opportunity to Cure.** MCFI may provide, at its sole discretion, Broker with the opportunity to cure, to the satisfaction of MCFI or to the investor, as applicable, any Event of Default related to the loan. Such opportunity shall only exist for a reasonable period of time, not longer than thirty (30) days from the earlier of either discovery or notice to Broker of the Event of Default, and shall be at the Broker's sole cost and expense.
 - iv. **Alternative to Repurchase.** Upon any Event of Default, as identified in section 15 of this Agreement, MCFI may, but shall not be obligated to, elect to repurchase such loan or loans itself and receive from Broker any and all damages, expenses, costs, losses, fees, charges, and interest incurred by MCFI relating to or resulting from such repurchase and any subsequent sale of such loan or loans or the security property of such loan or loans. Such election shall be at the sole option and discretion of MCFI and the fact that MCFI previously has made such election shall not require it to do so at any time in the future.
- b. **Termination With Cause.** In the event MCFI shall elect to terminate this Agreement for cause, MCFI may in its sole and absolute discretion, (i) terminate this Agreement, including all Loan Packages submitted to MCFI by Broker and not yet closed and funded and/or commitments, in which case MCFI will be released from any and all duties and obligations arising therefrom, or (ii) require Broker to deliver some of all of the Loan Packages submitted to MCFI, and withhold any payment in connection with such loans until Broker has fully performed all of its duties and obligations under this Agreement and MCFI has decided, in its sole and absolute discretion that it has insulated itself from any potential harm or loss. The warranties, representations and obligations of the Broker contained in this Agreement shall remain in full force and effect until such time as all of the mortgage loans originated by MCFI in connection with Loan Packages delivered to MCFI hereunder have been paid in full, foreclosed or otherwise retired.
 - c. **Suspension.** MCFI may immediately suspend all Broker's submitted loans, and Broker will cease to be eligible to submit new Loan Packages to MCFI or obtain new commitments during the term of such suspension, pending the completion of an investigation by MCFI. Upon completion of the investigation, MCFI shall provide written notice to Broker of its intentions to either terminate this Agreement or

reinstate operation of this Agreement as of the date set forth in the notice. Throughout any such period of suspension, the obligations of Broker regarding non-solicitation, pursuant to section 9, the obligations of the Broker regarding confidential and proprietary information, pursuant to section 11, all warranties and representations of Broker, pursuant to section 12 and section 13, the obligation of the Broker to indemnify and hold MCFI harmless, pursuant to section 14, and the remedies available pursuant to section 16 shall remain in full force and effect. Except as expressly otherwise provided herein, MCFI shall have no liability to Broker and in no event shall have any liability to any other party in connection with the suspension of this Agreement.

- d. **Right to Withhold Funds; Right to Offset.** Upon any termination or suspension, MCFI shall have the right to suspend all funds until such time as MCFI, in its reasonable judgment, has determined it has insulated itself from any potential harm or loss. If Broker owes any amount to MCFI hereunder or under any other agreement between Broker and MCFI, then MCFI shall have the right to deduct any and all of such amounts from amount that otherwise would be payable hereunder by MCFI to Broker, without notice.

17. **Broker Compensation Recapture.** Broker agrees to pay MCFI a Recapture Fee for any loan except a closed-end credit loan which is substantially prepaid, defined as any loan that is paid down, for any reason within 12 months of closing, by at least (a) Twenty (20) percent or more of its unpaid principal balance (“UPB”) or (b) \$10,000. The Recapture Fee shall be the percentage of the UPB that is prepaid multiplied by the compensation paid to Broker by MCFI for the subject loan. Broker shall pay to MCFI all amounts set forth in this section 17 within ten (10) calendar days of demand. MCFI may deduct such Recapture Fee from any other amount due Broker. If MCFI elects to waive this Recapture Fee at any time, such waiver shall not be deemed a waiver of MCFI’s right to enforce this provision at any other time with any loan.

18. **Cumulative Remedies; Waivers.** All remedies set forth by this Agreement for a breach hereof shall be cumulative and in addition to all other remedies provided for herein, by law, or in equity. The waiver of any breach of this Agreement shall be individual and shall not be a waiver of any other or subsequent breach.

19. **Term; Termination Without Cause.** The term of this Agreement shall commence on the date of this Agreement and shall continue until terminated or suspended as provided herein. MCFI or Broker may terminate this Agreement without cause upon delivery of notice of termination to the other party.

- a. **Effect of Termination.** If either MCFI or Broker terminates this Agreement without cause, pursuant to this section 19, MCFI shall not accept any new Loan Packages from Broker as of date of termination, but shall continue to work Loan Packages accepted prior to date of termination. The warranties and representations of the parties contained in this Agreement and all of Broker’s obligations shall remain in full force and effect until such time as all of the mortgage loans originated by MCFI in connection with Loan Packages delivered to MCFI hereunder have been paid in full, foreclosed or otherwise retired. Except as expressly otherwise provided herein, MCFI shall have no liability to Broker and in no event shall have any liability to any other party in connection with the termination of this Agreement.

20. **Attorney’s Fees and Expenses.** If any party of this Agreement brings suit against the other party as a result of any alleged breach under this Agreement or failure to perform any covenants or obligations under this Agreement,

then the prevailing party obtaining judgment in such action shall be entitled to receive reasonable attorney’s fees incurred by such action and all costs of suit and preparation at both trial and appellate levels.

- 21. **Third Party Originations.** Any application taken as part of any Loan Package submitted by Broker to MCFI shall be taken by an employee of Broker and not by any independent third party. Broker shall directly handle
- 22. **Notices.** Any notice or demand which is required or permitted to be given by any provision of this Agreement is required to be in writing and shall be deemed to have been sufficiently delivered if served personally or sent by overnight or prepaid, registered or certified mail, addressed to the party at its address set forth below:

MCFI: Mid-Continent Funding, Inc.
 3401 W. Broadway Business Park Court, Ste. 213
 Columbia, MO 65203
 Attention: Compliance Department

Broker: _____

- 23. **Amendments; Assignment.** This Agreement may be amended, and any provision hereof may be waived. All amendments must be in writing and executed by both parties to be in effect and enforceable. MCFI shall have the right to assign its rights and duties under this Agreement to any party without the consent of the Broker. Broker may not assign this Agreement without the prior express written consent of MCFI. This Agreement is for the sole benefit of the parties hereto and of their respective successors and permitted assigns.
- 24. **Counterparts.** This Agreement may be executed in any number of counterparts. Each counterpart so executed shall be deemed an original, but all such counterparts shall together constitute one and the same instrument.
- 25. **Binding Effect.** This Agreement shall inure to the benefit of and be binding upon the parties hereto and, except as otherwise limited herein, their respective successors and permitted assigns.
- 26. **Governing Law.** MCFI and Broker agree that as applicable, this Agreement shall be governed by federal law and the law of the State of Missouri. The parties agree to submit themselves to the jurisdiction of the courts of the State of Missouri.
- 27. **Release.** Except as otherwise specifically provided herein, each party expressly releases the other from any liability in the event either of said parties cannot fulfill any obligation hereunder if such obligation is or becomes illegal under any provisions of local, state or federal laws governing same.

28. **Severability.** If any provision in this Agreement shall be found by a court of competent jurisdiction to be invalid, illegal or unenforceable, such provision shall be construed and enforced as if it had been more narrowly drawn so as not to be invalid, illegal or unenforceable, and the validity, legality and enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired thereby.

29. **Survival.** The provisions of this Agreement that, by their nature and content, must survive the completion, termination or expiration of this Agreement in order to achieve the fundamental purposes of this Agreement, shall so survive and continue to bind the parties.

IN WITNESS WHEREOF, the undersigned parties have executed this Agreement as of the date herein above written:

MID-CONTINENT FUNDING, INC.

BROKER: _____

BY: _____

BY: _____

NAME: John Schulte

NAME: _____

TITLE: President

TITLE: _____

EXHIBIT A Contents of Loan Packages

- a) The original preliminary and final uniform residential loan application signed by the applicant(s) (FNMA Form 1009);
- b) The broker good faith estimate of settlement service charges required to be provided to the applicant in accordance with RESPA, and a certification that Broker provided the applicant with the good faith estimate, in accordance with RESPA;
- c) All appropriate verifications, as applicable (including, without limitation, verifications of employment, income, mortgage and deposit);
- d) Credit report on all applicants;
- e) A residential property appraisal report, in appropriate form and completed by an appraiser acceptable to MCFI;
- f) Survey, if any;
- g) When applicable, a sales contract and all required addendums;
- h) Verification of acceptable evidence of source and amount of down payment or monetary investment for any purchase loan;
- i) When applicable, the initial disclosures required by Part 226 of Regulation Z as promulgated by the Federal Reserve Board (12 C.F.R. Part 226);
- j) When applicable and as agreed by the parties, an ECOA notice disclosure, in a form acceptable to MCFI;
- k) When applicable, a lock-in agreement substantially in the form specified by MCFI in the Guidelines;
- l) A disclosure and fee agreement as described in section 5(a) hereof;
- m) A check or checks made payable to MCFI for any and all applicable fees;
- n) All other disclosures required by applicable laws and regulations;
- o) All other documentation collected or generated in connection with the services identified in Exhibit B or otherwise performed by Broker.

EXHIBIT B Broker Loan Origination Services

- a) Soliciting potential applicants for residential mortgage loans;
- b) Collecting information from applicants and filling out applications;
- c) Advising and educating applicants about the different types of loan products available and about the financing process;
- d) Providing assistance to the applicant in understanding credit issues such as collection or charged-off accounts, judgments, liens or other adverse accounts that may affect the applicant's ability to obtain financing;
- e) Providing all required disclosures to the applicant;
- f) Collecting required loan documents and other financial information required as part of the application process;
- g) Ordering verifications of mortgage, deposit, income, employment or other loan verifications, as applicable;
- h) Ordering appraisal through an appraisal management company approved by MCFI for MCFI's direct receipt;
- i) Ordering inspections and engineering reports, as applicable;
- j) Ordering flood certifications to determine whether or not the property is located in a special flood hazard area;
- k) Collecting or ordering required legal documents, as applicable;
- l) Maintaining regular contact with applicant and other authorized parties involved in the loan process to assist in efforts to gather required documentation and provide status updates;
- m) Participating in the final settlement if requested or as needed.

RESIDENTIAL MORTGAGE BROKER COMPENSATION AND ANTI-STEERING ADDENDUM

This Residential Mortgage Broker Compensation and Anti-Steering Addendum to the Residential Mortgage Broker Agreement ("Compensation Addendum") is made and entered into this _____ day of _____, 20_____, by and between Mid-Continent Funding, Inc. ("MCFI"), a Missouri Corporation, and _____ ("Broker").

1. **Definitions.** Except as otherwise 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 the Residential Mortgage Broker Agreement between MCFI and Broker dated as of _____ ("Agreement").
2. **Scope.** All Loan Packages submitted to MCFI by Broker after the date of this Compensation Addendum are subject to the terms and conditions of this Compensation Addendum.
3. **Legal and Regulatory Compliance.** Broker acknowledges that MCFI complies with all applicable federal, state, and local laws and regulations governing the mortgage banking industry including but not limited to rules amending Regulation Z, regarding loan originator compensation and anti-steering provisions, found in Section 1026.36 of Regulation Z, along with the Commentary thereto and any other statutes, rules and regulations imposing similar restrictions ("Compensation Rules"). Broker hereby certifies that it will abide by the Compensation Rules and its policies and procedures are in compliance with the Compensation Rules.
4. **Payment of Loan Originators.** Broker shall be solely responsible for the compensation of its individual loan originators. Broker agrees that all compensation paid by the Broker to its individual loan originators will conform with the Compensation Rules and all other applicable federal, state, and local laws and regulations.
5. **Compensation Amount.** For every closed-end reverse mortgage loan transaction submitted to MCFI that is subsequently approved, closed and funded, Broker will be paid _____ % of the Principal Limit. This amount shall constitute the Broker's sole compensation with respect to such mortgage loan.
6. **Prohibitions.** To maintain compliance with Compensation Rules and all other applicable laws and regulations, the Broker agrees to the following as it applies to close-end credit loans:
 - a. **Compensation Based on Terms.** MCFI will not pay and Broker shall not receive any compensation based on the terms or conditions of a mortgage loan transaction, except as allowed by the Compensation Rules.
 - b. **Source of Compensation.** In connection with the same mortgage loan transaction, Broker shall not receive compensation both from the borrower (or any party on behalf of the borrower) and from any other source.

- c. **Compensation Limits.** Regardless of the compensation type selected, the Broker agrees that its compensation on any individual mortgage loan transaction shall not exceed any federal, state, or local limitations.
- d. **High Cost Mortgage Loans.** Broker shall not deliver to MCFI and MCFI will not close a mortgage loan classified as (i) a “high cost” loan under the Home Ownership and Equity Protection Act of 1994, or (ii) a “high cost,” “threshold,” “covered,” or “predatory” loan or any similarly classified loan under other applicable federal, state, or local law imposing heightened regulatory scrutiny for mortgage loans having high interest rates, points and/or fees (altogether “High Cost Mortgage Loans”).
- e. **Steering.** Broker shall not direct or “steer” a consumer to any particular loan transaction or product based on the fact that the amount of compensation Broker would receive for that transaction would increase in comparison with other transactions or products. Broker shall take all actions required under the Compensation Rules to establish and confirm that it is not directing or steering a consumer. For each loan submitted by the Broker to MCFI, the Broker must include an Anti-Steering Disclosure which describes the options presented to the borrower for each type of loan in which the borrower expressed an interest. The Anti-Steering Disclosure must include the following:
 - i. The loan with the lowest interest rate;
 - ii. The loan with the lowest interest rate without negative features; and
 - iii. The loan with the lowest total dollar amount for origination points or fees and discount points.

NOW THEREFORE, in conjunction with the parameters defined in the Residential Mortgage Broker Agreement and this Compensation Addendum, both Broker and MCFI agree that the terms set forth above shall be in effect for as long as both this Compensation Addendum and the Residential Mortgage Broker Agreement are in effect. Broker will be allowed to execute a new Compensation Addendum once per quarter if they wish to change the payment structure defined herein.

MID-CONTINENT FUNDING, INC.

BROKER: _____

BY: _____

BY: _____

NAME: John Schulte

NAME: _____

TITLE: President

TITLE: _____

LOAN ORIGATION SERVICE SUBORDINATED USE AGREEMENT

This Loan Origination Service Subordinated Use Agreement (this “**Subordinated Use Agreement**”) is entered on _____, 20_____, by and between Mid-Continent Funding, Inc., a Missouri corporation (“**Financial Institution**”) and _____, a _____ (“**Customer**”), and sets forth the terms under which Financial Institution offers access to and use of ReverseVision’s Loan Origination Service (the “**ASP Service**”) to Customer.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each party, the parties hereto agree as follows:

1. **Definitions.** As used in this Subordinated User Agreement the following terms shall have the definitions set forth in this Section:

(a) “**ASP Service**” means: (i) the Loan Origination Software, including specifically but without limitation the Program Client, as modified or updated from time to time; and (ii) ReverseVision suite of online services related to and which function with the Loan Origination Software, as modified or updated from time to time, and which are accessed either via ReverseVision’s designated point of presence on the Internet (provided the ASP Service excludes Financial Institution’s local area networks (LANs) and Financial Institution’s Internet connectivity) or through use of the Program Client; and (iii) the computers, networking equipment, proprietary or other software that resides on ReverseVision’s Internet servers, including without limitation all network software and services of ReverseVision appropriate to accomplish the functions as described herein.

(b) “**Intellectual Property Rights**” means any and all patents, patent rights, trademarks, service marks, trade names, trade dresses, copyrights, works of authorship and trade secrets, and all registrations and applications of all of the foregoing, and any and all other intellectual property rights.

(c) “**Loan Origination Software**” means the tools developed by ReverseVision to analyze, organize, compile and format certain financial data, to undertake certain calculations with respect to such data, and to manage collaboration and work flow. The term also includes the Program Client, the reports that may be generated using the Loan Origination Software (including the Program Client), and all bug fixes, patches, improvements, enhancements, updates and other modifications of the Loan Origination Software (including the Program Client).

(d) “**Program Client**” means the portion of the Loan Origination Software which consists of software code that is resident on a User’s computer.

(e) “**User**” shall mean W-2 employees of Customer who is assigned a User ID by the Financial Institution at the request of Customer or by Customer under rights granted to it by Financial Institution.

(f) “**Closer**” shall mean any W-2 employee of Financial Institution who is assigned as a “closer” within the user permissions in the ASP Service. The closer draws closing documents and closes the loan.

2. Rights to Use.

(a) Provided that Customer has accepted the terms of this Subordinated Use Agreement (as it may be amended from time to time) and accepted all other documents required by Financial Institution to undertake loan origination with Financial Institution, Financial Institution grants to Customer and Customer accepts, a nonexclusive, nontransferable right for its Users within the fifty (50) United States of America and Puerto Rico and US Virgin Islands, to access and use the ASP Service to: (i) enter data into the Loan Origination Software; (ii) request that the Loan Origination Software generate reports; (iii) download and store the generated reports, provided that storage of any report shall not be for longer than one year; and (iv) provide the reports so-generated to third parties as permitted in accordance with Section 3(d). Subject to the terms of this Subordinated Use Agreement, the ASP Service may be accessed from any computer and used only in strict compliance with the terms set forth below.

Financial Institution further grants to Customer and Customer accepts, a nonexclusive, nontransferable right to access and use the ASP Service within the fifty (50) United States of America and Puerto Rico and US Virgin Islands to: (v) create User IDs for Users and the linked passwords for such IDs and access rights provided that no user is allowed to be a Closer; (vi) deauthorize, deactivate or change any User previously authorized to access the ASP Service; and (vii) input, modify and delete other necessary information to allow Users to use the ASP Service as set forth herein. Customer is solely responsible for setting, ensuring the accuracy of, monitoring, maintaining and changing as needed all such User IDs and passwords.

(b) From time to time additional, modified, different or replacement code, software or documentation may be provided as part of the Loan Origination Software. Customer agrees for itself and its Users that it and they are bound by the terms of this Subordinated Use Agreement as to any and all such additional, modified or different software, including without limitation as applied to the Program Client, the look and feel of the Loan Origination Software and all Intellectual Property rights appurtenant thereto.

(c) Access to and use of the ASP Service by Customer's Users will require use of a user ID and password, which shall be provided to it by Financial Institution. Financial Institution may also grant administrative right to one or multiple of Customer's Users who then can provide user ID and password to other Customer's Users in accordance with the terms herein. Customer is responsible for safeguarding the User IDs and passwords, and shall keep them secure from unauthorized use. Upon termination of the employment of any User who has been provided with a User ID and password or any other termination by Customer of the User's right to use the ASP Service, Customer shall ensure deletion of the Program Client from such User's computer(s), promptly notify Financial Institution to delete the user ID and password for such User, and otherwise prevent that person from having access to the ASP Service. Customer shall notify Financial Institution promptly of any possible or actual unauthorized use of the ASP Service. Customer shall be responsible for safeguarding the User IDs and passwords provided to it by Financial Institution from any misuse or abuse.

(d) Each User is permitted to download and install the Program Client on no more than three (3) computers owned and controlled by the Customer or the User, provided that such installation shall be solely for the purpose of displaying and using the Program Client in connection with use of the ASP Service under the terms of this Subordinated Use Agreement. Financial Institution and the owner of the ASP Service shall have the right to monitor the Program Client installed on any computer and to require its deletion at any time. The Program Client may be moved from one computer to another provided that it is deleted from the first computer before installation on the latter if the subsequent installation would result in more than three (3) permitted installations. Notwithstanding the foregoing, no User may use the Program Client on more than one computer at a time.

(e) Customer and each of its Users shall use the Loan Origination Software, including without limitation the Program Client, in the form it is provided by Financial Institution and shall not modify, alter, enhance it in any way.

(f) Customer and Customer's Users shall maintain all copies of the Program Client with the same level of security and confidentiality as Customer uses to maintain its own proprietary software, and shall include any proprietary notices or labels present on or in the original on or in any downloaded copies. Notwithstanding the foregoing, Customer shall maintain all copies of the Program Client at the level of security that is not less than that which it is required to maintain any other software provided to it by Financial Institution.

3. Restricted Activities.

(a) Customer shall not permit any person to access or use the ASP Service unless such access and use is in accordance with the terms of this Subordinated Use Agreement.

(b) Neither Customer nor any User shall interfere with or attempt to interfere with the proper workings of the ASP Service or any activities conducted on or using the ASP Service. Customer shall use all commercially reasonable efforts to prevent and shall not knowingly or intentionally allow transmission into the ASP Service of any harmful code which shall include but not be limited to any virus, worm, Trojan horse, spoof, time bomb, trap door or other code that may halt, modify or otherwise interfere with the operation or use of the ASP Service, or which may be further transmitted to other users of the ASP Service.

(c) Customer and its Users may use the ASP Service only with respect to reverse mortgages for which Financial Institution shall be the ultimate source of the loan funds (directly or indirectly) for the borrower if a reverse mortgage is taken. Customer may not use the ASP Service to draw closing docs or close the loan. Drawing closing documents and closing the loan will have to be performed by Financial Institution for all reverse mortgages that close and have previously been entered into the ASP Service. Neither Customer nor its Users may use the ASP Service for any other purpose, including without limitation to provide commercial service bureau functions or other data management services to third parties. Without limiting the foregoing, in the event any User works with reverse mortgages with any other entity in addition to Financial Institution, such User shall not use the ASP Service with respect to such other entity and Customer shall advise all Users of this restriction.

(d) Neither Customer nor any User shall sell, lend, license, redistribute, retransmit, disseminate or otherwise transfer any data or report obtained from the ASP Service to any third party, whether in the original or any modified or packaged form or media, including without limitation any reports or the data thereon generated using the ASP Service, or use data or reports for other than its own internal purposes or otherwise in a manner inconsistent with this Subordinated Use Agreement. For the avoidance of confusion, dissemination of reports to the following persons shall be deemed as being for the internal purposes of Customer: (i) persons who are contemplating taking a loan (directly or indirectly) from Financial Institution; and (ii) entities with which Financial Institution needs to deal in order to close the reverse mortgage transaction or to sell the reverse mortgage after closing. Under no circumstances may the reports be provided to another financial institution to use in closing a loan.

(e) Neither Customer nor any User shall: (i) modify or alter the Loan Origination Software in any way or create any derivative work thereof; (ii) remove, alter, or obscure any proprietary notices (including restricted rights, trademark and copyright notices) in the Loan Origination Software; (iii) publish, display or publicly perform the Loan Origination Software; (iv) use the Loan Origination Software, including the ASP versions thereof, for any purpose other than as expressly authorized under this Subordinated Use Agreement; (v) copy or otherwise reproduce the Loan Origination

Software, or any portion thereof, including without limitation the Program Client; (vi) copy, modify or translate any of the screens; (vii) sublicense, license, rent, sell, loan, assign, transfer give or otherwise distribute or dispose of all or any part of the Loan Origination Software or encumber it in any way; or (viii) reverse engineer, reverse compile, decompile, disassemble or otherwise attempt to derive the source code for the Loan Origination Software or for any other reason or purpose.

(f) Customer is solely responsible for the knowledge of and adherence to any and all laws, statutes and regulations pertaining to access to and use of the ASP Service by itself and any of its Users, the communication means by which Users connect via computers and other equipment to access the ASP Service, and the transactions executed using the ASP Service. Without limiting the foregoing, Customer shall not permit use of the ASP Service for any purpose or to assist in the undertaking of any mortgage transaction which is prohibited under the applicable laws of any government or the orders of any court.

(g) Customer shall not permit any person to Access or use the ASP Service unless such use is in accordance with the terms of this Subordinated Use Agreement. Financial Institution represents and warrants that all Users shall be required to make themselves knowledgeable about the ASP Service, such that they are aware of the difficulties, limitations and risks related to such use, and familiar with the laws, rules, regulations and market practices applicable to such use as well as with the restrictions of this Subordinated Use Agreement.

(h) Customer shall promptly report to Financial Institution any failures of the ASP Service to properly implement the underlying formulae or other problems incurred with the ASP Service which Customer believes creates an error in function or output.

(i) Neither Customer nor any of its Users may export any part of the Loan Origination Software, including without limitation the Program client, from the United States. Further, no Customer shall ensure that no User shall access or otherwise use the ASP Service outside the fifty (50) United States or Puerto Rico or US Virgin Islands for any reason or cause.

(j) Any rights not specifically and explicitly granted to Customer are reserved to the owner of the Loan Origination Software and the ASP Service.

4. Responsibility for Use of Data and Reverse Mortgages.

(a) The data, calculations, text services and reports generated through the ASP Service are believed to be reliable, but Customer is ultimately and solely responsible for its and its Users use of the information or reports provided by the ASP Service. Because software is inherently complex, because certain data or information is obtained from third parties and because it is possible for there to be an error or bug in the Loan Origination Software, Customer and its Users must check and validate the output to ensure that it is accurate, up-to-date and in the format required by law or regulation. Customer and its Users agree that they bear the risk of failure or inaccuracy in the performance of the ASP Service. Customer acknowledges that its Users' use of the ASP Service to evaluate, to originate and to process, or to otherwise undertake reverse mortgage-related opportunities will be based on data and economic assumptions supplied by Customer, which assumptions may prove to be inaccurate.

(b) All mortgages granted or brokered by or through Customer are undertaken by, through or at the direction of Customer, and are solely between Financial Institution, Customer and its borrower. The owner of the Loan Origination Software and the ASP Service does not solicit potential mortgagees, give investment advice, advocate the purchase or sale or any mortgage or similar financial product, or control the offers provided by Financial Institution or Customers to

any potential borrower, nor does it act as an agent for Financial Institution, Customer, potential borrowers or any other user of the ASP Service. Thus Customer acknowledges on behalf of itself and its Users that the owner of the Loan Origination Software and the ASP Service is not: (i) a party to any mortgage transaction undertaken by Customer that is in any way related to information or reports obtained using the ASP Service or (ii) engaged in the business of dealing in or funding mortgages; by providing the ASP Service through Financial Institution it does not become a party to any mortgage transaction undertaken between Financial Institution, Customer and/or any third party. The owner of the Loan Origination Software and the ASP Service has no control over or responsibility for the completion of any mortgage, and cannot and does not ensure completion of any mortgage transaction. Neither the relationship of the owner of the Loan Origination Software and the ASP Service to Financial Institution pursuant to the terms of its Service Agreement with Financial Institution nor the provision of the ASP Service to Customer at the request of Financial Institution shall give rise to any fiduciary or equitable duty or obligation on the part of the owner of the Loan Origination Software and the ASP Service, including but without limitation any trust relationship.

5. Ownership and Proprietary Rights.

(a) Customer and its Users acknowledge that the ASP Service is a proprietary product in which none of them hold any interest apart from the limited use rights granted to or through Customer by this Subordinated Use Agreement. Without limiting the foregoing, the copyright in all materials provided to Customer and its Users in connection with its use of the ASP Service, including without limitation the Loan Origination Software and its Program Client, the structure of the ASP Service as a whole and its internal database structure, logic, screens, interfaces and interface designs, applications and all other components thereof, all documentation, as well as the look and feel of its presentation (i.e., coordination, arrangement and presentation of the content) and the format of all reports, are and shall remain the sole and exclusive property of the owner of the Loan Origination Software and the ASP Service. Customer further acknowledges that the Loan Origination Software, including the code, logic and structure, and whether in object code, source code, or display format, and regardless of media on which they may be embedded, contain valuable trade secret rights that belong to the owner of the Loan Origination Software and the ASP Service. Customer and its Users acknowledge that the owner of the Loan Origination Software and the ASP retains all right, title and interest in and to all Intellectual Property Rights. Customer and its Users shall take all reasonable measures necessary to protect and preserve all of the Intellectual Property Rights of the owner of the Loan Origination Software and the ASP Service, and to prevent any unauthorized person from having access to or use of the ASP Service. By entering into this Subordinated Use Agreement, Customer does not become the owner of the Loan Origination Software or Intellectual Property Rights appurtenant thereto.

(b) Without limiting the foregoing, Customer acknowledges that the Loan Origination Software, including without limitation the Program Client, and any copies thereof, regardless of the form or media, is the sole and exclusive property of the owner of the Loan Origination Software and the ASP Service.

(c) To the extent that Financial Institution or Customer believes that any person who has been issued a User ID by Financial Institution at the request of Customer or by Customer (regardless of whether such person currently has a valid user ID then in effect) or who is employed by or under the control of Customer is infringing on the Intellectual Property Rights of the owner of the Loan Origination Software and the ASP Service, Customer shall assist the owner of the Loan Origination Software and the ASP Service in all ways reasonably requested by it to halt the infringement and if deemed appropriate by the owner of the Loan Origination Software and the ASP Service to attempt to recover damages from the infringer.

(d) Neither Customer nor any of its Users shall make any copy of the Loan Origination Software, including the Program Client, except for such copies as are made with respect to backup of Customer's entire system. Neither Customer nor any User shall thereafter access any such backup copies except during the term of the Subordinated Use Agreement, and then only as is required to restore the Program Client on the server or restore lost content. Under no circumstances shall Customer or any User access such backup after expiration of termination of this Subordinated Use Agreement.

(e) Neither Customer nor any of its Users shall remove any notices or disclaimers of copyright, trademark, patent or other rights from the ASP Service or any reports created by it.

(f) Customer agrees the owner of the ASP Service shall have the right to collect, use and analyze raw data submitted by Customer or its Users into the ASP Service for the purposes of technical support, maintenance, product improvement or such other uses as the owner of the ASP Service deems reasonable, provided that in no event shall it publish or otherwise allow access to the data by third parties unless the data is provided in a manner where Customer or any of its Users cannot be individually identified.

6. Regulatory Compliance. Customer hereby covenants and agrees for the benefit of Financial Institution and the owner of the ASP Service that Customer and its Users shall comply with the Graham-Leach-Bliley Act, as well as all other applicable statutes and regulations, with respect to all customer and consumer information and other data provided to or received through the ASP Service. Neither Customer nor any of its Users shall take any action in connection with its or its Users' use of the ASP Service which could be reasonably expected to subject the owner of the ASP Service to any regulatory, reporting, record-keeping, notice or filing requirements under the laws of the United States, any of the states of the United States.

7. Continuity of Service. There is no guarantee that the ASP Service will be available at any given time or for any fixed percentage of time.

8. No Warranty; Disclaimer. THE ASP SERVICE, INCLUDING WITHOUT LIMITATION THE LOAN ORIGINATION SOFTWARE, IS PROVIDED TO CUSTOMER AND ITS USERS FOR USE "AS IS" AND WITHOUT ANY WARRANTY, GUARANTY, CONDITION, COVENANT OR REPRESENTATION, EXPRESS, IMPLIED OR STATUTORY. ALL OTHER WARRANTIES, INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, TIMELINESS, CURRENCY, ACCURACY OR OTHER ATTRIBUTES, OR FROM A COURSE OF DEALING OR USAGE OF TRADE ARE SPECIFICALLY DISCLAIMED. WITHOUT LIMITING THE FOREGOING, NEITHER FINANCIAL INSTITUTION NOR THE OWNER OF THE LOAN ORIGINATION SOFTWARE AND THE ASP SERVICE MAKE ANY WARRANTY, GUARANTEE OR REPRESENTATION REGARDING THE USE OR RESULTS OF USE OF THE ASP SERVICE OR ANY OF ITS FEATURES, IN TERMS OF CAPABILITY, ACCURACY, SECURITY OR OTHERWISE AND SPECIFICALLY DOES NOT REPRESENT THAT THE ASP SERVICE WILL MEET CUSTOMER'S OR ITS USERS' REQUIREMENTS OR BUSINESS OBJECTIVES OR THAT THE OPERATION OF THE ASP SERVICE WILL BE UNINTERRUPTED OR ERROR-FREE. CUSTOMER ASSUMES SOLE RESPONSIBILITY FOR THE SELECTION OF THE ASP SERVICE TO ACHIEVE ITS INTENDED RESULTS, AND FOR USE OF RESULTS OBTAINED FROM THE ASP SERVICE.

9. Limit of Liability.

(a) Customer and its Users are solely responsible for their own assessment of the fitness, creditworthiness and conduct of any potential mortgage customer, and all credit and market risks of any mortgage or similar transaction are borne entirely by Customer. Neither Financial Institution nor the owner of the ASP Service shall have any liability,

obligation or responsibility for any failure, delay in performance, default or breach by any customer of Customer or its Users or for any actions taken or not taken by other third parties such as insurers or regulators with respect to Customer or its Users.

(b) Neither Financial Institution nor the owner of the Loan Origination Software and the ASP Service shall have liability of any type, nature or amount related to Customer's or its Users' access to or use of the ASP Service, including without limitation the Loan Origination Software.

(c) Security for access to data stored in the Program Client, on the computer on which the Program Client is hosted and access to data stored at the hosting site is managed by Microsoft Windows security (or its successors). Customer and its Users are solely responsible for correctly implementing the security process. Neither Financial Institution nor the owner of the ASP Service shall have any responsibility for the implementation of security and neither shall have any liability to Customer or its Users with respect to any problems in the security of this data.

(d) Without limiting the foregoing, neither Financial Institution or the owner of the Loan Origination Software and ASP Service shall have any liability related to: (i) any problem, error or malfunction resulting from data entry or other errors on the part of Customer or any User; (ii) any failure of Customer or any User to use the ASP Service in accordance with its documentation; (iii) any failure of Customer or any User to check and validate the output to ensure that it is correct, up-to-date and in the format required by law or regulation; (iv) any alternation, modification or enhancement of the ASP Service by any person other than the owner of the ASP Service (or as directed by the owner); (v) the performance or failure of any third party software, telecommunications service, Internet connection, Internet service provider or any other third-party provider related to Customer's or its Users' Access to or use of the ASP Service; (vi) any hardware or peripherals; (vii) any technical problems incurred with respect to use of the ASP Service; or (ix) errors in information provided by third parties either directly linked to or included in information provided by or used in the ASP Service, including without limitation any errors resulting from the transmission of such third party data to or from the ASP Service and any error in interpretation, reading or copying of such data by the ASP Service.

(e) ALSO WITHOUT LIMITING THE FOREGOING, NEITHER FINANCIAL INSTITUTION NOR THE OWNER OF THE LOAN ORIGINATION SOFTWARE AND ASP SERVICE SHALL BE LIABLE TO CUSTOMER FOR LOST PROFITS OR BUSINESS OPPORTUNITIES, LOSS OF DATA, LOSS OR INTERRUPTION OF BUSINESS, LOSS OF USE OF SOFTWARE, LOSS OR CORRUPTION OF DATA, COST OF RECREATING DATA OR OF SUBSTITUTE SOFTWARE, OR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR IN CONNECTION WITH THE ASP SERVICES OR THIS SUBORDIATED USE AGREEMENT (HOWEVER ARISING, INCLUDING NEGLIGENCE) EVEN IF EITHER OF THEM HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGE.

(f) Customer understands that in the event an infringement claim is made with respect to the ASP Service that it may be terminated and should this occur neither Customer nor any of its Users shall have no claim of any type or nature against Financial Institution or the owner of the Loan Origination Software or the ASP Service.

(g) In no event shall the owner of the Loan Origination Software or the ASP Service or any of its officers, directors, employees, contractors, agents or representatives have any liability to Customer or its Users, including without limitation for any direct, consequential, incidental, special or punitive damages arising from breach of contract, breach of warranty, negligence or any other legal theory, whether in tort or contract, equity or law.

(h) Without limiting any of the foregoing, Customer hereby extends to the owner of the Loan Origination Software or the ASP Service any and all limitations of warranty and/or liability it extends to Financial Institution under

Customer's agreements with Financial Institution to the extent that such agreements relate in any way to Customer's use of the ASP Service.

(i) In the event Customer or any of its Users has a dispute with Financial Institution or among or between themselves, Customer and each of its Users releases the owner of the Loan Origination Software or the ASP Service from and against all claims, demands and damages (actual and consequential) of every nature and kind, known and unknown, suspected and unsuspected, disclosed and undisclosed, arising out of or in any way connected with such dispute. This release is intended to waive any rights under statutes which provide that a general release does not extend to claims which the creditor does not know or suspect exist in its favor at the time of executing the release, which if known by the creditor may have materially affected settlement with the debtor.

10. Indemnity.

(a) Customer agrees to indemnify and hold Financial Institution and the owner of the Loan Origination Software or the ASP Service harmless from any costs, losses, liabilities, obligations, claims, suits or damages, including reasonable attorneys fees and expenses incurred in investigating, defending or appealing, directly or indirectly arising out of or related to: (i) any breach by Customer or any of its Users of or failure of Customer or any of its Users to carry out its obligations under this Subordinated Use Agreement; (ii) any action brought against Financial Institution or any User based on Customer's or any Users' Access to or use of the Service, (iii) Access and use by any person using a user ID assigned to Customer and its Users, whether by Financial Institution or Customer.

(b) Customer agrees to indemnify and hold the owner of the Loan Origination Software or the ASP Service harmless from any costs, losses, liabilities, obligations, claims, suits or damages, including reasonable attorneys fees and expenses incurred in investigating, defending or appealing, directly or indirectly arising out of or related to any dispute between any combination of Customer, Financial Institution and the Users in which the owner of the Loan Origination Software or the ASP Service is made a party, whether formally or informally, including any costs related in any way to discovery requests or testimony of its personnel.

11. Termination of Use. Customer, Financial Institution or the owner of the Loan Origination Software or the ASP Service, may each or any of them terminate Customer's and any or all of its Users Access to and right to use the ASP Service at any time, without any prior notice and with or without any specific cause. Termination by other than Customer may be effectuated by having the User IDs made ineffective or in any other appropriate manner, determined in the sole discretion of the party terminating Access. Upon termination of Customer, Customer shall promptly destroy all User IDs and passwords and remove the downloaded software related to the ASP Service from its computers. All limits of liability, indemnification, ownership, dispute resolution and other terms which would reasonably be expected to survive termination of this Agreement shall continue after its termination.

12. Communications. Customer shall notify Financial Institution of one user ID which is designated by Customer as the person to receive all communications about updates to the ASP Service, as well as any amendments to this Subordinated Use Agreement. The holder of that user ID shall be responsible for disseminating information received to the applicable persons within the Customer's organization.

13. Severability. In the event that any one or more provisions contained herein shall, for any reason, be held to be invalid, illegal or unenforceable, such illegality, invalidity or unenforceability shall not affect any other provision of

this Subordinated Use Agreement. In such event the parties shall diligently cooperate to amend this Subordinated Use Agreement to substitute a new provision for any such provision held to be invalid, illegal or unenforceable, which new provision shall as closely as legally permissible reflect the terms and conditions of such invalid provision and the intent of the Parties with respect to the subject matter thereof, provided that if such provision cannot be adequately revised it shall be deemed struck.

14. Binding Agreement. This Subordinated Use Agreement shall bind and inure to the benefit of the parties and their respective successors and permitted assigns to the extent these terms relate to them.

15. Assignment. This Subordinated Use Agreement and any rights and obligations pursuant hereto shall not be assignable by Customer without the prior written consent of the Financial Institution, which consent may be withheld without any reason.

16. Third Party Beneficiaries. The owner of the Loan Origination Software and the ASP Service is a third party beneficiary of this Subordinated Use Agreement, and accordingly may enforce the terms hereof as if it were a party hereto, and to otherwise receive the benefits afforded to it hereunder.

17. Amendments. This Subordinated Use Agreement may be amended by Financial Institution providing Customer with a written amendment, which amendment shall specify the intent to amend and the section(s) to be amended. Any such amendment shall be effective on the date specified, which dates shall not be less than fifteen (15) days after its receipt. Accessing the ASP Service after the effective date of the amendment by any persons using a user ID assigned to Customer shall constitute acceptance of the amendment by Customer, just as if Customer had otherwise made a formal written acceptance.

18. Governing Law. This Subordinated User Agreement shall be governed by and construed in accordance with the laws of the State where Financial Institution’s headquarters are located.

19. Entire Agreement. This Subordinated Use Agreement, together with any agreements specifically referenced herein, represent the complete agreement concerning access to and use of the ASP Service by Customer.

MID-CONTINENT FUNDING, INC.

CUSTOMER: _____

BY: _____

BY: _____

NAME: John Schulte

NAME: _____

TITLE: President

TITLE: _____

AUTHORIZATION FOR VERIFICATION OF CREDIT AND BACKGROUND CHECK

Please provide the information requested below for all owners and principal officers, executed where indicated.

By executing this Form, the Broker and each of the undersigned persons hereby authorize Mid-Continent Funding, Inc. "MCFI," at its discretion, to obtain positive identification of information the Broker has provided in conjunction with an application to become an approved third party originator for MCFI. The authorization granted hereto will enable MCFI to obtain credit reports, business reference reports, background checks, and other information. We acknowledge that such reports and information (and any other such reports and information that MCFI may obtain concerning other persons who are partners, owners, or principals, of the Broker) will be obtained and used only in connection with an application for approval of the Broker and evaluation of the Broker's continued eligibility to do business with MCFI, and not for any consumer credit or other purposes.

BROKER: _____

By: _____

Address: _____

Name: _____

City: _____

Title: _____

State/Zip: _____ / _____

Date: _____

Name	Social Security Number	Date of Birth	State of Residence	Title or Position	% Ownership
	- -	/ /			%
	Signature:				
	- -	/ /			%
	Signature:				
	- -	/ /			%
	Signature:				
	- -	/ /			%
	Signature:				
	- -	/ /			%
	Signature:				

COMPANY RESOLUTION

RESOLVED, _____ (the “Company”), hereby certifies this and the following resolutions are a full, true and correct copy of resolutions duly adopted by the Company and that said resolutions have not been amended or modified and remain in full force and effect as of the date hereof.

FURTHER RESOLVED, Company approves, ratifies, confirms and adopts the terms and conditions of the Residential Mortgage Broker Agreement (“Agreement”) by and between Mid-Continent Funding, Inc., a Missouri Corporation, and the Company is substantially the form presented for review.

FURTHER RESOLVED, that any of the following persons:

NAME	TITLE	SIGNATURE
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

(each, an “Authorized Officer” with a true and genuine signature hereto) be, and they hereby are, authorized to execute and deliver, on behalf of the Company, and Agreement and any further amendments as deemed necessary or appropriate by any such Authorized Officer, to the Agreement.

FURTHER RESOLVED, that the Company authorized, ratifies and confirms the delivery of Mortgage loans in accordance with the provisions of the Agreement or any amendment thereto and, the performance of the obligations, covenants and agreements of the Company as set forth in or contemplated by the Agreement or any amendment thereto.

FURTHER RESOLVED, that any Authorized Officer be, and each of them hereby is, authorized, jointly and severally, to take any and all action and execute and deliver any and all documents in the name and on behalf of the Company as may be deemed necessary or appropriate by any such Authorized Officer to carry out the purposes and intent of the foregoing resolutions and to perform the obligations of the Company under the Agreement.

FURTHER RESOLVED, that all actions heretofore taken by the officers of the Company, in its name and on its behalf, in connection with any of the foregoing matters are hereby in all respects ratified, confirmed and approved by the Company.

CERTIFICATE

I, _____, Secretary of the Company, certify that the above and foregoing is a true and correct copy of the resolutions adopted by the Company effective this _____ day of _____, _____ I further certify that as of the date hereof the foregoing resolutions are in full force and effect and have not been modified or rescinded.

Secretary

Subscribed and sworn before me this _____ day of _____, 20_____.

Notary Public

My Commission Expires:

(Seal)

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.

1	Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.	
2	Business name/disregarded entity name, if different from above	
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.	4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ <i>(Applies to accounts maintained outside the U.S.)</i>
	<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	
	<input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____ 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.	
5	Address (number, street, and apt. or suite no.) See instructions.	Requester's name and address (optional)
6	City, state, and ZIP code	
7	List account number(s) here (optional)	

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								
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%; border: 1px solid black; height: 20px;"></td> <td style="width: 25%; border: 1px solid black; height: 20px;"></td> <td style="width: 25%; border: 1px solid black; height: 20px;"></td> <td style="width: 25%; border: 1px solid black; height: 20px;"></td> </tr> <tr> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> </tr> </table>					-	-	-	-
-	-	-	-					
or								
Employer identification number								
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%; border: 1px solid black; height: 20px;"></td> <td style="width: 25%; border: 1px solid black; height: 20px;"></td> <td style="width: 25%; border: 1px solid black; height: 20px;"></td> <td style="width: 25%; border: 1px solid black; height: 20px;"></td> </tr> <tr> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> </tr> </table>					-	-	-	-
-	-	-	-					

Part II Certification

Under penalties of perjury, I certify that:

- 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
- 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
- I am a U.S. citizen or other U.S. person (defined below); and
- 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 ▶
------------------	----------------------------	--------

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 28% 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) b. So-called trust account that is not a legal or valid trust under state law	The grantor-trustee ¹ 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.

LOAN FRAUD ZERO TOLERANCE POLICY

All Mid-Continent Funding, Inc. "MCFI" approved Brokers should be aware that the submission of a loan application containing any materially false information is a crime punishable by fine, imprisonment, or both. Additionally, any specific, deliberate acts of omission of material information or data will be considered fraudulent and shall be covered under this policy.

Types of Loan Fraud

Some common examples of actions which would be considered fraudulent loan activity would consist of, but not be limited to, the following:

- The submission of inaccurate information, including false statements on a loan application;
- Falsification of credit, employment, income, asset, identity, ownership or other documents;
- Forgery of partially or predominantly accurate information, including forged signatures on any document in the loan file;
- Incorrect statements regarding current occupancy or intent occupy the subject property;
- Lack of due diligence by the mortgage loan originator and/or processor, including failure to obtain all information required by the application and failure to request further information as dictated by the applicant's response to other questions;
- Unquestioned acceptance of information or documentation which is known, should be known, or should be suspected to be inaccurate;
- 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;
- Allowing an applicant or interested third-party to "assist" with the processing of the loan;
- Nondisclosure of relevant information to anyone involved in the loan process;

Consequences

The effect of loan fraud is costly to all parties involved. MCFI stands behind the quality of its loan production and maintains a zero tolerance policy for fraud of any kind. Fraudulent loans damage our reputation with our investors and mortgage insurance providers. The price paid by those who participate in loan fraud is even more costly. The following are some of the potential consequences that may result from committing loan fraud:

Consequences to Broker and/or its Employee(s)

- Suspension/termination of approved broker status with MCFI
- Criminal Prosecution
- Loss of Licenses

- Exchange of information between lenders, and submission of information to investors (including FHA, VA, Fannie Mae, Freddie Mac), local and federal law enforcement, and state banking departments.
- Civil action/litigation
- Civil action by an applicant/borrower or other parties to the transaction
- Loss of approval status with other lenders, investors, agencies and warehouse providers
- Adverse effect on the credit history of all principal officers
- Termination of agency approvals

Consequences to Applicant

- Acceleration of debt. Note: Foreclosure under the section of the Mortgage/Deed of Trust addressing fraudulent activity 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 off the loan in full prior to the sale date of the property.
- Criminal prosecution
- Civil action by MCFI
- Civil action by other parties to the transaction
- Termination of employment
- Loss of professional license, if any
- Adverse effect on credit history

Acknowledgement

I have read the foregoing and understand the position of MCFI with regard to the above fraud policy and understand the consequences for my participation in any such activities.

BROKER: _____

DATE: _____

BY: _____

NAME: _____

TITLE: _____

ANTI-MONEY LAUNDERING AND BANK SECRECY ACT CERTIFICATION OF COMPLIANCE

On February 14, 2012, the United States Department of Treasury Financial Crimes Enforcement Network (FinCEN), issued a final rule (31 CFR Parts 1010 and 1029 Anti-Money Laundering Program and Suspicious Filing Report Filing Requirements for Residential Mortgage Lenders and Originators) requiring non-bank residential mortgage lenders, mortgage loan brokers, and originators to establish an Anti-Money Laundering (AML) program and file Suspicious Activity Reports (SARs) under the Bank Secrecy Act (BSA). FinCEN defines non-bank residential mortgage lenders and originators as loan or finance companies and mortgage loan brokers for the purpose of requiring them to establish AML programs and report suspicious activity under the BSA. Mid-Continent Funding, Inc. requires each broker to certify that an AML program that complies with the FinCEN rule identified is in place.

The undersigned hereby certifies that an Anti-Money Laundering Program compliant with FinCEN’s Anti-Money Laundering Program and Suspicious Activity Report Filing Requirements for residential mortgage lenders and originators is currently in place, that all appropriate employees have received the necessary training, and that the Program contains the following:

- Policies, procedures and internal controls, based upon an assessment of money laundering and terrorist financing risks associated with the mortgage broker’s products and services that will reasonably prevent, detect and report potential money laundering and other suspicious activity;
- Appointment of an AML Compliance Officer to administer the policy who is knowledgeable with Anti-Money Laundering and Suspicious Activity Report requirements;
- A requirement for educating and training of appropriate staff, either internally or by a third-party;
- Independent testing, either by a third-party or internally, but not by the AML Compliance Officer, to monitor and maintain the Program; and
- A requirement to report suspicious activity to FinCEN within 30 days of discovery.

BROKER: _____

DATE: _____

BY: _____

NAME: _____

TITLE: _____

MARKETING AND ADVERTISING CERTIFICATION OF COMPLIANCE

In 2012, NRMLA published the Dirty Dozen Unethical Advertising Practices outlining some of the terminology and methods of advertising the NRMLA Ethics and Standards Committee found to be misleading, false and/or unethical. The full advisory opinion is available here:

http://services.nrmlaonline.org/NRMLA_Documents/Ethics%20Advisory%20Opinion%202012-01.pdf

The prohibited advertising practices include:

1. Advertising HECM loan programs as a “Government Loan” or “Government Benefit,” or the lender’s loan as HUD or AARP “approved;”
2. Advertising that a failure of a senior to respond will or may result in the loss of a consumer benefit to which the consumer is entitled;
3. Advertising exaggerated or misleading benefits (such as “We (the lender) pay off your loan”), particularly without fairly describing related risks;
4. Advertising celebrity testimonials or endorsements without disclosing the paid nature of the arrangement;
5. Advertising a requirement that another product or service (such as an annuity) also must be purchased from the lender in order to obtain a reverse mortgage loan, particularly if such other product or service also does not provide a bona fide advantage to the consumer;
6. Advertising to a business partner unreasonably high compensation paid to it by the consumer through reverse mortgage loan proceeds, even if such compensation clearly and timely is disclosed to the consumer;
7. Advertising, without equally prominent and conspicuous and accurate explanations and qualifications, that reverse mortgage loans are “no cost,” or “no fee,” or “no risk,” or “no expense,” or “require no payments;”
8. Advertising celebrity testimonials or endorsements that do not reflect the honest opinions and experiences of the endorsers;
9. Advertising that consumers are “pre-approved” or “pre-qualified” without also fully and clearly disclosing applicable approval and qualification conditions;
10. Advertising in a misleading way that if a consumer does not promptly respond, he or she may or will lose or miss out on a limited opportunity;
11. Advertising using simulated checks or currency; or
12. Advertising using HUD or FHA logos or names.

In 2015, the Consumer Financial Protection Bureau also published the report “A closer look at reverse mortgage advertisements and consumer risks,” which further outlined various incomplete, inaccurate and misleading advertising statements and practices.

The full report is available here:

http://files.consumerfinance.gov/f/201506_cfpb_a-closer-look-at-reverse-mortgage-advertising.pdf

This report further illustrated and expanded upon many of the same deceptive and unethical advertising practices outlined in NRMLA’s advisory opinion.

Mid-Continent Funding, Inc. requires all approved Brokers to remain in compliance with the marketing and advertising practices outlined herein. The undersigned hereby certifies receipt and review of these prohibited marketing and advertising practices and agrees to abide by the foregoing in all marketing materials and advertisements.

BROKER: _____

DATE: _____

BY: _____

NAME: _____

TITLE: _____

**NRMLA CODE OF ETHICS AND PROFESSIONAL RESPONSIBILITY
ACKNOWLEDGEMENT**

Mid-Continent Funding, Inc. has adopted the National Reverse Mortgage Lenders Association (“NRMLA”) Code of Ethics and requires all approved Brokers to certify the same. The full document outlining the Code of Ethics published June 16, 2009 may be downloaded from the following link:

http://services.nrmlaonline.org/NRMLA_Documents/NRMLA%20Code%20of%20Ethics-FINAL.pdf

The undersigned has read and understands the NRMLA Code of Ethics. Furthermore, the undersigned agrees to comply with all the Values and Rules contained in the Code.

BROKER: _____

DATE: _____

BY: _____

NAME: _____

TITLE: _____