



Western Bancorp
Wholesale Seller Compensation Agreement

This Compensation Agreement (“Agreement”) is made and entered into this ___Day of_____, 20_____, by and between Western Bancorp whose business address is 5671 Santa Teresa Blvd., Suite 100 San Jose CA 95123 and, _____, A (select one of the following)

- Corporation Limited partnership Sole Limited liability Company

(“Wholesale Seller”), whose business address is (please specify branch address to which this Agreement applies),

_____, and whose Company

NMLS ID is _____, collectively referred to as the parties (“Parties”).

In accordance with TILA, this Agreement establishes the agreed-upon compensation between Western Bancorp and the Wholesale Seller. Western Bancorp will offer two plans: A Borrower-Paid Plan and a Lender-Paid Plan. The Wholesale Seller may select either Plan for each loan submitted to Western Bancorp. Compensation may not come from multiple sources on each loan. Thus all compensation on each loan must be 100% borrower-paid or 100% lender-paid.

Borrower-Paid Plan

Under a Borrower-Paid Plan, the Wholesale Seller may negotiate and establish compensation directly with the borrower and will be paid by the borrower. Western Bancorp will allow Borrower Paid Compensation to be less than but never greater than the established Lender Paid Compensation plan the Wholesale Seller has on record with Western Bancorp.

Lender-Paid Plan

Under a Lender-Paid Plan, the Wholesale Seller and Western Bancorp will establish compensation as follows:

Compensation:

Compensation will be established as a percentage of the loan amount. The Wholesale Seller must pre- select one of several compensation tiers from .50 to 2.50, in increments of .125 (e.g., 1.00, 1.125, 1.25, and 1.375). Once the Wholesale Seller selects a compensation tier, that tier applies to all loans. Under a Lender-Paid Plan, compensation may not increase or decrease on each loan. Wholesale Seller may also collect a flat fee on top of the compensation tier up to 2.00%. Note: Western Bancorp has a maximum 2.50% (2.75% in Texas) Wholesale Seller compensation plus a maximum flat fee of \$795 on any transaction. Flat fees are not eligible for compensation plans exceeding 2.00%

Loan Types:

First mortgage products: Compensation cannot be determined based on a term of a transaction, or a proxy for a term or condition of a transaction. The compensation schedule entered into LMS Xpress will apply to ALL loans regardless of product.

Second mortgage products: There is no lender paid or borrower paid compensation plan available.



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Min / Max Compensation

In addition to the compensation plans noted above, the Wholesale Seller may select one of three (3) minimum / Maximum compensation tiers.

Modifications: The Wholesale Seller cannot change plans on a per-loan basis. Wholesale Seller may choose to change the compensation indicated on the Addendum as often as every three (3) months by notifying Western Bancorp in writing.

An amended Addendum will be prepared stating the new compensation amount and must be executed by both Parties. Changes will be effective within 24 hours of Western Bancorp receiving and approving the signed amended Addendum. Once the modification to the Addendum is made, the Wholesale Seller is responsible for managing loans in his pipeline to ensure each loan still complies with all Federal, State, County and Local regulations as well as Western Bancorp's policies.

Term: This Agreement shall remain in effect indefinitely until terminated by mutual agreement or at the sole discretion of Western Bancorp. Upon termination, Wholesale Seller's compensation will immediately cease and Western Bancorp will not be obligated to pay Wholesale Seller any additional monies.

Effective Date: This Agreement is effective upon the later date of both Parties' acceptance and will be applied at the time the interest rate is set on each loan (date of lock or re-lock). If modifications are subsequently made to the Agreement and/or the Addendum, the compensation will be paid in accordance with the Agreement and/or the Addendum in effect at the time the interest rate is set for each loan (date of lock or re-lock). Subsequent modifications will not be applied to loans already locked or re-locked.

Entire Agreement: This Agreement supersedes any and all agreements, either oral or written, between the parties hereto with respect to Wholesale Seller compensation, and governs any Schedules subsequently entered into between Western Bancorp and Wholesale Seller excepting the Loan Purchase Agreement, as well as any and all Western Bancorp policies which are incorporated herein by reference and remain in full force and effect. Both Parties agree that no representations, inducements, promises, or agreements (oral or otherwise) have been made by any Party or anyone acting on behalf of any Party, which are not embodied herein; and that no other agreement, statement, or promise not contained herein shall be valid or binding. Any modification of this Agreement will be effective only if it is in writing and signed by both Parties.

Governing Law: This Agreement shall be governed by, construed and enforced under the laws of the State of California without conflict of any law. Each of the parties irrevocably submits to the jurisdiction of any state or federal court located in Santa Clara County, California, over any action, suit or proceeding to enforce or defend any right under this Agreement or otherwise arising from any transaction existing in connection with this Agreement. If any provision of this Agreement is found to be invalid, such invalidity shall not affect any other provision hereof.

Counterparts: This Agreement may be executed in counterparts, each of which shall be deemed an original, and both of which, taken together, shall constitute one and the same instrument.

Electronic Record: My transmission of this Agreement as an electronic record containing my electronic signature, as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or my facsimile transmission of this Agreement containing a facsimile of my signature, shall be as effective, enforceable and valid as if a paper version of this Agreement were delivered containing my original written signature.



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Indemnification: Wholesale Seller indemnifies and holds Western Bancorp harmless from Wholesale Seller’s violation of TILA and accordingly agrees to cover any losses incurred by Western Bancorp, which includes but is not limited to, losses incurred through borrower’s rescission of any loan.

Compliance Certification: Wholesale Seller agrees to comply with the applicable TILA regulation as it relates to regulation mentioned above, and is in compliance with all requirements of the regulation and has established written compensation agreements with each of its originators including loan officers, producing managers and/or applicable loan processors, and will compensate these originators in accordance with the regulation.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date written below.

Wholesale Seller _____

Western:

By Broker of Record

By: _____

Printed Name: _____

Printed Name _____

Title: _____

Title: _____

Date: _____

Date: _____

Company NMLS ID #: _____

Federal Tax ID #: _____

State Tax ID #: _____



Western Bancorp

This Addendum supplements, amends and becomes part of the Wholesale Seller Compensation Agreement (“Agreement”), dated, _____, _____, 20____ by and between Western Bancorp and (“Wholesale Seller”), and supersedes all previous Addendums.

Please select one of the following:

- We are electing only a Borrower-Paid Plan for all loans.
- We are electing only a Lender-Paid Plan for all loans (must select a tier below).
- We are electing to offer both a Borrower-Paid Plan and a Lender-Paid Plan (must select a tier below).

If you selected a Lender-Paid Plan, you may also choose the following:

In addition to the Lender-Paid Plan above, and the tier below, we would like to charge the following flat fee:
NOTE: Flat fees are not eligible for compensation plans exceeding 2.00%

- \$495 \$595 \$695 \$795

Lender-Paid Plan

Wholesale Seller selects the following compensation tier (please select only one):

<input type="checkbox"/> 0.125	<input type="checkbox"/> 0.250	<input type="checkbox"/> 0.3750	<input type="checkbox"/> 0.500	<input type="checkbox"/> 0.625
<input type="checkbox"/> 0.750	<input type="checkbox"/> 0.875	<input type="checkbox"/> 1.000	<input type="checkbox"/> 1.125	<input type="checkbox"/> 1.250
<input type="checkbox"/> 1.375	<input type="checkbox"/> 1.500	<input type="checkbox"/> 1.625	<input type="checkbox"/> 1.750	<input type="checkbox"/> 1.875
<input type="checkbox"/> 2.000	<input type="checkbox"/> 2.125	<input type="checkbox"/> 2.250	<input type="checkbox"/> 2.375	<input type="checkbox"/> 2.500

- 2.75 Available to **Texas** Wholesale Sellers

Minimum / Maximum Compensation Tiers (optional)

You may select one of the following min / max compensation tiers:

- \$1000 / \$7500 \$1200 / \$10,000 \$1500 / \$15,000

Subject to the modifications set forth herein, all other terms, conditions, and provisions of the Agreement are affirmed, incorporated herein by reference and shall remain in full force and effect. All terms not otherwise defined herein shall have the meaning specified in the Agreement.

Second mortgage products: There is no lender paid or borrower paid compensation plan available.



Western Bancorp
Wholesale Seller Compensation Addendum (Continued)

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date written below.

Wholesale Seller _____

Western:

By Broker of Record

By: _____

Printed Name: _____

Printed Name _____

Title: _____

Title: _____

Date: _____

Date: _____

Company NMLS ID #: _____

Federal Tax ID #: _____

State Tax ID #: _____