Mission Loans, LLC. DBA N2 Funding
19500 Jamboree Rd Ste 300, Irvine, CA 92612Office
(855) 959-4500
NMLS# 210853

MORTGAGE BROKER APPLICATION

Thank you for your interest in becoming an approved Broker with Mission Loans, LLC dba N2 Funding ("N2 Funding"). N2 Funding requires all Broker or Third-Party Originator ("TPO") Clients to be approved by our Broker Desk prior to submitting loan applications for consideration. Each Broker/TPO Client seeking approval must submit a completed Broker Approval Package. Our Broker/TPO application process is quick and easy:

1. Complete and sign the following templates*
2. Provide the remaining checklist items.
3. Email all documents to: BrokerDesk@N2Funding.com.

BROKER APPLICATION CHECKLIST

- ☐ Completed and executed Broker Application, including TPO Company Online User Information and Company References forms* (ALL information is required, and Authorization to Release Information must be completed and executed)
- ☐ Properly endorsed and unaltered N2 Funding Mortgage Broker Agreement*
- ☐ Properly endorsed and unaltered N2 Funding Mortgage Broker Compensation Addendum*
- ☐ Properly endorsed and unaltered N2 Funding Anti-Money Laundering Certification*
- ☐ Completed and properly endorsed IRS Form W-9 certifying the Taxpayer Identifying Number
- ☐ Quality Control Plan
- ☐ Complete copy of your Articles of Incorporation/Organization or Partnership Agreements
- ☐ Interim Financial Statement YTD. Must be within the last 90 days. Broker needs to sign and date.
- ☐ Errors and Omission (E&O) Insurance or Surety Bond
- ☐ Properly executed Corporate Resolution
- ☐ Copy of Resumes (Principals and Key Staff)
- ☐ Hiring Policies & Procedures that checks all employees against GSA Excluded Parties List, HUD LDP List, and FHFA Suspended Counterparty Program List.

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MORTGAGE BROKER APPLICATION

Company NMLS ID:		Account Executive: [Select AE]	
Company Legal Name:			
DBA Name (if applicable):			
Entity Type: [Select Type]	State Formed in:	Date Formed:	
Tax ID#:	Type: ☐ EIN ☐ SSN	Website:	
Main Address:			
City:	State:	Zip:	Phone:
Principal/Owner: 1)	Phone Number:	Email:	% Owned:
2)			
3)			
If additional space is needed, please check here ☐ and attach a separate sheet			
Broker of Record:	Phone Number:	Email:	NMLS ID
If licensed in CA, please check: ☐ CA DRE ☐ CA CFL			
State Licensing: States approved in NMLS will be automatically added to company profile, unless specified. Please list any states that require omission from set-up:			
Branch Office Addresses: 1) 2) If additional space is needed, please check here ☐ and attach a separate sheet			NMLS ID

Product Type:

Please check all products the company would like to be approved to submit:

☐Conventional ☐FHA ☐VA* ☐USDA ☐Jumbo / Non-Agency

*Sponsorship Request Form and $100 fee required.

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MORTGAGE BROKER APPLICATION

Disclaimers/Certifications	Yes	No
1. Is there any pending litigation involving the Principal(s)/Owner(s)? If Yes, explain:	☐	☐
2. Has your company, and/or principals or corporate officers, had a real estate or other professional license suspended, revoked, or received any other disciplinary action from a regulatory agency in the past? If Yes, explain:	☐	☐
3. Has your company's approval with any Agency, Investor or another Lender been cancelled, revoked, or suspended in the past? If Yes, explain:	☐	☐
4. Has your company made any indemnification to another Lender due to loss or potential loss incurred? If yes, explain:	☐	☐
5. Has your company been required to repurchase any mortgage loans from an Investor within the last three (3) years? If yes, explain:	☐	☐
6. Has your company, or any of its Owners or Principals, ever filed for protection from creditors under any provision of the U.S. Bankruptcy laws within the past ten (10) years? If Yes, explain:	☐	☐
7. Is your company an affiliate of a builder, developer, real estate sales firm, appraisal firm, contract processing company, a firm providing title insurance or closing services, or any firm involved in the mortgage insurance industry?	☐	☐

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8. Does your company have hiring policies and procedures that include a check for all employees, including management, who are involved in originations of mortgage loans against the U.S. General Services Administration (GSA) excluded Parties List, the HUD Limited Denial of Participation List (LDP List), and the Federal Housing Finance Agency (FHFA) Suspended Counterparty Program (SCP) List? Is No, explain:	☐	☐
9. Does your company maintain a comprehensive and up-to-date set of governing policies and procedures for all areas of your company, including compliance with applicable consumer protection regulations? If No, explain:	☐	☐
10. Does your company provide periodic comprehensive and up-to-date training to all employees, including managers, that covers all applicable Federal and State consumer protection regulations? If Yes, list all training and frequency of training provided (or include a company training schedule): If No, explain reason:	☐	☐
11. Has your company reviewed the Anti-Money Laundering ("AML") training provided by N2 Funding. Said training was made available to you as part of this Broker Application package. If No, explain:	☐	☐

THE UNDERSIGNED DECLARES THAT THE FORGOING INFORMATION AND ALL ACCOMPANYING INFORMAITON ARE TRUE TO THE BEST OF HIS/HER/THEY/ THEM KNOWLEDGE AND BELIEF. MISSION LOANS, LLC DBA N2 FUNDING IS HEREBY AUTHORIZED TO OBTAIN VERIFICATION OF THIS INFORMAITON FROM ANY SOURCE IN CONNECTION WITH THIS MORTGAGE BROKER APPLICATION.

Signature: **Title:**

Print Name: **Date:**

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TPO COMPANY ONLINE USER INFORMATION

	First Name	Last Name	Email Address	Role (Select One)	NMLS # (if app)
1				☐ Originator ☐ Processor	
2				☐ Originator ☐ Processor	
3				☐ Originator ☐ Processor	
4				☐ Originator ☐ Processor	
5				☐ Originator ☐ Processor	
6				☐ Originator ☐ Processor	
7				☐ Originator ☐ Processor	
8				☐ Originator ☐ Processor	
9				☐ Originator ☐ Processor	
10				☐ Originator ☐ Processor	

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AUTHORIZATION TO RELEASE INFORMATION

_____(the "Broker") acknowledges that it is in the best interest of both Broker and N2 Funding to perform due diligence concerning Broker's background and experience. Broker further acknowledges that N2 Funding is obligated to perform due diligence reviews of all of its Brokers, including Broker, for compliance with applicable laws pursuant to pursuant to Consumer Financial Protection Bureau Bulletin 2012-3 (4/12/2012). Therefore, Broker consents and gives N2 Funding permission to verify all information provided by Broker to N2 Funding. Broker also agrees to provide all information requested by N2 Funding regarding its policies, procedures, operations, insurances, vendors and finances, whenever requested by N2 Funding.

Broker understands that N2 Funding performs quality control reviews of the loan applications that Broker submits to N2 Funding for registration, review, processing, underwriting, origination, and/or purchase. Broker agrees to immediately notify N2 Funding, and to provide information about, any loan application that is suspected to contain misrepresentations and/or irregularities. Broker agrees and gives its consent that it and its employees may be named as the originating entity or loan officers in any inquiry about any loan suspected of misrepresentation, irregularities, or fraud, whether or not Broker or its employees is implicated in the alleged misrepresentations, fraud, and/or irregularities. Broker hereby releases and agrees to hold harmless N2 Funding from any and all liability for damages, losses, costs, and expenses that may arise from the reporting or use of any information submitted by N2 Funding to any mortgage loan investor, government agency, insurer, or used in any way by N2 Funding.

Broker authorizes N2 Funding to obtain any and all business reports/credit information (herein after referred to as "Report") regarding Broker and its owners and control persons so that N2 Funding may review and approve Broker's application to submit loan applications to N2 Funding. This Authorization is a continuing authorization permitting N2 Funding to obtain Reports at any time that Broker may submit a loan application to N2 Funding for consideration to verify or re-verify any information provided to N2 Funding by Broker or by any other source, or for any other legitimate business purpose. This authorization is intended to comply with the requirement to have a permissible purpose to obtain a consumer report as set forth in Section 604(a)(2) of the Fair Credit Reporting Act, 15 U.S.C. 1681b(a)(2).

Broker:

Signature: _____ Date:_____

Name:

Its:

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COMPANY REFERENCES

Investor Name	Contact Name	Phone #	Email Address
1.			
2.			
3.			

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MORTGAGE BROKER AGREEMENT

THIS MORTGAGE BROKER AGREEMENT (together with all exhibits and amendments, "Agreement") is entered into as of _____ by and between Mission Loans, LLC dba N2 Funding ("Lender") and _____, a Select Entity Type organized in the state of _____ (hereafter "Broker") (collectively, the "Parties").

WHEREAS Broker is in the business of originating and Lender is in the business of making loans secured by residential real estate.

WHEREAS the Parties desire to establish a nonexclusive relationship whereby Broker will submit application packages to Lender for its funding consideration.

NOW THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, Lender and Broker hereby agree as follows:

1. **DEFINITIONS:** Whenever used herein, the following capitalized words and phrases shall have the following meanings:
   - A. Agency: Fannie Mae, Freddie Mac, the United States Department of Housing and Urban Development, the Federal Housing Administration, Ginnie Mae, the United States Department of Veterans Affairs, the Rural Housing Service and any other state or federal agency or government sponsored entity which acquires, sponsors, or subsidizes mortgage loans.
   - B. Applicable Law: Any federal, state or local constitution, statute, rule, regulation, ordinance, administrative guidance or similar legal requirement or authority applicable to the creation, maintenance and authorization of business entities or the taking of applications for or origination or processing of mortgage loans or any related activity including but not limited to the Real Estate Procedures Act and Regulation X, the Equal Credit Opportunity Act and Regulation B, the Fair Housing Act, the Fair Credit Reporting Act, the Gramm-Leach-Bliley Act, the Bank Secrecy Acy/Anti-Money Laundering, the Secure and Fair Enforcement for Mortgage Licensing Act, any corresponding applicable State Laws; and any applicable and valid order, verdict, judgment or consent decree.
   - C. Application Package: With respect to each Mortgage Loan, (a) a completed loan application signed by all Borrowers, (b) all notices and disclosures required by Applicable Law and the Guidelines prior to the time of submission to Lender, and (c) documents and information Lender requires to underwrite the Mortgage Loan, including, but not limited to, credit reports, financial statements, verifications and any other information Lender requests all of which Broker shall provide at its sole expense.
   - D. Borrower: The applicant for and/or obligor on the promissory note evidencing the Mortgage Loan.
   - E. Guidelines: All published guidance of Lender or any Agency, including without limitation all announcements, bulletins, web postings, circulars, automated underwriting systems communications, underwriting manuals or guidelines, handbooks, policies, and procedures now or hereafter existing which apply to an Application Package or Mortgage Loan.
   - F. Mortgage Loan: A loan which is the subject of this Agreement and secured by a one-to-four family residential dwelling, including, without limitation,

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the related disclosures and all other documents and information provided to or by Broker in connection with the mortgage loan.

2. BROKER SERVICES; LENDER'S APPROVAL

A. Broker shall submit to Lender Application Packages which conform to the Guidelines. Broker agrees and understands that nothing in this Agreement shall be construed as creating any obligation on the part of Lender to accept or approve any Application Package or to make a Mortgage Loan, all of which shall be in Lender's sole and absolute discretion.

B. If Lender approves an Application Package, Lender shall notify Broker in writing of its conditional approval of such Mortgage Loan, which notice shall state the material terms for such Mortgage Loan and the conditions required to be satisfied prior to closing such Mortgage Loan (the "Conditional Approval Letter"). Broker agrees that it shall not warrant or represent to Borrower or any party that Lender has finally approved or will approve or fund any Mortgage Loan until such time as Lender notifies Broker in writing of same.

C. Following its receipt of a Conditional Approval Letter, Broker shall, at its sole expense, provide such other documentation and perform such other functions as Lender may require to facilitate the closing of such Mortgage Loan. Broker shall use its best efforts to deliver Mortgage Loans for which Lender has issued a Conditional Approval Letter and understands and agrees such duty is the essence of this Agreement.

D. Lender shall not be obligated to fund any Mortgage Loan that does not, in Lender's sole discretion, comply with this Agreement, Applicable Law or the Guidelines or which fails to satisfy the terms and conditions in the Conditional Approval Letter. All Mortgage Loans shall close in Lender's name with funds provided by Lender.

3. COMPENSATION

Broker may receive fees from either Borrower or Lender, but not both, for services rendered under this Agreement. Lender shall compensate Broker only for those Application Packages which result in Mortgage Loans which Lender closes and funds. Broker's compensation for services under this Agreement shall be as set forth on Mortgage Broker Compensation Addendum to this Agreement which is attached hereto and incorporated herein by reference. Broker shall accept compensation only as permitted by Applicable Law and the Guidelines. Broker has established or entered into a written compensation agreement with each of its employees engaging in loan origination activity and shall compensate its employees and other persons only as permitted by Applicable Law and the Guidelines.

4. REPRESENTATIONS, WARRANTIES AND COVENANTS

The covenants, representations and warranties set forth in this Agreement shall survive delivery of an Application Package, funding of any related Mortgage Loan and the termination of this Agreement. Broker hereby represents, warrants, and covenants to Lender that as of the date of this Agreement and as of the closing and funding of each Mortgage Loan:

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A. Broker is duly organized, validly existing and in good standing under the law of the state of its organization and in compliance with all Applicable Law and the Guidelines.

B. Broker and its employees (as applicable) are properly licensed and/or registered on the Nationwide Mortgage Licensing System ("NMLS"), or exempt therefrom, and qualified to do business in all jurisdictions where it solicits for Mortgage Loans and conducts the activities contemplated hereunder. Broker shall notify Lender immediately upon the suspension, revocation, expiration or other termination of any license, registration, or qualification, or of the taking of any action against Broker or its employees that could adversely affect Broker or its employees.

C. Broker has all requisite power, authority, and capacity to enter into this Agreement and to perform its obligations hereunder. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly and validly authorized by all necessary action and constitute a binding obligation of Broker.

D. No representation, warranty or written statement made by Broker in this Agreement, or in any written or verbal communication made to Lender in connection with the transactions contemplated hereunder, contains, or will contain, any misrepresentation of material fact, untrue statement of a material fact or omits, or will omit a material fact necessary to make the statement contained herein or therein not untrue or misleading (including without limitation the mortgagor and the appraiser, and builder/developer, or loan officer).

E. Except as previously disclosed by Broker to Lender in writing, there is not pending or, to Broker's knowledge, threatened, any suit, action, arbitration, investigation, or other proceeding, including an allegation of fraud by another lender, against Broker or its current or former officers, directors, shareholders, employees, representatives, or agents.

F. Broker is in compliance with and not in violation of any Applicable Law, and each Application Package and Mortgage Loan complies in all respects with this Agreement, Applicable Law, and the Guidelines.

G. There are no facts, circumstances, or conditions with respect to any Application Package which Broker believes or has any reason to believe could be expected to cause the Mortgage Loan to become delinquent or adversely affect the value, marketability, or insurability of such Mortgage Loan, or cause it to be considered a "high cost," "covered loan," "threshold" or "predatory loan" within the meaning of Applicable Law or the Guidelines. Broker has committed no act or omission that will impair or invalidate Lender's interest in, or enforceability of, a Mortgage Loan. Broker has not adversely selected Application Packages for submission to Lender.

H. Broker directly originated the Application Package, and the Borrower was interviewed by a full-time duly licensed or registered employee of Broker. The Application Package and all information and documents submitted to Lender are in every respect valid and genuine, on their face what they purport to be, true, correct, and accurate. Broker established the identity of the Borrower and conducted other due diligence in connection with each Application Package in accordance with Applicable Law and the Guidelines. No Application Package, information or documentation submitted to Lender

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contains any untrue, inaccurate, erroneous, fraudulent, or misleading statement of fact or omission, regardless of whether the information or documentation was prepared by Broker, Borrower or any third party.

I. No conflict of interest or business relationship of any kind exists between Broker and Borrower or any other party in connection with an Application Package including but not limited to any appraiser, title agent or attorney (collectively, "Vendors"). Should any conflict of interest or business relationship arise hereafter, Broker will immediately notify Lender. Lender may determine, at its sole discretion, that Vendors are unacceptable.

J. The appraisal of the Mortgaged Property was ordered in compliance with Applicable Law and the Guidelines.

K. Within ten (10) days of Lender's written request at any time (including after termination of this Agreement), Broker shall provide additional documents or information and take all actions necessary to remedy any matter not in compliance with Applicable Law and the Guidelines, including assisting Lender in obtaining documentation relating to a Mortgage Loan from closing agents.

L. Broker shall notify Lender within one (1) Business Day: (i) of any material change in its financial condition or executive management; (ii) of any change in ten (10%) percent or more of its ownership; (iii) if any representation or warranty in this Agreement is or becomes untrue; (iv) of Broker's receipt of a writing from any lender or investor demanding that Broker indemnify such party or purchase a loan; and (v) if Broker enters into a decree or order with or receives notice of the finalization of an administrative enforcement action by any Agency, regulator or governmental sponsored entity.

M. Upon 30 days' notice from Lender, Broker shall provide to Lender any and all documentation or information Lender reasonably requires regarding Lender including evidence of bonds, insurance, and licenses.

N. Broker shall notify Lender immediately if Broker receives a subpoena relating to this Agreement or any Mortgage Loan submitted to Lender.

O. At all times during the term of this Agreement, with respect to each Borrower whose application has

P. been submitted to Lender, Broker has observed and shall observe and fully discharge the fiduciary duties owed by mortgage brokers to their clients under applicable Federal, state, and local laws and regulations. In particular, and without limitation to

Q. the foregoing, whenever required by such fiduciary duty, Broker, its employees and/or agents has provided to Borrower any requisite disclosures, including, without limitation, Anti-Steering Safe Harbor, the Housing Financial Discrimination Act of 1977 Fair Lending Notice, State Specific Loan Brokerage Agreement/Disclosure of Fees Earned (as applicable), and DRE Form 883. In addition to having assisted Borrower in the completion of his or her loan application, Broker has fully and satisfactorily performed at least five of the services set forth on Exhibit "A." All services were performed to the full satisfaction of Borrower and in accordance with accepted and customary standards in the mortgage lending industry generally, and Broker is not aware of any dispute or claim by any borrower that all such services were not fully and satisfactorily performed.

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R. Broker agrees that no Loan meets the definition set forth in Section 226.32(a) of or is otherwise subject to the provisions of Section 226.31 and Section 226.32 set forth in, Regulation Z promulgated by the Federal Reserve Board under the federal Truth in lending Act. Based upon borrower's credit, income, debts and financial condition, Broker believes that Borrower has the ability to repay the Loan in accordance with its terms. The Borrower has not signed a letter or otherwise notified Broker in connection with the Loan application that Borrower is unable to repay the Loan in accordance with its terms.

5. CONFIDENTIALITY

Broker hereby agrees that the terms and conditions of this Agreement, Lender's products, the Guidelines and any advice or agreement to fund any Mortgage Loan hereunder shall be kept confidential and their contents shall not be divulged to any party without Lender's prior written consent except to the extent that it is necessary for Broker to disclose any such information in accordance with Applicable Law, or in working with legal counsel, auditors, taxing authorities or other governmental agencies. The obligations under this section are continuing and shall survive the termination of this Agreement.

6. RESCISSION; EARLY PAYOFF; EARLY PAYMENT DEFAULT

A. If Lender receives notice that a Borrower has rescinded a Mortgage Loan, Broker shall promptly return to Lender all amounts Broker collected, either directly or from disbursement at closing, regardless of whether such amounts were disbursed by Broker to other parties.

B. Within ten (10) days after Lender notifies Broker of the following events, Broker shall refund to Lender any compensation Lender paid to Broker in connection with a Mortgage Loan: (i) the Mortgage Loan is paid in full on or before one hundred eighty (180) days after its consummation (6 months from 1st payment date); or (ii) the Borrower fails to pay any amount due within thirty (30) days of the payment due date for any two of the first four payments even if such default is subsequently cured.

7. REPURCHASE OBLIGATION

Broker will repurchase any Mortgage Loan within ten (10) days of Lender's demand upon any of the following circumstances:

A. Lender discovers any evidence of fraud, misrepresentation, or material omission in connection with the Application Package or the origination or processing of the Mortgage Loan, or

B. Broker breached this Agreement with respect to the Mortgage Loan.

In Lender's sole discretion, Lender may permit Broker to cure a defect in lieu of purchasing the Mortgage Loan.

If Lender demands that Broker repurchase a Mortgage Loan, the repurchase price shall be equal to: (a) the principal balance of such Mortgage Loan as of the repurchase date; plus (b) accrued but unpaid interest up to and including the date of repurchase; plus (c) all advances, servicing fees and accrued ancillary income; plus (d) Lender's out of pocket expenses, including attorneys' fees, whether or not a law suit is filed,

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relating to such Mortgage Loan or enforcement of Broker's obligations hereunder; plus (e) compensation Lender paid Broker in connection with such Mortgage Loan.

Notwithstanding the foregoing, Lender shall not require Broker to repurchase a Mortgage Loan if Broker does not maintain the requisite license or governmental approval to do so. Whether or not Broker may repurchase a Mortgage Loan in compliance with Applicable Law, Lender may seek indemnification from Broker pursuant to this Agreement or sell the Mortgage Loan. Upon the occurrence of such a sale, Broker's liability to Lender for such Mortgage Loan shall be equal to the amount of the repurchase price as provided above less the actual amount received by the Lender in such sale (which amount shall be conclusively deemed a reasonable mitigation of Lender's damages).

8. INDEMNIFICATION

The option to request or accept repurchase of any Loan is at the sole discretion of Lender. Notwithstanding that Broker may be obligated to repurchase a Mortgage Loan pursuant to Section 7 above, in the event Lender notifies Broker a Mortgage loan is subject to repurchase, in lieu of Brokers obligation to repurchase, Lending in its sole and absolute discretion may allow Broker to indemnify Lender, its successors and/or assigns and its respective officers, directors, members, managers, employees and agents from and against any loss, damages, penalties, fines, forfeitures expenses, suits and liability of every kind, nature, and description, including without limitation reasonable attorneys' fees, arising out of or in any way connected with any Application Package submitted to Lender by Broker, any representation, warranty, or written statement made by Broker in this Agreement, or in any written or verbal communication made to Lender pursuant to this this Agreement, or arising out of or based upon the e3xistence of any facts, circumstances, situations, conditions, or the happening of any events constituting a breach or violation of any of the obligations, duties, representations and warranties of the Broker contained herein. Further, Broker agrees to carry adequate liability insurance to cover any claims asserted against Broker and/or Lender arising out of any breach by Broker of the terms of this Agreement. The indemnification contained in this paragraph shall survive the termination of this Agreement and shall extend to any third party to which Lender has sold any loan, or to any assignee thereof.

9. TERMINATION

This Agreement may be terminated by either party, without cause, upon thirty (30) days prior written notice to the other. Termination of this Agreement shall not extinguish Broker's obligations to Lender as provided in this Agreement. The Agreement may be terminated immediately by written notice from Lender if it determines, in its sole discretion, that Broker has: (a) breached this Agreement; or (b) engaged in fraud, dishonesty, criminal conduct, gross negligence or any other activity that could result in loss, civil, criminal, or regulatory action against Lender. In the event of such termination, Lender may, but shall be under no obligation to, fund any Application Package for which Lender issued a Conditional Approval Letter.

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10. INSPECTION

Lender shall have the right to audit and inspect Broker's books, records, systems, operations, with this Agreement. Broker shall allow Lender, its agents, designees, and regulators reasonable access during regular business hours to examine, inspect, and copy Broker's books and records which are in any way related to the Mortgage Loans or this Agreement. Broker shall cooperate and assist in any such audit or inspection and shall reimburse Lender for the costs of such inspection. Lender's inspection or failure to inspect shall not affect its rights and remedies under this Agreement.

11. MISCELLANEOUS

A. Notices: Any notice required by this Agreement or given in connection with it, shall be in writing and shall be given to the appropriate party by personal delivery or by certified mail, postage prepaid, or recognized overnight delivery services.

If to Lender:	If to Broker:
Address: 19500 Jamboree Rd	Name: _____
Ste 300	Address: _____
City, State, Zip: Irvine, CA 92612	City, State, Zip: _____
Attn: Legal Department	Attn: _____

B. Right to Offset: All amounts Broker is to pay Lender under this Agreement shall be by wire transfer of immediately available funds. Amounts owed by Broker to Lender under this Agreement may, at Lender's option and in its sole discretion, be offset by Lender against any payments then or thereafter owed by Lender to Broker.

C. Governing Law; Venue: This Agreement and performance hereunder shall be construed in accordance with the laws of the State of California without regard to conflicts of law principles. Orange County, State of California shall be proper venue for any litigation arising out of this Agreement.

D. Final Agreement: This Agreement expresses the entire agreement and understanding of the Parties with respect to the subject matter hereof and supersedes all prior oral or written agreements, commitment and understandings pertaining to the subject matter hereof. Lender may amend the terms of this Agreement by delivering to Broker the amendment(s) or an amended Agreement in accordance with the Notice provision contained herein which shall be deemed accepted and incorporated into this Agreement if Broker submits an Application Package to Lender subsequent to the date the amendment is delivered to Broker. Broker may not supplement, modify, or amend this Agreement unless such supplement, modification or amendment is agreed to in writing by an authorized officer of Lender.

E. No Assignment: Broker may not assign this Agreement or any interest herein without express prior written consent of Lender.

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F. Severability: If any term of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, then this Agreement, including all of the remaining terms, will remain in full force and effect as if such invalid or unenforceable term had never been included.

G. Accrual of Cause of Action: Lender's rights and Broker's obligations under this Agreement, including, without limitation, those related to indemnification, shall not be affected by Lender taking any of the following actions, with or without notice to Broker: (i) liquidation, repayment, retirement, sale, or resale of any Mortgage Loan; (ii) foreclosure of any Mortgage Loan (in which case the amount bid at any foreclosure sale shall not in itself be used in measuring the extent of Lender's loss); or (iii) sale or resale of the property securing any Mortgage Loan.

H. Waiver: Lender's examination of or failure to examine any Application Package prior to funding or at any time, or to exercise any right or remedy available under this Agreement or at law or equity, shall not act as a waiver. Nor shall any single or partial exercise of any right preclude any other or further exercise thereof. No waiver of any of the provisions of this Agreement shall be a waiver of any other provisions, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.

I. Attorneys' Fees and Costs: If any action or other proceeding is brought pursuant to this Agreement, the prevailing party shall be entitled to attorney's fees and other costs incurred in that action or proceeding, whether or not a lawsuit is filed, in addition to any other relief to which it may be entitled.

J. Communication Authorization: Broker expressly authorizes, consents, permits and invites Lender to call, text or email Broker using an automatic telephone dialing system, "auto dialer," an artificial or prerecorded voice or any other technology or equipment and for the purpose of transmitting any message and attachment, including unsolicited advertisements and any and all other documents, materials or communications, to the mobile, cell or other phone number(s), facsimile number(s) and e-mail address(es) provided by Broker to the Lender.

K. Reporting: Broker understands and agrees that Lender may report information about any Application Package or Mortgage Loan that Lender believes to contain misrepresentations or irregularities to any regulator, Agency or to any mortgage industry background database, including, but not limited to, databases operated by Mortgage Asset Research Institute, Inc., such as the Mortgage Industry Data Exchange ("MIDEX"), and Broker hereby releases Lender from any and all damage, loss, liability, cost, action, cause of action, claim, demand, or expense that may arise from such reporting.

L. Intellectual Property: Lender owns and has interests in a variety of service marks, trademarks, copyrights, and other forms of intellectual property used in connection with its business. This Agreement is not intended to, nor does it grant a license to Broker, to use these service marks or other intellectual property rights of Lender. Broker is authorized to distribute

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materials prepared by Lender which contain such service marks solely in conjunction with offering and providing the services contemplated under this Agreement for the purpose of originating Mortgage Loans for Lender. Nothing in this Agreement gives to Broker any right, title, or interest in Lender's intellectual property all of which is and shall remain the sole property of Lender. Any and all uses by Broker of such intellectual property shall inure to the benefit of Lender.

M. Documents Mutually Negotiated: Lender and Broker agree that this Agreement has been mutually negotiated by each party and shall not be construed against either as the drafter thereof.

N. Status of Broker as Independent Contractor: The Parties agree that Broker is an independent contractor. Nothing in this Agreement is intended or shall be construed to make or deem Broker a joint venture, partner, representative, employee or agent of Lender, and Broker is expressly prohibited from holding itself out as such. Broker is expressly prohibited from using Lender's name in any advertising.

O. Counterpart; Headings: This Agreement may be executed in counterparts. Facsimile or photocopied signatures shall be considered valid and binding signature. Headings used in this Agreement are provided for convenience only and shall not be used to construe meaning or intent.

P. Power of Attorney: Broker does hereby irrevocably make, constitute, and appoint Lender and any of its properly designated officers, employees, or agents as the true and lawful attorneys of Broker with power to sign the name of Broker on any document or instrument, that was to have been signed by Broker according to the terms of this Agreement. This power, being coupled with an interest is irrevocable until this Agreement is terminated and all of Broker's obligations hereunder which may survive termination have been fully satisfied.

Q. Business Resumption and Disaster Recovery: Broker shall maintain a business continuity and disaster recovery plan which contemplates the resumption of business and the security and recovery of confidential information in the event of a disaster or business interruption so as to support its performance under this Agreement.

R. No Solicitation for Employment: Broker agrees that without the Lender's prior written consent during the term of this Agreement and for one year after termination of this Agreement it will not directly solicit for employment any person who is now employed by Lender. Solicitations that are directed to the general public shall not be prohibited.

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IN WITNESS THEREOF, the Parties have caused their duly authorized representatives to execute this Agreement as of the date first set forth above.

LENDER	**BROKER**
Mission Loans, LLC dba N2 Funding	_____
By: _____	By:
	Its:
Its: _____	Date: _____

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MORTGAGE BROKER COMPENSATION ADDENDUM

This Addendum supplements, amends and becomes part of the Mortgage Broker Agreement, date _____, by and between Mission Loans, LLC dba N2 Funding, and _____ (the "Broker") and supersedes all previous Addendums.

The parties agree that Lender shall pay to Broker the following percentage of each Mortgage Loan Lender closes and funds as a result of an Application Package Broker submitted to Lender, plus the optional $500 flat fee, if available and selected.

(Broker to select one)

☐ 0.750*	☐ 0.875*	☐ 1.000*	☐ 1.250*	☐ 1.375
☐ 1.500	☐ 1.625	☐ 1.750	☐ 1.875	☐ 2.000
☐ 2.125*	☐ 2.250	☐ 2.375*	☐ 2.500*	☐ 2.750*

*Additional flat fee not available.

(Broker to select one)

☐ **Include** ☐ **Exclude the $500 flat fee in compensation calculation.**

If Broker elects to receive compensation from or on behalf of a Borrower, instead of Lender, Broker's compensation (BPC) shall be the same as or less than the amount(s) set forth above.

Broker may provide to Lender a proposed modified Mortgage Broker Compensation Addendum no more frequently than once every three (3) months. Any modification to this Mortgage Broker Compensation Addendum shall not be effective until 24 hours after Lender executes Broker's proposed Mortgage Broker Compensation Addendum. Lender shall pay Broker in accordance with the Mortgage Broker Compensation Addendum in effect at the time Borrower submitted the Mortgage Loan "application" to Broker as defined by Applicable Law.

LENDER

Mission Loans, LLC dba N2 Funding

By: _____

Its: _____

BROKER

_____

By:

Its: _____

Date: _____

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ANTI-MONEY LAUNDERING CERTIFICATION

This Certification is made on behalf of _____ (the "Broker") and given in accordance to Mission Loans, LLC dba N2 Funding ("N2 Funding"), broker approval requirements.

Money laundering and other financial crimes are monitored and enforced by the Financial Crimes Enforcement Network ("FinCEN"). FinCEN is a bureau of the United States Department of the Treasury. FinCEN's mission is to safeguard the financial system form illicit use and combat money laundering and promote national security through the collection, analysis, and dissemination of financial intelligence and strategic use of financial authorities.

FinCEN exercises regulatory functions primarily under the Currency and Financial Transactions Reporting Act of 1970, as amended by Title III of the USA PATRIOT Act of 2001 and other legislation, commonly referred to as the "Bank Secrecy Act" ("BSA"). The BSA authorizes the Secretary of the Treasury to issue regulations requiring banks and other financial institutions to take a number of precautions against financial crime, including the establishment of anti-money laundering ("AML") programs and the filing of reports, including Suspicious Activity Reporting ("SAR") that have been determined to have a high degree of usefulness in criminal, tax, and regulatory investigations and proceedings, and certain intelligence and counter-terrorism matters.

FinCEN expanded the SAR filing requirements to include Residential Mortgage Lenders & Originators, effective August 2012. As such, N2 Funding is required to comply with the BSA requirements for filing of SARs. As an N2 Funding business partner, it is important that You are familiar with these requirements. Enclosed with the Broker Application is a copy of N2 Funding AML training for your review.

The applicant named below hereby certifies that they have a current and compliant Anti-Money Laundering (AML) plan in place, and have received and reviewed all AML training materials provided by N2 Funding.

BROKER

_____

By:

Its:

Date:

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Exhibit A

(If a corporation, copy and paste the following certification on your company letterhead)

CERTIFICATION REGARDING CORPORATE AUTHORITY

(Corporation)

The undersigned Secretary of _____ (the "Company"), a Corporation, hereby certifies as follows:

1. The Company is in good standing in the state of its incorporation.
2. No current or previous legal action by any regulatory body has been taken.
3. No employees involved in the individual loan transactions submitted to Mission Loans, LLC dba N2 Funding involve an individual or entity that appear on the Federal Home Loan Mortgage Corporations Exclusionary List, Fannie Mae's Watch List, the Department of Housing and Urban Development's Limited Denial of Participation List (LDP List) or on the System for Award Management (SAM) system for any reason.
4. The Company has obtained the necessary authority from its Board of Directors to enter into the Mortgage Broker Agreement and to execute any other documents necessary to carry out the Agreement.
5. The Company is in compliance with all current MLO Compensation regulations.
6. The following officers of the Company, are hereby authorized and directed on behalf of the Company to take such actions, including the execution and delivery of agreements, instruments, and documents, as may be necessary or appropriate to carry out the foregoing resolutions and to effectuate the transactions authorized thereby. The signature of any of the officers identified herein shall be adequate to bind the Company.

_____	_____	_____
Name	Signature	Title
_____	_____	_____
Name	Signature	Title
_____	_____	_____
Name	Signature	Title

7. The Mortgage Broker/Correspondent Agreement and any other necessary documents, once executed by the Company, constitute valid and enforceable agreements, whether or not such execution pre-dates this certification.

IN WITNESS WHEREOF, I have signed my name and affixed the Corporate Seal on: _____

Company Name:

Name: Title:

Date: 02/22/22

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(If a limited liability company, copy and paste the following certification on your company letterhead)

CERTIFICATION REGARDING PRINCIPAL AUTHORITY

(Limited Liability Company - LLC)

The undersigned principal member of the Limited Liability Company, known as, (the "Company"), hereby certifies as follows:

1. The Company is in good standing in the state of its incorporation.
2. No current or previous legal action by any regulatory body has been taken.
3. No employees involved in the individual loan transactions submitted to Mission Loans, LLC dba N2 Funding involve an individual or entity that appear on the Federal Home Loan Mortgage Corporations Exclusionary List, Fannie Mae's Watch List, the Department of Housing and Urban Development's Limited Denial of Participation List (LDP List) or on the System for Award Management (SAM) system for any reason.
4. The Company has obtained the necessary authority from its Board of Directors to enter into the Mortgage Broker Agreement and to execute any other documents necessary to carry out the Agreement.
5. The Company is in compliance with all current MLO Compensation regulations.
6. The following officers of the Company, are hereby authorized and directed on behalf of the Company to take such actions, including the execution and delivery of agreements, instruments, and documents, as may be necessary or appropriate to carry out the foregoing resolutions and to effectuate the transactions authorized thereby. The signature of any of the officers identified herein shall be adequate to bind the Company.

_____	_____	_____
Name	Signature	Title
_____	_____	_____
Name	Signature	Title
_____	_____	_____
Name	Signature	Title

7. The Mortgage Broker/Correspondent Agreement and any other necessary documents, once executed by the Company, constitute valid and enforceable agreements, whether or not such execution pre-dates this certification.

IN WITNESS WHEREOF, I have signed my name and affixed the Corporate Seal on:

Company Name:

Name: Title:

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(If sole proprietorship, copy and paste the following certification on your company letterhead)

CERTIFICATION REGARDING PRINCIPAL AUTHORITY

(Sole Proprietorship)

The undersigned principal member of the Sole Proprietorship, known as, (the "Company"), hereby certifies as follows:

1. The Company is in good standing in the state of its incorporation.
2. No current or previous legal action by any regulatory body has been taken.
3. No employees involved in the individual loan transactions submitted to Mission Loans, LLC dba N2 Funding involve an individual or entity that appear on the Federal Home Loan Mortgage Corporations Exclusionary List, Fannie Mae's Watch List, the Department of Housing and Urban Development's Limited Denial of Participation List (LDP List) or on the System for Award Management (SAM) system for any reason.
4. The Company has obtained the necessary authority from its Board of Directors to enter into the Mortgage Broker Agreement and to execute any other documents necessary to carry out the Agreement.
5. The Company is in compliance with all current MLO Compensation regulations.
6. The following officers of the Company, are hereby authorized and directed on behalf of the Company to take such actions, including the execution and delivery of agreements, instruments, and documents, as may be necessary or appropriate to carry out the foregoing resolutions and to effectuate the transactions authorized thereby. The signature of any of the officers identified herein shall be adequate to bind the Company.

	_____	Title _____
Name	Signature	
	_____	Title _____
Name	Signature	
	_____	Title _____
Name	Signature	

7. The Mortgage Broker/Correspondent Agreement and any other necessary documents, once executed by the Company, constitute valid and enforceable agreements, whether or not such execution pre-dates this certification.

IN WITNESS WHEREOF, I have signed my name and affixed the Corporate Seal on:

Company Name:

Name: Title:

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Form **W-9**
(Rev. October 2018)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

▶ **Go to *www.irs.gov/FormW9* for instructions and the latest information.**

Give Form to the requester. Do not send to the IRS.

Print or type. See **Specific Instructions** on page 3.

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.

☐ Individual/sole proprietor or single-member LLC ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate

☐ 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.

☐ Other (see instructions) ▶

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) _____

(Applies to accounts maintained outside the U.S.)

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

			–		–				

or

Employer identification number

		–							

Part II Certification

Under penalties of perjury, I certify that:

1. 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
2. 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
3. I am a U.S. citizen or other U.S. person (defined below); and
4. 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 24% 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)	The grantor-trustee[1]
b. So-called trust account that is not a legal or valid trust under state law	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
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.

ANTI-MONEY LAUNDERING

Broker Training

MONEY LAUNDERING

- The Financial Crimes Enforcement Network (“FinCEN”) expanded the Suspicious Activity Reporting (“SAR”) filing requirements to include Residential Mortgage Lenders & Originators
- Effective Date - August 2012
- Without this requirement, FinCEN found substantial gaps in mortgage fraud related SAR reporting!

MONEY LAUNDERING

The illegal practice of taking ‘dirty’ money, through a series of transactions to cleanse funds, so they appear to be funds from legal activities.

Three Stages:

- Placement:
  The placement of unlawful proceeds into the financial system without attracting attention
- Layering:
  The moving funds around to confuse and complicate the paper trail
- Integration:
  Integration is the goal…making the funds appear legal

❖ Loan Originators are required to report suspicious activities involving aggregate funds of or assets of at least $5,000

AML COMPLIANCE OFFICER

Holly Guest – Chief Compliance Officer/AML Officer

compliance@missionloans.com holly.guest@missionloans.com

- Responsible for the day –to-day AML compliance
- Manages all aspects of compliance programs
- Responsible for adherence to BSA and its implementing regulations

SUSPICIOUS ACTIVITY REPORT

A mortgage lending company is required to report a transaction if it knows, suspects, or has reason to suspect the transaction or pattern of transactions:

1) Involves illegally derived funds or conduct to hide or disguise funds obtained illegally
2) Act(s) is designed to evade the requirements of BSA
3) As no apparent lawful purpose or reasonable explanation
4) Involves Residential Bancorp to facilitate such activity

SUSPICIOUS ACTIVITY REPORT

FinCEN acknowledges there is no way to provide a list of every possible suspicious activity:

1) Use common sense
2) Fraudulent attempts to obtain a mortgage
3) Identity theft and foreclosure rescue schemes
4) Income or asset misrepresentation
5) Gift Funds sources
6) Asset misrepresentation
7) Bankruptcy filing related fraud

SUSPICIOUS ACTIVITY REPORTS

It is clear that there is a requirement to report all transactions involving:

-**MONEY LAUNDERING**
-**FRAUD**
-**FINANCING TERROISM OR DRUG TRAFFICKING with the use of legally derived funds**

- No later than **30 calendar days** after initial detection
- May delay an additional 30 days to identify suspect(s) – **but not later than 60 days**

CUSTOMER IDENTIFICATION PROGRAM

Acceptable documentation for identity verification purposes includes:

For an individual, an unexpired government-issued identification evidencing nationality, or residence and bearing a photograph and/or similar safeguard, such as a (Driver's license or Passport)

For business entities (such as a corporation, partnership or trust), Documents showing the existence of the entity, include but not limited to:

- Certified articles of incorporation
- A government-issued business license
- Partnership agreement or trust instrument.

CUSTOMER IDENTIFICATION

Non documentary authentication:

- For customers who originate or access accounts when not physically present in a Company facility, additional steps need to be taken to authenticate their identities:
    - Independently verify the customer's identity through the comparison of information provided by the customer with information obtained from a consumer reporting agency. Cross-reference the file and compare:
        - Prior addresses where the customer lived with those shown on tax returns and other income documents.
        - Names of employers with application and other income documents.
        - The applicant's name on the report with the government issued watch lists (OFAC, Limited Denial of Partnership and Excluded Parties List).
        - Obtain a financial statement and compare the name and address to that shown on the credit report. Question any person(s) appearing on the statement other than the borrower.

RESOURCES

AML Red Flags List
www.ffiec.gov/bsa_aml_infobase/pages_manual/OLM_106.htm

AML Compliance Officer-> Holly Guest – holly.guest@bancorp.com or www.compliance@missionloans.com

Upon completion of this training, please execute the AML Certification and return it with your Broker Application package.