

Application Package Checklist for Wholesale Broker and Correspondent Business Channels

Thank you for your interest in becoming a Broker and a Correspondent with Western Bancorp. To apply for approval, please complete this combined Approval Package and submit all required documents via email, to our Broker Approval Team at brokerapproval@westernbancorp.com. Western Bancorp will review the application package and verify the information provided. Please note any missing or incomplete information will delay our decision. Your company must be fully approved with Western Bancorp in order for us to issue a Clear to Close on any loan file transaction. Please contact your Account Executive with any questions.

Name of your preferred Western Bancorp Account Executive:

Application Package Checklist for **BOTH** Wholesale Broker and Correspondent Business Channels:

General Documents Required by all Applicants:

- General Questionnaire
- Corporate Resolution
- Certification and Authorization Acknowledgments
- Special Limited Irrevocable Power of Attorney
- Fair Lending Compliance
- Anti-Money Laundering (AML) Program Attestation
- Credit Report and Background Check Authorization
(In lieu you may provide a Credit Report dated within the last 120 days)
- Copy of Business Licenses including NMLS and any State Licensees applicable
- W-9 Request for Taxpayer Identification Number and Certification
- Resumes for each principal. (Manager and/or key personnel involved in daily mortgage processing operations, including: President, Principals, Operations, CFO, CEO, Underwriters and or Compliance Officers.
- Most Recent Financial Statement

Additional Documents Required by all Brokers:

- Loan Broker Agreement
- Compensation Agreement and Addendum

Additional Documents Required by all Correspondents:

- Loan Purchase Agreement
- Correspondents Contacts and Post-Closing QC Outsource Information
- Correspondent Lending AIR & Appraisal Management Attestation
- Warehouse Verification Form
- Fidelity Bond and Errors and Omissions Policies
- Quality Control Plan, policies, and procedures

- Agency Approvals if applicable
- Formation/Organization (Articles of Incorporation & By-laws, LLC: Operating Agreement and Articles of Organization, Limited Partnership & LP Agreement, Bank Charter)
- Bailee Letter - Sample copy of Bailee Letter for each warehouse lender or Self-funding letter (Letter used to communicate wiring instructions and release security interest in loans purchased).
- Investor scorecards - (For all investors/lenders dated within 90 days.)

General Questionnaire

1	<i>Has your Company ever been, delinquent on payment of any income taxes, real property taxes, payroll/employment taxes?</i>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
2	Has your Company, and/or any principals or corporate officers, filed for protection from creditors under any provision of bankruptcy laws?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
3	Have any members of the Management and/or Senior Officer of the Firm had any judgments, or administrative action, against them in the last five years	<input type="checkbox"/> Yes	<input type="checkbox"/> No
4	Has any investor enforced, or attempted to enforce the Hold Harmless or repurchase clause of their correspondent or broker agreement with the Company and/or any principals or corporate officers?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
5	Has the Company's approval or good standing with HUD, VA, USDA, FNMA, FHLMC, GNMA or any federally insured financial institution, other regulatory agency, private mortgage insurance company or any private investor ever been suspended or withdrawn?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
6	Has any investor, agency or regulator's audit or examination within the past five (5) years shown the Company to be out of compliance with applicable regulations, statutes or guidelines?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
7	Has the Firm, its parent, subsidiary or affiliates had any lending or investor relationship terminated in the past 24 months?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
8	Have the Firm, Management and/or Senior Officers ever been terminated or placed on an exclusionary list by an investor, private mortgage insurance company or a regulator?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
9	Has the Firm, Management and/or Senior Officers had any formal complaints filed against it by any state or federal agency, or consumer, in the past three years or are subject to regulatory or supervisory action by a regulatory agency?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
10	Are you currently in negotiations with any regulatory body concerning any potential settlements?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
11	Has your Company, and/or any principals or corporate officers, ever had a real estate or other professional license suspended, revoked, or received any other disciplinary action from a regulatory agency?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
12	Has your Company, and/or principals or corporate officers, been named as a defendant in a lawsuit or has any claim been asserted for alleged fraud or misrepresentation?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
13	Has your Company's approval or good standing with any state licensing authority been suspended or withdrawn within the last 5 years?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
14	Have you, or any principal, management personnel, or any other employee of the Company, ever been convicted of a crime, other than a misdemeanor traffic violation, pleaded guilty to a crime, pleaded no contest to a crime, or entered into deferred adjudication (or similar) agreement in connection with a criminal charge?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
15	Is there any pending legal action (criminal or civil) directed against your company, principals or key members of management?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
16	Does the Company and/or any of its officers, managers, directors or employees have ownership interest directly, or indirectly, in any title company, escrow company, appraisal company, closing agency/office or other real estate related companies?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
17	Are any assets pledged or debts secured except as shown on financial statement?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
18	Is Underwriting completed by a third party?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

Corporate Resolution

I, the undersigned, duly elected Secretary/President of _____,

a _____ (Type of Business Entity), HEREBY CERTIFY as follows:

The following resolutions were duly and properly adopted by the Board of Directors of the Business Entity in accordance with the laws of the state of its incorporation and the Business Entities' Articles of Incorporation and bylaws on Day of _____, _____, 20___. These resolutions have not been rescinded or amended:

RESOLVED, that the Board of Directors authorizes and directs the President or Vice President of the Business Entity to execute and enter into the Application, on behalf of the Business Entity.

RESOLVED, that

(Name) (Signature) (Title of Officer)

(Name) (Signature) (Title of Officer)

And each of them is, authorized and empowered to take all such steps and do all such acts and things as may be necessary and proper to carry out all the purposes of the Application, and the performance and observance by this Business Entity, at all times while the Application shall be in effect, of all covenants, conditions, warranties and obligations arising under the Application, including, but not limited to, the making and execution of any necessary or desirable instruments, certificates, affidavits or other documents in connection with the Application, and from time to time take any and all action to make, execute, verify, record, file, and deliver any necessary instruments and to do any and all other acts and things which they or any of them shall deem necessary or advisable in connection with the Application.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of this Business Entity on this Day of _____, _____, 20__.

Signature: _____

Printed Name: _____

Date: _____

Certification and Authorizations

Seller hereby certifies that all information provided to Western Bancorp in this Application is correct in all material respects and that the undersigned will promptly inform Western Bancorp of any material changes in the information provided. Seller further certifies that they have no present intention to file for Bankruptcy protection. Undersigned fully understands that it is a federal crime punishable by fine or imprisonment, or both to knowingly make any false statements concerning any of the above facts as applicable under the provision of Title 18, United States code, Section 1014.

The undersigned certifies that (i) it is duly organized, validly existing, and in good standing under the laws of the jurisdiction of its organization and in all other jurisdictions in which the nature of the business conducted by it makes such qualification necessary, (ii) it has all requisite corporate power, and has all governmental licenses, authorizations, consents and approvals necessary to own its assets and carry on business as now being or as proposed to being conducted, and (iii) no practice, procedure or policy employed by it in the conduct of its business violates any law, regulation, agreement, regulatory consent, order or decree applicable to it. By signing, the signer(s) certifies that he/she is authorized to execute this Application for the Seller and that I (we) further certify that I (we) have verified that all of the information in this application and all related documents are complete and correct.

Authorizations

The undersigned entity and its officers, directors, shareholders, and/or partners hereby authorizes any person, institution, credit reporting agency, or governmental agency to release information requested by Western Bancorp in connection with any ongoing monitoring and reporting obligations. Including, without limitation: to any party providing financing to Western Bancorp, to any regulatory agency and to a rating agency.

The signer(s) authorize(s) Western Bancorp to obtain consumer and/or business reports, in their names as individuals at any time. The signer(s) understand(s) and agree(s) that this application is subject to final credit approval. The signer(s) hereby authorize Western Bancorp, at its discretion, to verify and obtain information on the Seller and principal(s) with any other sources (such as the Mortgage Industry Data Exchange "MIDEX"), and the signer(s) hereby waives any cause of action or claim the signer(s) may have against such source with respect to any information the sources may provide.

Agreed to and Acknowledged on: _____, 20____

Seller Name

Signature of Authorized Officer

Name of Authorized Officer

Title of Authorized Officer

Special Limited irrevocable Power of Attorney

Seller hereby irrevocably appoints Western Bancorp ("Western"), its successors and assigns, its attorney-in-fact, with full power of substitution in the name of Seller or otherwise, whether in relation to real, personal, tangible, or intangible property, to do any or all of the following on any Mortgage Loans sold or brokered to Western: (a) to demand, sue for, receive, collect, sign, endorse, assign or compromise any and all promissory notes, checks, money orders or monies due (except a Mortgage Loan which has been repurchased by Seller pursuant to the Remedies Obligation Section in the Sellers Guide), and to receive, sign, endorse, or assign any orders, certificates, insurance policies and all benefits under any other instruments or documents as from time to time may be necessary or appropriate to accomplish the sales and transfers provided for by this Loan Purchase Agreement; (b) to enforce, cancel, release or discharge the Mortgage Loans; and (c) to exercise or perform any act, power or duty that Seller has or would have in connection with the Mortgage Loans purchased by or brokered to Western or which are reasonable in order to protect Western's interest in the Mortgaged Property. Seller agrees that the foregoing powers are irrevocable and coupled with an interest. Seller will, at Western's request, execute appropriate separate instruments evidencing the foregoing powers.

Company: _____

By (authorized officer of Seller): _____

Name (please print): _____

Title: _____

Date: _____

STATE OF _____)

COUNTY OF _____)

On _____ before me, _____,

personally appeared _____

_____ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct. WITNESS my hand and official seal.

Signature _____

Place Notary Seal Above

Fair Lending Compliance

The Equal Credit Opportunity Act (ECOA) and the Fair Housing Act (FHA) are two primary fair lending regulations. ECOA prohibits discrimination in all aspects of residential real estate related transactions. Although the prohibited factors addressed by ECOA and FHA differ, they both have implications for mortgage lending. The Federal Trade Commission Act, Section 5, which deals with unfair and deceptive acts and practices (UDAP) and the Dodd-Frank Act on Unfair, Deceptive or Abusive Acts or Practices (UDAPP), Section 1031, also have fair lending implications. The prohibited basis upon which ECOA and FHA prohibit discrimination are: race, color, religion, national origin, marital status, age (providing the applicant is of legal age and has the capacity to enter into a binding legal contract,) gender, disability, familial status, receipt of public assistance, or the fact that the individual has exercised in good faith any right under the Consumer Credit Protection Act.

Fair Lending violations can fall into any one of the following categories:

- Overt Discrimination – Overtly discriminatory policies or practices
- Disparate Treatment – Adverse use of discretion in the lending function relative to a prohibited basis
- Disparate Impact – Unnecessary application of a nondiscriminatory policy that has a discriminatory impact

Western Bancorp is committed to the practices of Fair Lending. It is the Policy of Western Bancorp to make credit products available to all applicants who meet Western Bancorp's business focus in a fair and consistent manner within the confines of safe and sound banking practices. Western Bancorp does not discriminate against any credit applicant on the basis of race, color, religion, national origin, marital status, age (providing the applicant is of legal age and has the capacity to enter into a binding legal contract,) sex, disability, familial status, receipt of public assistance, or the fact that the individual has exercised in good faith any right under the Consumer Credit Protection Act, or on any other prohibited basis.

Specifically, Western Bancorp refrains from the following practices, which may be perceived as discriminatory in nature:

- Failing to provide information or services, or providing different information or services to applicants in any aspect of the lending process, including credit availability, application procedures, or lending standards.
- Discouraging or selectively encouraging applicants with respect to inquiries about or applications for credit.
- Refusing to extend credit or using different standards in determining whether to extend credit to applicants based on prohibited basis.
- Refusing to extend credit or using different standards in determining whether to extend credit to applicants based solely on whether they have placed a fraud or military alert on their credit bureau report.
- Varying the terms of credit offered, including the amount, interest rate, duration, or type of loan based on a prohibited basis.
- Using different standards to evaluate collateral offered by applicants based on a prohibited basis.
- Treating any borrower differently in servicing a loan or invoking default remedies.
- Using different standards for pooling or packaging a loan in the secondary market based on a prohibited basis.
- Steering borrowers to a particular loan based on the compensation that will be received by the loan originator

Company agrees to comply with the foregoing fair lending practices of Western Bancorp during the entire term of Company's relationship with Western Bancorp and understands that any failure to comply shall be grounds for immediate termination of the Loan Purchase Agreement. In addition, any loan application found not to be in compliance with Western Bancorp's Fair Lending practices shall be subject to rejection by Western Bancorp.

Received, read, understood and agreed:

Company Name

Date

By: _____
Authorized Signer

Printed Name

Anti-Money Laundering (AML) Program Attestation

In compliance with the final rule issued by the Financial Crimes Enforcement network (FinCen) requiring non-depository residential mortgage lenders and originators (RMLOs) to comply with the BSA/AML Rule under 31 CFR 1029.210 "Anti-Money Laundering programs for loan or finance companies", _____ who is an approved non-depository Broker / Mortgage Lender attests that the company has implemented or is in the process of implementing a compliant Anti-Money Laundering (AML) program which:

- Incorporates policies, procedures and internal controls based upon the loan or finance company's assessment of the money laundering and terrorist financing risks associated with its products and services.
- Designates a compliance officer who will be responsible for ensuring that the AML program is implemented effectively, is updated as necessary and ensure appropriate persons are educated and trained in accordance with the new rule.
- Provides for on-going training of appropriate persons concerning their responsibilities under the program.
- Provides for independent testing to monitor and maintain an adequate program.

Western Bancorp reserves the right to request evidence of compliance. Broker / Mortgage Lender agrees to provide the evidence of compliance, if requested.

Date: _____

NMLS Company ID: _____

Company Name: _____

Authorized Signature _____

Credit Report and Background Check Authorization

Each of the undersigned hereby authorizes Western Bancorp, or its assignees to obtain business and personal credit reports and/or background checks from any source and obtain a personal consumer credit report in connection with this application. All Principals with twenty-five percent (25%) or greater ownership and Broker of Record are required to sign this authorization.

DATE	
INDIVIDUAL	
(PRIMARY RESIDENCE)	
STREET ADDRESS	
CITY	
STATE	
ZIP CODE	
DATE OF BIRTH	
SOCIAL SECURITY #	
SIGNATURE	

DATE	
INDIVIDUAL	
(PRIMARY RESIDENCE)	
STREET ADDRESS	
CITY	
STATE	
ZIP CODE	
DATE OF BIRTH	
SOCIAL SECURITY #	
SIGNATURE	

DATE	
INDIVIDUAL	
(PRIMARY RESIDENCE)	
STREET ADDRESS	
CITY	
STATE	
ZIP CODE	
DATE OF BIRTH	
SOCIAL SECURITY #	
SIGNATURE	

Loan Broker Agreement

This Wholesale Loan Broker Agreement ("LBA"), dated _____ (Effective Date) between Western Bancorp, a California corporation ("Western"), whose principal place of business is located at 5671 Santa Teresa Blvd., Suite 100, San Jose, CA 95123, and _____,

a _____ ("Broker"), whose principal place of business is located at _____.

WHEREAS, Western and Broker have agreed to enter into an arrangement under which Broker will, depending upon the terms of the Mortgage Loan, the type of Mortgage Loan, the loan program under which the Mortgage Loan is originated, the jurisdiction in which the Mortgage Loan is originated, and the statutes, regulations and licensing requirements applicable to each particular Mortgage Loan, and other circumstances: act as a mortgage broker which solicits prospective borrowers for Mortgage Loans. Broker will, from time to time and at its option, submit completed Mortgage Loan applications to Western on behalf of Broker's clients for possible funding by Western. Such Mortgage Loans shall close in Western's name. All references to "Broker," the "application", "closing," "funding," or of Mortgage Loans "funded", or "closed" with Western, in this LBA, any addenda hereto, and in Western's Wholesale Broker Guide, shall refer and be applicable to any and all of the business arrangements described in this paragraph.

WHEREAS, the purpose of this LBA is to set forth the duties, responsibilities, and obligations of each party;

NOW, THEREFORE, in consideration of the promises set forth in this LBA and for other good and valuable consideration, this LBA sets forth the terms and conditions upon which the Broker agrees to broker to Western Mortgage Loans, and the parties agree as follows:

I. The Wholesale Broker Guide

- (a) The Broker has reviewed Western's Wholesale Broker Guide, as may be amended or revised from time to time (the "Broker Guide" or "Guide").
- (b) The parties agree: that Western may, in its sole and absolute discretion, amend or revise the Broker Guide at any time, with notice to the Broker; that each Mortgage Loan application submitted by Broker to Western shall be governed by the version of the Broker Guide in existence on the date of the Closing (as that term is defined in the Broker Guide) of each Mortgage Loan; and that Brokers submission of a Mortgage Loan to Western constitutes Brokers acceptance of and agreement with each and every provision of the version of the Broker Guide in effect at the Closing of each Mortgage Loan.
- (c) Broker further acknowledges that it has been provided electronic access to the Broker Guide; that such electronic access allows Broker to access the current version of the

- Broker Guide; and that such electronic access provides full, accurate, and complete notice of any amendments or revisions to the Broker Guide.
- (d) The parties agree that the Broker Guide, along with this LBA and any amendments to this LBA, constitute the complete agreement between the parties as to the submission by the Broker to Western of Mortgage Loan applications.
 - (e) Any capitalized term used in this LBA that is not otherwise defined shall have the meaning set forth in the Broker Guide.
 - (f) In the event of any express conflict between the provisions of this LBA and the provisions of the Broker Guide, the provisions of this LBA shall control.

II. Commitments

- (a) The Broker will forego all of its rights, title and interest (including servicing rights) in Eligible Mortgage Loans submitted to and funded by Western. An "Eligible Mortgage Loan" means a Mortgage Loan application that satisfies all of the requirements contained in the Broker Guide and the standards for the applicable program contained in the Broker Guide under which Broker is originating the Mortgage Loan application. Western may, in its sole and absolute discretion, issue a written Commitment to Broker to fund the Eligible Mortgage Loan application. Broker is under no obligation to submit Mortgage Loan applications exclusively to Western. Western is under no obligation to fund any number of Eligible Mortgage Loans under this LBA.
- (b) Notwithstanding anything in this LBA to the contrary, Western is only obligated to fund an Eligible Mortgage Loan if:
 - i. a Commitment was issued by Western,
 - ii. the Broker and Eligible Mortgage Loan strictly conform with the terms of the Commitment, the Broker Guide, and this LBA,
 - iii. the Eligible Mortgage Loan is salable to Fannie Mae, Freddie Mac, or a prudent investor in the recognized secondary market, or, as underwritten by Western, conforms with all of Western's underwriting requirements, and
 - a. all documents relating to the Eligible Mortgage Loan are complete and acceptable to Western in its sole and absolute discretion.

III. Duties of Broker

- (a) Broker shall take Mortgage Loan applications and collect financial information for applicants at its offices in its own name through its employees, agents and independent contractors.
- (b) If Broker contracts out for services through a third party service, such as contract processing, Broker is ultimately responsible for the actions, errors and omissions of contract processor's actions relative to the loan file, loan documents, financial documents and the applicant.

- (c) Broker shall comply with the procedures established by Western for the submission of Mortgage Loan applications under the Broker Guide available to Broker. Broker shall be responsible for determining whether each application meets the terms and requirements of the Broker Guide, and Western shall have no obligation to accept submission of any Mortgage Loan application for underwriting that does not fully comply with the terms and requirements of the Broker Guide.
- (d) Broker shall provide to Western, at its sole cost and expense for each Mortgage Loan application signed by applicant, the appraisal, such credit and financial information necessary to investigate, underwrite and fully review the Mortgage Loan application, and any and all other documents required or requested by Western. Broker shall assist Western in obtaining any additional information needed by Western in order to facilitate the Closing of the Mortgage Loan application. The Mortgage Loan application and all other documents submitted to Western in connection with a proposed Mortgage Loan application shall become the property of Western. All information submitted to Western shall be independently verified and may be declined at Western's sole discretion. Broker shall have no authority whatsoever to negotiate any terms or conditions of a Mortgage Loan application on Western's behalf.
- (e) Broker shall analyze applicant's income and indebtedness, and determine the maximum reasonable Mortgage Loan obligations that applicant can bear that provide benefit to applicant. Broker shall explain to applicant how the housing costs and monthly payments would vary under each mortgage loan program and shall assist applicant in determining the appropriate mortgage loan program.
- (f) Broker shall keep the applicant apprised of applicant's status with their Mortgage Loan application and communicate any changes within a reasonable amount of time. Broker shall assist the applicant with understanding and clearing any credit problems and maintain regular contact with the applicant, real estate agents and Western at all times.
- (g) Broker has no authority to obligate, commit or bind Western to any agreement for any purpose without Western's prior written consent, and Broker shall not represent or warrant to any applicant that Western has finally approved, or will approve or Close, any Mortgage Loan application until Western so notifies Broker in writing.
- (h) To the extent approved by Western, Broker shall provide to applicant any and all federal, state and local disclosures required by law, rule or regulation, including without limitation the loan disclosures required under the Real Estate Settlement and Procedures Act of 1974, 12 U.S.C. §§2601 et seq. ("RESPA"), and any disclosure required under the Truth in Lending Act, 15 U.S.C. §§ 1601 et seq., as implemented by Regulation Z ("TILA"), the Fair Credit Reporting Act, 15 U.S.C. §§ 1681 et seq. ("FCRA"), and the Equal Credit Opportunity Act, 15 U.S.C. §§ 1691 et seq., as implemented by Regulation B ("ECOA").
- (i) Broker shall comply with all federal, state and local laws, rules and regulations, including the disclosure requirements and prohibitions contained therein, applicable to the conduct of its business, including, without limitation, the following: (i) ECOA and Regulation B, (ii) the Fair Housing Act, 42 U.S.C. §§ 3601 et seq. ("FHA") and the regulations promulgated pursuant thereto, (iii) the Home Mortgage Disclosure Act, 12 U.S.C. §§ 2801 et seq., ("HMDA") and Regulation C, (iv) FCRA, (v) RESPA and Regulation X, (vi) TILA and Regulation Z, (vii) the Home Ownership and Equity Protection Act, 15 U.S.C. §§ 1601 et seq., (viii) the Flood Disaster Protection Act, 42 U.S.C. §§ 4001 et seq., (ix) the Gramm-Leach-Bliley Act, (x) Consumer Finance Protection Bureau, (xi) state, county and municipal anti-predatory lending laws and ordinances, (xii) state mortgage broker laws, and (xiii) any and all other laws, rules and regulations applicable to Broker, including those governing fraud, compensation, consumer credit transactions, predatory and abusive lending and mortgage banks and brokers. In

connection with ECOA and Regulation B, Broker shall not discourage or pre-screen any applicant or in any other manner violate the terms of the ECOA and Regulation B. Broker shall ensure that all compensation that it receives in connection with any transaction complies with the loan origination compensation requirements set forth in Regulation Z. Broker shall maintain available for Western's inspection, and shall deliver to Western upon demand, evidence of compliance with all federal, state and local requirements.

- (j) Broker warrants that it understands the distinction between a Mortgage Loan Mortgage Loan application and an "inquiry" within the meaning of HMDA and ECOA, and that, unless otherwise set forth in this agreement, or unless notified by Western, it is responsible for complying with the recordkeeping and disclosure requirements of those laws with respect to Mortgage Loan applications that it receives. Broker shall timely notify Western of all Mortgage Loan applications that it has placed with Western. Broker shall be responsible for determining if a Mortgage Loan application has been "withdrawn" as those terms are construed under HMDA and ECOA, and shall timely apprise Western of these decisions. In such circumstances, Broker will complete and send the appropriate notice to applicant in accordance with ECOA and all applicable law, with a copy to Western. In the event that Western decides that it will not approve a particular Mortgage Loan submitted by Broker, Western will not deliver to any applicant an "Adverse Action" notice. Rather, Western shall deliver a completed Adverse Action notice to Broker specifying the reasons Western has declined to Fund the Mortgage Loan application. Broker shall then send the Adverse Action notice to applicant in compliance with ECOA and any other applicable federal, state and local laws.
- (k) Broker shall promptly notify Western if (a) any substantial change in the ownership, financial condition or management of Broker occurs, within thirty (30) days of change, (b) Broker relocates their office(s) notification will occur within fifteen (15) days, (c) Broker knows or has reason to believe that any information in any Mortgage Loan application or other document delivered to Western is or becomes untrue or fails to state any material fact or (D) any government or other agency has made any adverse finding or taken any adverse actions with respect to Broker, or its owners, directors, officers or employees.
- (l) Broker shall execute and deliver all such instruments and take all such actions as Western may reasonably request from time to time in order to effect the purposes of this LBA and to consummate the transactions contemplated hereby. Without limiting the generality of the foregoing, Broker shall cooperate with Western with respect to a Mortgage Loan application after Closing, if Western Requests Broker's assistance with a non-performing or defaulted Mortgage Loan.
- (m) The obligations under this Section III (Duties of Broker) are continuing and shall survive the termination of this LBA.

IV. Duties of Western

- (a) Western or its designee shall underwrite every eligible Mortgage Loan application submitted pursuant to this LBA. Western may close and fund Loans submitted by Broker that meet all criteria of the Guide. Western shall have no obligation to issue a commitment for or close a Mortgage Loan which it determines, in its sole discretion, does not meet Western's or an investor's Guide. Western in its sole discretion may decline any Mortgage Loan application that does not comply with the terms of this LBA or meet Western's or an investor's Guide. Western shall notify Broker promptly of any such decision.

- (b) Western and Broker agree that Western may rely on the information, authenticity, and accuracy of all signatures and information supplied by Broker in connection with each Mortgage Loan application. Western's decision not to conduct an independent investigation with respect to the information, authenticity, and accuracy of all such signatures and information shall not affect or modify the representations and warranties made by Broker under this LBA or the rights available to Western for any breach of such representations and warranties.
- (c) If Western determines that a Mortgage Loan application meets its Guide, Western shall issue a commitment in its name to the Broker setting forth the terms and conditions under which it will close the Mortgage Loan and advance funds. If Western determines that a Mortgage Loan does not meet its Guide, Western will issue a notice of adverse action to the Broker in compliance with all federal, state and local laws. Western will have no obligation or liability to Broker for any decision to decline a Mortgage Loan application or for any delays in determining whether a Mortgage Loan application meets the Guide.
- (d) Upon the issuance of a commitment in Western's name to Broker, Western shall proceed with the closing and funding of the Mortgage Loan application under the terms and conditions of its commitment to the Broker. The documents evidencing any such Mortgage Loan shall reflect only Western as the lender. Broker shall provide such assistance as required by Western to close the Mortgage Loan application in a timely and efficient manner.

V. Compensation

Compensation paid to the Broker shall be paid in accordance to the Guide and the Broker Compensation Agreement. The Broker grants Western the Rights of Offset and Western may deduct any fees or other sums owed to Western by the Broker under the terms of this LBA and the Broker Guide from any amounts otherwise payable by Western to Broker, such as, without limitation, any compensation payable to the Broker for Mortgage Loans funded by Western pursuant to this LBA and the Broker Guide.

VI. Representations and Warranties

The Broker hereby makes all representations, warranties and covenants set forth in the Broker Guide as such are amended from time to time.

VII. Specific Performance

- (a) The Broker recognizes that Western will rely on its commitments from the Broker; that Western will without notice to the Broker, make binding commitments in reliance thereon; that actual Closing of Mortgage Loan applications submitted under each Commitment is the essence of this LBA and is required within the delivery period as set forth in the Broker Guide.
- (b) Upon the Broker's insolvency, repudiation or failure in Western's sole judgment to perform its obligations, Western may proceed immediately by its own acts, order or seizure, or such other remedy as may be available at law or equity to take possession of all documents relating to a Mortgage Loan belonging to the Broker which could qualify

for Closing by Western pursuant to the Broker’s commitments.

VIII. Notices

Any notice or demand that is required or permitted to be given by a provision of this LBA or the Broker Guide shall be deemed to have been sufficiently given if (a) in the case of notice from Western to the Broker, such matter is set forth in the Broker Guide or any amendment or revision to the Broker Guide, or (b) either served personally or sent by prepaid first class, registered, or certified mail, addressed to the party at its address set forth below.

BROKER:

WESTERN

Western Bancorp
5671 Santa Teresa Blvd., Suite 100
San Jose, CA 95123

Attn: _____

Attn: EVP Operations

IX. Faxing and E-Mailing

By executing the LBA Broker agrees to receive facsimile, electronic or e-mail advertisements from Western.

X. Signatures and Counterparts

The LBA may be executed in one or more counterparts, each of which counterparts shall be deemed to be an original, and all such counterparts constitute one and the same instrument. Facsimile and electronic signatures shall be acceptable and shall have the same effect as an original ink signature.

XI. Non-Discrimination

By executing the LBA, Broker certifies that it will comply with all applicable non-discriminatory laws and regulations.

XII. Affiliated Business Arrangement

(Please check one of the boxes below)

Broker represents and warrants that it has an affiliated business arrangement (“ABA”), as defined in 12 CFR 1024, as it may be amended from time to time (including but not limited to, title companies, escrow service providers, real estate brokerages, etc.) with the following business entities:

Name: _____ Address: _____

Name: _____ Address: _____

Name: _____ Address: _____

Broker represents and warrants that it does not have an ABA with any business entity.

Broker agrees that it shall notify Western in writing within five (5) days of any change in its relationship with any ABA.

As of the date hereof the principal officer(s) of the Broker are:

Name: _____ Title: _____ Ownership%: _____

Name: _____ Title: _____ Ownership%: _____

Name: _____ Title: _____ Ownership%: _____

XIII. Programs

Western authorizes Broker to participate in the mortgage loan programs for which Broker meets the applicable eligibility requirements, and by signing this LBA, Broker agrees to abide by the terms and conditions applicable to each mortgage loan program as set forth in the Guide.

XIV. Termination

- (a) This LBA may be terminated by either party at any time with or without just cause upon five (5) days prior written notice. Termination shall not affect or change the obligations of the parties with respect to outstanding Commitments to fund or close Mortgage Loan application or limit Broker’s duties or obligations to Western under this LBA or the Broker Guide with respect to Mortgage Loan applications already closed by Western.
- (b) Notwithstanding anything to the contrary herein, Western may terminate this LBA immediately, at Western’s sole discretion, upon written notice to Broker, if Broker defaults in the performance of this LBA or the Guide, breaches any of its representations or warranties, if Broker acts negligently, or if fraud is discovered as to any Mortgage Loan application. These described actions include grounds for Western to declare an event of default. Upon such termination for cause Western’s obligation under any existing Commitment shall terminate, although Western may continue to honor any outstanding Commitment in its sole discretion.

XV. Compliance with Laws

Broker shall comply with all applicable federal, state and local laws, statutes, rules and regulations including but not limited to the Red Flags Rule (16 CFR Part 681) regarding the development and implementation of a written Identity Theft Prevention Program, as defined therein.

XVI. Incorporation of Recitals

All of the foregoing recitals are a part of, and are incorporated in the terms of this LBA. They are acknowledged by the parties hereto to be true, correct, and accurate.

XVII. Entire Agreement

The LBA and the Guide integrates all the terms and conditions mentioned herein or incidental hereto and supersedes all oral negotiations or prior writings in respect to the subject matter hereof and thereof.

IN WITNESS WHEREOF the parties hereto have entered into this LBA as of the date first set forth above.

Agreed to and Accepted by:

Agreed to and Accepted by:

Broker: _____

Western Bancorp,

By: _____ _____ _____ (Title of officer) _____ (Date)	By: _____ _____ _____ (Title of officer) _____ (Date)
--	--

Broker Compensation Agreement

This Broker 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

(“Broker”), 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 Broker. Western Bancorp will offer two plans: A Borrower-Paid Plan and a Lender-Paid Plan. Broker 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, Broker 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 Broker has on record with Western Bancorp.

Lender-Paid Plan

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

Compensation:

Compensation will be established as a percentage of the loan amount. The Wholesale Broker must pre- select one of several compensation tiers from .750 to 2.75, in increments of .25 (e.g., 1.00, 1.25, 1.50, and 1.75). Once the Broker selects a compensation tier, that tier applies to all loans. Under a Lender-Paid Plan, compensation may not increase or decrease on each loan. Broker may also collect a flat fee up to \$795 on top of the compensation tiers, for compensation tiers not exceeding 2.00%. Flat fees are not eligible for compensation plans exceeding 2.00% Western Bancorp has a maximum compensation plan 2.75%.

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.

Min / Max Compensation

In addition to the compensation plans noted above, the Broker may select one of three (3) minimum / maximum compensation tiers listed in the addendum.

Modifications: The Broker cannot change plans on a per-loan basis. Brokers may choose to change the compensation indicated on the Addendum as often as every three (3) months by notifying Western Bancorp in writing. Changes to compensation may be made within the three-month period on an exception basis, with documented extenuating circumstances and approval from Western Bancorp's Broker Approval department.

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 Broker 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.

Right of Offset: Western Bancorp reserves the right of offset against compensation as outlined in the Broker Guide.

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

Indemnification: The Broker indemnifies and holds Western Bancorp harmless from the Broker'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 Broker 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 #: _____

State Tax ID #: _____

Broker Compensation Agreement Addendum

This Addendum supplements, amends and becomes part of the Broker Compensation Agreement ("Agreement"), dated, _____, _____, 20__ by and between Western Bancorp and ("Broker"), 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 and a Lender-paid Plan (must select a tier below).

If you selected a Lender-Paid Plan, you may also choose one of 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%

<input type="checkbox"/>	\$495	<input type="checkbox"/>	\$595	<input type="checkbox"/>	\$695	<input type="checkbox"/>	\$795
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Lender-Paid Plan

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

<input type="checkbox"/>	0.750	<input type="checkbox"/>	1.000	<input type="checkbox"/>	1.250	<input type="checkbox"/>	1.500	<input type="checkbox"/>	1.750
<input type="checkbox"/>	2.000	<input type="checkbox"/>	2.250	<input type="checkbox"/>	2.500	<input type="checkbox"/>	2.750	<input type="checkbox"/>	

Minimum / Maximum Compensation Tiers
(optional)

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

<input type="checkbox"/>	\$1,000 / \$7,500	<input type="checkbox"/>	\$1,200 / \$10,000	<input type="checkbox"/>	\$1,500 / \$15,000
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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.



Wholesale Broker Compensation Addendum (Continued)

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

written below. Broker: _____ Western:

By Broker of Record:

By: _____

Printed Name: _____

Printed Name _____

Title: _____

Title: _____

Date: _____

Date: _____

Company NMLS ID #: _____

Federal Tax ID #: _____

State Tax ID #: _____

Loan Purchase Agreement

This Correspondent Loan Purchase Agreement ("LPA"), dated _____ (Effective Date) between Western Bancorp, a California corporation ("Western"), whose principal place of business is located at 5671 Santa Teresa Blvd., Suite 100, San Jose, CA 95123, and _____, a _____ (the "Seller"), whose principal place of business is located at _____,

WHEREAS, Western and Seller have agreed to enter into an arrangement under which Seller will, depending upon the terms of the Mortgage Loan, the type of Mortgage Loan, the loan program under which the Mortgage Loan is originated, the jurisdiction in which the Mortgage Loan is originated, and the statutes, regulations and licensing requirements applicable to each particular Mortgage Loan, and other circumstances: sell and/or assign Mortgage Loans to Western in the secondary market. Such Mortgage Loans shall close in Seller's name. All references to "Seller," the "sale," "selling," or "purchase" of Mortgage Loans, or Mortgage Loans "sold" to Western, in this LPA, any addenda hereto, and in Western's Correspondent Sellers Guide, shall refer and be applicable to any and all of the business arrangements described in this paragraph;

WHEREAS, the purpose of this LPA is to set forth the duties, responsibilities, and obligations of each party;

NOW, THEREFORE, in consideration of the promises set forth in this LPA and for other good and valuable consideration, this LPA sets forth the terms and conditions upon which the Seller agrees to sell to Western Mortgage Loans, and the parties agree as follows:

XVIII. The Correspondent Sellers Guide

- (g) The Seller has reviewed Western's Correspondent Sellers Guide, as may be amended or revised from time to time (the "Sellers Guide" or "Guide").
- (h) The parties agree: that Western may, in its sole and absolute discretion, amend or revise the Sellers Guide at any time, with notice to the Seller; that each Mortgage Loan sold by Seller to Western shall be governed by the version of the Sellers Guide in existence on the date of the Closing (as that term is defined in the Sellers Guide) of each Mortgage Loan; and that Seller's sale of a Mortgage Loan to Western constitutes Seller's acceptance of and agreement with each and every provision of the version of the Sellers Guide in effect at the Closing of each Mortgage Loan.
- (i) Seller further acknowledges that it has been provided electronic access to the Sellers Guide; that such electronic access allows Seller to access the current version of the Sellers Guide; and that such electronic access provides full, accurate, and complete notice of any amendments or revisions to the Sellers Guide.
- (j) The parties agree that the Sellers Guide, along with this LPA and any amendments to this LPA, constitute the complete agreement between the parties as to the sale by the Seller

to Western of Mortgage Loans.

- (k) Any capitalized term used in this LPA that is not otherwise defined shall have the meaning set forth in the Sellers Guide.
- (l) In the event of any express conflict between the provisions of this LPA and the provisions of the Sellers Guide, the provisions of this LPA shall control.

XIX. Commitments

- (c) The Seller will offer for sale all of its rights, title and interest (including servicing rights) in Eligible Mortgage Loans to Western. An "Eligible Mortgage Loan" means a Mortgage Loan that satisfies all of the requirements contained in the Sellers Guide and the standards for the applicable program contained in the Sellers Guide under which Seller is offering the Mortgage Loan. Western may, in its sole and absolute discretion, issue a written Commitment to Seller to purchase the Eligible Mortgage Loan. Seller is under no obligation to sell loans exclusively to Western. Western is under no obligation to purchase any number of Eligible Mortgage Loans under this LPA.
- (d) Notwithstanding anything in this LPA to the contrary, Western is only obligated to purchase an Eligible Mortgage Loan if:
 - i. a Commitment was issued by Western,
 - ii. the Seller and Eligible Mortgage Loan strictly conform with the terms of the Commitment, the Sellers Guide, and this LPA,
 - iii. the Eligible Mortgage Loan is salable to Fannie Mae, Freddie Mac, or a prudent investor in the recognized secondary market, or, if underwritten by Western, conforms with all of Western's underwriting requirements, and;
 - iv. all documents relating to the Eligible Mortgage Loan are complete and acceptable to Western in its sole and absolute discretion.

XX. Purchase Price

The purchase price for each Eligible Mortgage Loan sold by the Seller to Western shall be determined as set forth in the Sellers Guide. The Purchase Price will be shown on the Commitment relating to the Eligible Mortgage Loan. Western agrees to guarantee the Purchase Price for the Eligible Mortgage Loan for the time period shown on the commitment confirmation and the Seller agrees to close the Eligible Mortgage Loan and deliver it to Western within the designated time period.

XXI. Compensation

The compensation paid to the Seller shall be paid in accordance with the Sellers Guide.

XXII. Fees

In the event the Seller does not comply with the loan delivery procedures contained in the Sellers Guide, the Seller shall pay Western the applicable late delivery, late correction or buyout fees as provided for in the Sellers Guide. The Seller grants Western the Rights of Offset and Western may deduct any fees or other sums owed to Western by the Seller under the terms of this LPA and the Sellers Guide from any amounts otherwise payable by Western to Seller, such as, without limitation, any compensation payable to the Seller and the Purchase Price for Eligible Mortgage Loans being purchased by Western from the Seller pursuant to this LPA and the Sellers Guide.

XXIII. Representations and Warranties

The Seller hereby makes all representations, warranties and covenants set forth in the Sellers Guide as such are amended from time to time.

XXIV. Specific Performance

- (c) The Seller recognizes that Western will rely on its commitments from the Seller; that Western will without notice to the Seller, make binding commitments in reliance thereon; that actual delivery of the Eligible Mortgage Loans under each Commitment is the essence of this LPA and is required within the delivery period as set forth in the Sellers Guide.
- (d) Upon the Seller's insolvency, repudiation or failure in Western's sole judgment to perform its obligations, Western may proceed immediately by its own acts, order or seizure, or such other remedy as may be available at law or equity to take possession of all documents relating to a Mortgage Loan belonging to the Seller which could qualify for sale to Western pursuant to the Seller's commitments.

XXV. Notices

Any notice or demand that is required or permitted to be given by a provision of this LPA or the Sellers Guide shall be deemed to have been sufficiently given if (a) in the case of notice from Western to the Seller, such matter is set forth in the Sellers Guide or any amendment or revision to the Sellers Guide, or (b) either served personally or sent by prepaid first class, registered, or certified mail, addressed to the party at its address set forth below.

SELLER: WESTERN

Attn: _____

Western Bancorp
5671 Santa Teresa Blvd., Suite 100
San Jose, CA 95123
Attn: EVP Operations

XXVI. Faxing and E-Mailing

By executing the LPA Seller agrees to receive facsimile or e-mail advertisements from Western.

XXVII. Signatures and Counterparts

The LPA may be executed in one or more counterparts, each of which counterparts shall be deemed to be an original, and all such counterparts constitute one and the same instrument. Facsimile and electronic signatures shall be acceptable and shall have the same effect as an original ink signature.

XXVIII. Non-Discrimination

By executing the LPA, Seller certifies that it will comply with all applicable non-discriminatory laws and regulations.

XXIX. Affiliated Business Arrangement

(Please check one of the boxes below)

Seller represents and warrants that it has an affiliated business arrangement ("ABA"), as defined in 12 CFR 1024, as it may be amended from time to time (including but not limited to, title companies, escrow service providers, real estate brokerages, etc.) with the following business entities:

Name: _____ Address: _____
Name: _____ Address: _____
Name: _____ Address: _____

Seller represents and warrants that it does not have an ABA with any business entity.

Seller agrees that it shall notify Western in writing within five (5) days of any change in its relationship with any ABA.

As of the date hereof the principal officer(s) of the Seller are:

Name: _____ Title: _____ Ownership%: _____
Name: _____ Title: _____ Ownership%: _____
Name: _____ Title: _____ Ownership%: _____

XXX. Programs

Western authorizes Seller to participate in the Mortgage Loan Programs for which Seller meets the applicable eligibility requirements, and by signing this LPA, Seller agrees to abide by the terms and conditions applicable to each Mortgage Loan Program as set forth in the Sellers Guide.

XXXI. Termination

- (c) This LPA may be terminated by either party at any time with or without just cause upon five (5) days prior written notice. Termination shall not affect or change the obligations of the parties with respect to outstanding Commitments to sell or purchase Mortgage Loans or limit Seller's duties or obligations to Western under this LPA or the Sellers Guide with respect to Mortgage Loans already purchased by Western.
- (d) Notwithstanding anything to the contrary herein, Western may terminate this LPA immediately, at Western's sole discretion, upon written notice to Seller, if Seller defaults in the performance of this LPA or the Sellers Guide, breaches any of its representations or warranties, if Seller acts negligently, or if fraud is discovered as to any Mortgage Loan. These described actions include grounds for Western to declare an event of default. Upon such termination for cause Western's obligation under any existing Commitment shall terminate, although Western may continue to honor any outstanding Commitment in its sole discretion.

XXXII. Compliance with Laws

Seller shall comply with all applicable federal and state laws, statutes, rules and regulations including but not limited to the Red Flags Rule (16 CFR Part 681) regarding the development and implementation of a written Identity Theft Prevention Program, as defined therein.

XXXIII. Incorporation of Recitals

All of the foregoing recitals are a part of, and are incorporated in the terms of this LPA. They are acknowledged by the parties hereto to be true, correct, and accurate.

XXXIV. Entire Agreement

The LPA and the Sellers Guide integrates all the terms and conditions mentioned herein or incidental hereto and supersedes all oral negotiations or prior writings in respect to the subject matter hereof and thereof.



IN WITNESS WHEREOF the parties hereto have entered into this LPA as of the date first set forth above.

Agreed to and Accepted by:

Agreed to and Accepted by:

Seller: _____

Western Bancorp,

By: _____ _____ _____ (Title of officer) _____ (Date)	By: _____ _____ _____ (Title of officer) _____ (Date)
--	--

Correspondent Contacts and Post-Closing QC Outsource Information

Role	Name	Phone	Email
Operations Manager			
Secondary			
Underwriting			
Quality Control			
Compliance			
Loan Delivery			
Trailing Documents			
Appraisal Manager			
Closing Outsource			

Correspondent Lending AIR & Appraisal Management Attestation

Correspondent Lenders must fully support the Dodd-Frank Act and the objectives of the Federal National Mortgage Association, Federal Housing Finance Agency, and Freddie Mac’s Appraiser Independence Requirements of ensuring an independent property valuation by an appraiser.

To ensure compliance with the Appraiser Independence Requirements (AIR), the Correspondent Lender is required to attest to Western Bancorp that _____ will provide AIR compliant appraisal services not limited to the following:

- a) The Correspondent uses only licensed or certified appraisers for subject property state.
- b) Appraiser must be familiar with the local market, competent to appraise the subject property type, and have access to the data sources necessary to develop a credible appraisal.
- c) Selected Appraisers do not appear on any State, Federal or Investor “ Watch /or Exclusionary” lists maintained or accessed by Western Bancorp.
- d) Correspondent must maintain the appropriate level of quality control measures.
- e) Correspondent will employ ongoing monitoring and periodic assessments of all national or regional contracted Appraisal Management Companies and/or Appraisers to ensure that they are employing acceptable performance standards and are in compliance with Regulation Z and GSE/Agencies’ appraisal rules and consistent with supervisory guidance.
- f) No employee, director, officer, or agent of the correspondent, or any other third party on behalf of the correspondent shall influence or attempt to influence the development, reporting, result, or review of an appraisal or cause or fail to report misrepresentations, falsifications, or material alterations to such reports.
- g) Correspondent must have an AIR compliant selection process is in place for the assignment of an appraisal order.
- h) No Production Staff employee shall determine the selection of the appraiser.
- i) No Production Staff employee shall have any valuation related contact with the appraiser at any time during the appraisal procurement process.
- j) Correspondent must utilize “Reasonable and Customary” fees when appraisers are selected to offer services.
- k) Correspondent shall comply with mandatory reporting requirements under Regulation Z, if applicable.

Check all that apply:

Appraisal Management Company (AMC):

Please indicate Company(s):

Appraisal Aggregator/Order Facilitator:

Please indicate Company(s):

Company Name: _____

Authorized Signature: _____

Date: _____

If yes, please explain. _____

Has Warehouse Line been managed satisfactorily? If no, explain. _____

Completed by: _____ Date: _____
Name/Title