



## **LOAN ORIGINATOR COMPENSATION**

These policies pertain to all closed end loan transactions and DO NOT pertain to the All In One™ loan.

### **There are three main prohibitions in the Rule:**

Loan originators cannot receive compensation that is based on the terms or conditions of the loan, other than loan amount.

Loan originators cannot receive compensation from both a consumer and any other source, which includes the lender.

Loan originators may not direct (or “steer”) a consumer to accept a loan that is not in the consumer’s interest in order to increase the loan originator’s compensation.

Loan Originator compensation can be received from the lender (CMG) OR the consumer, not both.

A Broker must maintain written compensation plans for its loan originator employees in compliance with applicable laws and regulations, including but not limited to the new TILA Rule, and must certify to CMG its compliance with such requirements. We recommend you consult with legal counsel for compliance advice. In order to comply with the Fed Rule, CMG requires that you select a compensation level on behalf of your company that will be applied to all loans submitted to CMG using the Lender Paid Compensation option for the upcoming calendar quarter. Lender Paid compensation may not be reduced for any reason and you may not credit any of your compensation to the borrowers closing costs. If you choose to change your compensation at a future time, but not more than quarterly, you must notify CMG in writing prior to the first day of the upcoming quarter. Changes will only be made on the 1st day of the quarter (1st of January, April, July & October) regardless of loan submission dates or dates of previous changes to your compensation plan.

### **Agreed and Accepted**

Date \_\_\_\_\_

Signature \_\_\_\_\_

Printed Name \_\_\_\_\_

Title \_\_\_\_\_

Company \_\_\_\_\_



### LENDER PAID COMPENSATION

**You must make a selection from the following compensation options**

If you do not submit an updated Lender-Paid Compensation plan, you will remain on your existing plan. If you choose to change your existing compensation plan at a future time, but not more than quarterly, you must notify CMG in writing prior to the first day of the upcoming quarter. Changes will only be made on the 1<sup>st</sup> day of the quarter (1<sup>st</sup> of January, April, July & October) regardless of loan submission dates or dates of previous changes to your compensation plan. If you do elect to change your plan, please send a new agreement to your Account Executive at least 10 days prior to the beginning of the new quarter. The following amounts have been selected for the upcoming calendar quarter:

\$ \_\_\_\_\_ + \_\_\_\_\_ %  
**Flat Fee \*optional**                      **Percentage**  
(Maximum \$1000)                      (1.0% to 3.5%)

- Requested Lender-Paid Percentage: Amount (%) in the range of **1.0% to 3.5%** in 0.125% increments
- You may include a Flat Fee in addition to your percentage for up to a **maximum of \$1000**  
\*All compensation levels are subject to state and federal high cost limitations.

-You also have the **option** to set a floor and/or a ceiling to cap the minimum and/or maximum dollar amount earned per transaction. **By entering a floor**, this will be the minimum compensation paid per loan transaction, regardless of your Flat Fee and Percentage elections. **By entering a ceiling**, this will be the maximum compensation paid per loan transaction, not to exceed your Flat Fee and Percentage elections.

**Floor Dollar Amount** \$ \_\_\_\_\_      **Ceiling Dollar Amount** \$ \_\_\_\_\_  
\***optional** (Between \$0 and \$2000)      \***optional** (unlimited; cap = LPC%+ Flat Fee)

I understand that this selection impacts all loans locked or submitted, whichever comes first, using Lender Paid Broker Compensation on and after the first day of the calendar quarter following this agreement and will remain in effect until a new quarterly plan is submitted. I understand that payment of this compensation must be properly disclosed per all Legal and Regulatory Requirements. I certify that our Company has established Loan Officer Compensation agreements with each of our loan officers in accordance with all applicable rules and regulations. I represent and warrant that I have the authority to sign this document as the Broker of Record or a Principal/Owner/Officer of the Broker Company listed below.

### Agreed and Accepted

Date \_\_\_\_\_

Signature \_\_\_\_\_

Printed Name \_\_\_\_\_

Title \_\_\_\_\_

Company \_\_\_\_\_