KINECTA
FEDERAL CREDIT UNION
1440 Rosecrans Ave.
Manhattan Beach, CA 90266
800.854.4600 • www.LoanKinection.com

# LENDER-PAID LOAN ORIGINATOR COMPENSATION PLAN: ANTI-STEERING DECLARATION

Borrower Name: _____ Loan #: _____
(if available)

**For Lender-Paid Loan Transactions Only:**

Note: This declaration is to be completed and signed by the loan originator (Broker) taking the loan application (on behalf of him/herself and the Broker Partner) and submitted up-front with every loan transaction when the borrower has elected Lender-Paid broker compensation. Kinecta Federal Credit Union requires that the Broker select either Lender-Paid or Consumer-Paid at loan submission or at the time of locking the interest rate for the loan, whichever occurs first.

## DECLARATION OF LOAN ORIGINATOR

As the loan originator, I declare, on behalf of myself and _____ [BROKER FIRM NAME] (collectively referred to herein as "I") to the following:

1. The Loan being submitted complies in all aspects with the Federal Reserve Board's Final Rule dated September 24, 2010 and effective April 1, 2011, amending Regulation Z as set forth in 12 C.F.R. Section 226.26(d) (the "Final Rule");
2. I did not "steer" the borrower to consummate this transaction based on the fact that I will receive greater compensation from the broker firm or Kinecta in this transaction than in other transactions I offered or could have offered to the borrower, unless the transaction is in the consumer's best interest;
3. For each type of transaction ("type of transaction" means a fixed, ARM, or reverse mortgage) in which the borrower expressed an interest, I obtained loan options from a significant number of creditors (at least 3) with which I regularly do business and presented to the borrower loan options that include: a.) A loan with the lowest interest rate; b.) A loan with the lowest interest rate without negative amortization, prepayment penalty, interest only payments, balloon payment in the first 7 years of the life of the loan, a demand feature, shared equity, or shared appreciation; and c.) A loan with the lowest total dollar amount for origination points or fees and discount points.
4. I believe in good faith that the options presented to the borrower for each type of transaction, as noted above, are loans for which the borrower likely qualifies.

| | | |
|---|---|---|
| Broker Signature (Loan Originator) | Date | Broker Firm |
| Broker Name (Type or Print) | | Broker Firm Address |

## DECLARATION OF BORROWER(S)

You have applied for a mortgage loan through _____ [THE ABOVE BROKER FIRM]. To ensure you, the borrower(s), have sufficient information to determine the appropriate loan, we are providing you with the following loan options. These loan options provide you with detailed rate and loan cost information to assist you in choosing the correct loan for your particular financial situation. Carefully review the loan options presented below to ensure you have chosen the appropriate option.

**Your Loan Options.** For each type of transaction in which you expressed an interest, your mortgage broker has obtained loan options from a significant number of the creditors with which your mortgage broker regularly does business. Your mortgage broker has a good faith belief that you likely qualify for the following loans:

| **Type of Transaction** *(check one)* ❑ Fixed Rate ❑ Adjustable Rate | **Interest Rate** | **Total origination costs (points and fees) in dollars** |
|---|---|---|
| Loan with the Lowest Interest Rate | % | $ |
| Loan with the lowest Interest Rate without negative amortization, a prepayment penalty, Interest-only payments, a balloon payment in the first 7 years of the life of the loan, a demand feature, shared equity, or shared appreciation | % | $ |
| Loan with the lowest total dollar amount for origination points or fees and discount points | % | $ |

If you expressed an interest in an adjustable rate loan and if the loan's initial rate is fixed for at least 5 years, the "Interest Rate" disclosed in this document is the initial rate that would be in effect at consummation. If the loan's initial rate is not fixed for at least 5 years, the Interest Rate is the fully-indexed rate that would be in effect at consummation without regard to any initial discount or premium.

**This is not a lock-in agreement or a loan commitment.** The interest rate and fees described throughout this disclosure are available on the date the document was prepared and they may be subject to change if you have not locked in your interest rate. If your lender offers rate locks you may be required to lock the rate to obtain the rate and origination cost disclosed above. Additionally, even if your loan is locked, the Interest Rate and fees may be subject to change as the loan is underwritten.

If your lender does offer rate locks and you have not locked your loan, please be aware that interest rates move constantly. The way to set a certain Interest Rate and fees is for your mortgage broker to lock your loan. Once you lock your loan, you are agreeing to close your loan within a certain period of time and at a certain interest rate. If you instruct your mortgage broker to lock your loan, your mortgage broker can explain to you the Interest Rate and fees you will pay.

Be sure that you understand and are satisfied with the product and terms that have been offered to you.

| | | |
|---|---|---|
| Borrower Name | Borrower Signature | Date |
| Borrower Name | Borrower Signature | Date |
| Borrower Name | Borrower Signature | Date |
| Borrower Name | Borrower Signature | Date |