

Lender Paid Compensation Agreement and Election Form



Initial Election _____

Change Election _____

Client Company Name _____

Pursuant to Regulation Z, 12 CFR §1026.36(d), you will be compensated by FSB Mortgage (FSB) OR the Borrower(s), but not both in the same transaction.

Upon the submission of a loan to FSB you (Client) will be required to select your compensation method of either Lender Paid Compensation (LPC) or Borrower Paid Compensation (BPC). In either case, the total compensation charged may not exceed your company's Elected Options below. On BPC elected transactions 100% of origination charges must be paid directly by the Borrower(s).

Client's Compensation Elections below require the selection of a percentage of the loan amount for each originated loan without regard to any loan characteristic. Additionally, Client may select a maximum dollar amount of compensation that Client will be paid on any single transaction as long as that total dollar amount would be less than or equal to the total dollar amount of compensation as calculated under Client's percentage election below, not to exceed the FSB maximum compensation limit of \$35,000 on any single transaction.

The below Compensation Elections will be applied to all loans with TRID loan application dates on or after the effective date of the election or change.

Client Elections

LPC % Election _____% (Options in any amount from 0.0% up to 2.75%)

Optional Elections

Maximum dollar amount of LPC on any single transaction. These options will override the above to the extent the elected Maximum option is not greater than the dollar amount associated with the % election above, and any Minimum will override the % election above as long as that dollar minimum is within the QM Points and Fees limit.

Maximum Revenue Amount of \$ _____ (may NOT exceed \$35,000)

Minimum Revenue Amount of \$ _____



Changes

Changes to the Elections above may only be made once every 90 days. The exception is within the first 90 days following the Client's initial approval date, where Client is given a one-time option to make an adjustment. This exception is granted due to the newness of the relationship and may be necessary once product, pricing, operating efficiencies, and other business experiences are known. If that option is taken, the 90-day restriction will be imposed beginning with that elected change date. Changes must be made by delivering this form, properly completed, and executed by an authorized Principal, to the e-mail address listed below. The Effective Date of any change will be the second business day following the delivery of the change request. The FSB Business Day ends at 5:00pm Eastern.

Borrower Paid Compensation

For transactions where Client's compensation is paid directly from the Borrower(s), that compensation may be negotiated on a loan by loan basis provided the compensation is equal to or less than the compensation Client would have received under LPC; and the BPC falls within the maximum if elected, or maximum set by FSB, and that no part of any FSB borrower premium credit is used to pay any of the BPC origination charges.

By signing below, Client agrees to the following:

- Client will pay its loan officer(s) in compliance with Regulation Z guidelines pertaining to loan originator compensation and applicable law;
- Should FSB be asked, and agrees to allow a loan to close and fund without all funding conditions being met, Client agrees FSB may withhold all or a part of Client's compensation until such conditions are satisfied;
- Client agrees to retain records of compensation to its mortgage loan originators for a period of five (5) years and make such records available to FSB upon request;
- Client understands the compensation options elected above shall apply to all loans regardless of loan characteristics or loan products and will continue unless amended in writing as permitted and instructed herein by FSB;
- The undersigned represents and warrants they have the authority to sign this document on behalf of the Client company listed.

Client Company Printed Name _____

Authorized Signer Printed Name and Title _____

Signed _____

Date _____

For Clients making an election change, please complete and email to Clientapprovals@fsbmortgage.com.

See "Changes" above for details.

NMLS #411341. FSB Mortgage is a division of First Savings Bank. All rates and programs subject to change without notice. This information is intended to assist Mortgage Industry Professionals only and is not an advertisement to extend consumer credit.



FSB Mortgage powered by First Savings Bank. FSB Mortgage is a nationwide lender offering a broad range of loan products to broker and mortgage banking partners. You can count on FSB Mortgage to come through with diverse lending products, powerful loan features, and fast turn times.