Washington Federal.
invested here.

Wholesale Lending

MEMBER FDIC EQUAL HOUSING LENDER

Addendum to "Lender-Mortgage Broker Agreement" between Washington Federal and Broker named on page 3.

Compensation Agreement

Washington Federal, in connection with the rules amending Regulation Z regarding loan origination and anti-steering provisions, amends the current Lender-Mortgage Broker Agreement to add this Addendum that sets forth a Compensation Agreement.

Broker will at all times comply and warrant compliance with 12 C.F.R. part 226.36 and any amendments thereto (the "Compensation Rule"). Without limiting the foregoing, Broker also agrees to comply with this Compensation Agreement.

Effective Date and Covered Transactions: This Addendum is effective as of the date set forth below and applies to any Submission of a Loan Application for a consumer credit transaction subject to the Compensation Rule that Washington Federal receives from Broker on or after April 30, 2013.

Definitions:

"Compensation" has the meaning set forth in the Compensation Rule. Broker acknowledges and agrees that Compensation includes, without limitation, salaries, commissions and any financial or similar incentive, and does not include bona-fide and reasonable fees collected for the payment of actual charges to non-affiliated third parties.

"Creditor" has the meaning set forth in the Compensation Rule.

"Loan Originator" has the meaning set forth in the Compensation Rule. Originator acknowledges and agrees that a loan originator includes a person who for compensation or other monetary gain, or in expectation of compensation or other monetary gain, arranges, negotiates, or otherwise obtains an extension of consumer credit for another person. Loan Originator includes an employee of a Creditor or a Broker, if the employee meets the definition of Loan Originator.

"Broker" has the same meaning set forth in the Compensation Rule and in the *Lender-Mortgage Broker Agreement* paragraph 1.03.

Prohibitions: Without limiting the foregoing, Broker agrees as follows:

Washington Federal will not pay, and Broker shall not receive, any compensation based on the terms or conditions of a consumer credit transaction other than as permitted by the Compensation Rule.

Broker shall not receive in connection with the same consumer credit transaction in violation of the Compensation Rule, compensation directly from the borrower (or any party deemed to be the borrower) and compensation from any other source.

Without limiting the foregoing, (a) the borrower may pay all loan originator compensation in connection with a consumer credit transaction and, in such case, no compensation will be paid, either directly or indirectly, to a loan originator by Washington Federal, and (b) if Washington Federal pays compensation to a loan originator in connection with a consumer credit transaction, no loan originator may receive compensation directly or indirectly from the borrower or other party in connection with the transaction.

Loan Originator is prohibited from directing or "steering" a consumer to consummate a transaction that is not in the borrower's best interest in order to increase the compensation of the loan originator.

Maximum Broker Compensation is limited to $15,000 or 2% of the loan amount.

Agreement: Without limiting the foregoing, Broker agrees as follows;

Broker shall comply and warrant compliance with all current and future promulgation of laws and regulations associated with the origination and closing of a mortgage loan.

Broker shall retain all documentation, compensation agreements, and settlement statements on transactions funded by Washington Federal for a period of not less than two years.

Broker represents and warrants to Washington Federal in connection with all loan applications submitted by Broker to Washington Federal that result in a closed consumer credit transaction:

1. The compensation received by the Originator will either be paid by Washington Federal or by the borrower. If Washington Federal pays or will pay any compensation to the Broker, Broker shall not receive compensation directly from the borrower or other party. If Broker receives or will receive compensation from the borrower, the compensation shall be disclosed by Broker to Washington Federal and Broker acknowledges and agrees that Broker shall not receive any compensation from Washington Federal or any other party.

2. Broker did not steer the borrower to consummate a transaction on the basis the Broker will receive, or has received, greater compensation than in other transactions that Broker offered or could have offered to the borrower, unless the consummated transaction is in the borrower's best interest.

Lender-Paid Compensation to Broker:

To the extent that Washington Federal compensates Broker in connection with a consumer credit transaction, unless otherwise agreed to or determined by Washington Federal, the compensation will be based on a fixed percentage of the loan amount as indicated in the Addendum to Compensation Agreement titled "Lender-Paid Compensation Election Form" and the compensation will not be based on any other term or condition of the consumer credit transaction.

Agreed to and accepted by:

_____

Name of Broker Entity

_____

Name and Title of Authorized Officer for Broker Entity

_____

Signature

_____

Date

Agreed to and accepted by:

Washington Federal

_____

Name and Title of Authorized Officer for Washington Federal

_____

Signature

_____

Date

Washington Federal.
invested here.

Wholesale Lending

MEMBER FDIC EQUAL HOUSING LENDER

Addendum to Compensation Agreement

Lender-Paid Compensation Election Form

Broker Contact Information – Please Complete:		
Company Name/DBA:		
Company NMLS#:		
Broker Contact Name:		Position:
Phone:	Email:	

Washington Federal must receive a fully executed Lender-Paid Compensation Election Form before any compensation will be paid to Broker.

Broker is required to select **one** Lender-Paid Compensation percentage, which will be applied to all eligible Lender-Paid Compensation transactions until the end of the next open election period with Washington Federal.

Open Election Period: Washington Federal will provide the Broker an opportunity to re-evaluate their election periodically. Open election periods will be held twice every calendar year on June 1st - June 30th and on December 1st - December 31st. During each open election period, the broker has the opportunity to change their Lender-Paid Compensation Election by executing a new Lender-Paid Compensation Election Form. If a new election is executed, it will take effect on the first day following the last day of said election period. For example: If the broker executed a new Lender-Paid Compensation Election Form on June 15th to change the compensation from 1% to 1.25%, the new compensation of 1.25% would take effect with all loan applications from broker received on or after July 1st.

Compensation paid is based on the earliest of:

- The date the Submission of a completed loan application package has been received by Washington Federal.
- The date the loan transaction has been Locked-in with Washington Federal as evidenced by Washington Federal's receipt of a "Lock-in Confirmation Agreement" signed by broker.

Automatic Renewal: If the Broker does not change their election during the open election period, the current election will automatically renew for the next fixed period of time as determined by Washington Federal.

Washington Federal reserves the right to unilaterally change the Lender Paid Compensation Election for the broker at any time without notice.

Lock-in Expiration: If the borrower's Lock-in has expired, and the Broker has since executed a new Lender Paid Compensation Election Form with a new compensation amount selected and the new election has gone into effect, the Broker/Borrower will be subject to the new compensation amount.

The compensation selected by the Broker will apply to all of Broker's branch offices.

Lender-Paid Compensation Election – Select One:				
□ 1%	□ 1.25%	□ 1.50%	□ 1.75%	□ 2.00%
No minimum compensation. Maximum compensation is $15,000.				

Certification:

The authorized signer (Owner/Officer) indicates by his/her signature below that this compensation election has been approved by the named Broker Entity and the compensation elected (when properly executed in the time-period specified) supersedes any previous elections the broker may have executed with Washington Federal.

_____

Name of Broker Entity

_____

Name and Title of Authorized Officer of Broker Entity

_____

Signature

_____

Date