



# MLO Compensation Policy & Agreement

This Mortgage Loan Originator (MLO) Compensation Policy and Agreement (“Agreement”) is presented to and acknowledged by \_\_\_\_\_ (“Broker”), doing business with RISE TPO as of \_\_\_\_\_.

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

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

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

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

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

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



# Lender Paid Compensation Election Form

## LOAN ORIGINATOR INFORMATION

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

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

<b>LENDER PAID COMPENSATION DESIGNATION</b> (Select only one.) Please indicate by marking one checkbox. This first box allows choosing in 0.125 increments up to 2.750%.  <input type="checkbox"/> 1.000 <input type="checkbox"/> 1.125 <input type="checkbox"/> 1.250 <input type="checkbox"/> 1.375 <input type="checkbox"/> 1.500 <input type="checkbox"/> 1.625 <input type="checkbox"/> 1.750 <input type="checkbox"/> 1.875 <input type="checkbox"/> 2.000 <input type="checkbox"/> 2.125 <input type="checkbox"/> 2.250 <input type="checkbox"/> 2.375 <input type="checkbox"/> 2.500 <input type="checkbox"/> 2.625 <input type="checkbox"/> 2.750 <b>Please Initial Here:</b> _____	
<b>Flat Fee</b> Flat Fees are eligible on LPC comps not to exceed 2.25% (1.000—2.250%); any comps above 2.250% cannot include a Flat Fee.  <input type="checkbox"/> \$500.00 <input type="checkbox"/> \$750.00	
<b>Minimum Revenue Amount</b> NOTE: Please consider Closed End Seconds when choosing minimum compensation  \$	<b>Maximum Revenue Amount</b>  \$

**NOTE: Your compensation election may impact your LPC selection across all OCMBC, Inc. approved DBAs (should it be different than previous comp elections), and, by signing this, you are in agreement to that effect.**

## CERTIFICATION

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

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