

Application Checklist for New Broker

Broker: _____ Date: _____

Branch: _____ Account Executive: _____

- | | | |
|---|------------------------------|-----------------------------|
| Executed Broker Agreement/Application (completed & signed) | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Signature Resolution – (Must be filled out regardless of filing status) | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Tax ID/SSN W-9 | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| References (minimum of 3 lender references) | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Financial Statements (most recent, no more than 6 months old) | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Resumes of Principal Officers | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| State Licenses & Surety Bond Information (as applicable) | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Written Quality Assurance Plan | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Copy of credit report (no more than 6 months old) | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Fax / Email Authorization | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| HLMC Exclusionary List (North Star to complete) | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Background Check on All Principals | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Completed Office Inspection (North Star to complete) | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Broker Reference Verification Reports (North Star to complete) | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

A repurchase history for the last 12 months is required.

A credit investigation will be required for approval. If desired you may provide a tri-merge or full RMCR dated not more than six months prior to this application. Signature and social security number on the application are required even if a credit report is not provided.

Request for Taxpayer Identification Number and Certification

**Give form to the
 requester. Do not
 send to the IRS.**

Print or type See Specific Instructions on page 2	Name (as shown on your income tax return)	
	Business name, if different from above	
	Check appropriate box: <input type="checkbox"/> Individual/ Sole proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Other ▶	
	<input type="checkbox"/> Exempt from backup withholding	
	Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
	City, state, and ZIP code	
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 your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number								
OR								
Employer identification number								

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

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. person (including a U.S. resident alien).

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 on page 4.)

Sign Here	Signature of U.S. person ▶	Date ▶
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Purpose of Form

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

U.S. person. Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

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.

In 3 above, 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.

Note. If 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.

For federal tax purposes, you are considered a person if you are:

- An individual who is a citizen or resident of the United States,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States, or
- Any estate (other than a foreign estate) or trust. See Regulations sections 301.7701-6(a) and 7(a) for additional information.

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the 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 withholding on your share of partnership income.

The person who gives 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 is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,

- The U.S. grantor or other owner of a grantor trust and not the trust, and
- The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 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 recipient 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 not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments (after December 31, 2002). This is called "backup withholding." Payments that may be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, 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 Part II instructions on page 4 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 the instructions below and the separate Instructions for the Requester of Form W-9.

Also see *Special rules regarding partnerships* on page 1.

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

Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your income tax return on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

Limited liability company (LLC). If you are a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Treasury regulations section 301.7701-3, enter the owner's name on the "Name" line. Enter the LLC's name on the "Business name" line. Check the appropriate box for your filing status (sole proprietor, corporation, etc.), then check the box for "Other" and enter "LLC" in the space provided.

Other entities. Enter your business name as shown on required federal tax documents on the "Name" line. 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 the "Business name" line.

Note. You are requested to check the appropriate box for your status (individual/sole proprietor, corporation, etc.).

Exempt From Backup Withholding

If you are exempt, enter your name as described above and check the appropriate box for your status, then check the "Exempt from backup withholding" box in the line following the business name, sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

Exempt payees. Backup withholding is not required on any payments made to the following payees:

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 possession of the United States, or any of their political subdivisions or instrumentalities,
4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or
5. An international organization or any of its agencies or instrumentalities.

Other payees that may be exempt from backup withholding include:

6. A corporation,
7. A foreign central bank of issue,
8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,
9. A futures commission merchant registered with the Commodity Futures Trading Commission,
10. A real estate investment trust,
11. An entity registered at all times during the tax year under the Investment Company Act of 1940,
12. A common trust fund operated by a bank under section 584(a),
13. A financial institution,
14. A middleman known in the investment community as a nominee or custodian, or
15. A trust exempt from tax under section 664 or described in section 4947.

The chart below shows types of payments that may be exempt from backup withholding. The chart applies to the exempt recipients listed above, 1 through 15.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt recipients except for 9
Broker transactions	Exempt recipients 1 through 13. Also, a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker
Barter exchange transactions and patronage dividends	Exempt recipients 1 through 5
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt recipients 1 through 7 ²

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² However, the following payments made to a corporation (including gross proceeds paid to an attorney under section 6045(f), even if the attorney is a corporation) and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees; and payments for services paid by a federal executive agency.

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. However, the IRS prefers that you use your SSN.

If you are a single-owner LLC that is disregarded as an entity separate from its owner (see *Limited liability company (LLC)* on page 2), enter your SSN (or EIN, if you have one). If the LLC is a corporation, partnership, etc., enter the entity's EIN.

Note. See the chart on page 4 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 Social Security Administration office or get this form online at www.socialsecurity.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 ID Numbers under Related Topics. You can get Forms W-7 and SS-4 from the IRS by visiting www.irs.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, 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. Writing "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded domestic 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 items 1, 4, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt recipients, see *Exempt From Backup Withholding* on page 2.

Signature requirements. Complete the certification as indicated in 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 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), 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)	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4. 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
5. Sole proprietorship or single-owner LLC	The owner ³
For this type of account:	Give name and EIN of:
6. Sole proprietorship or single-owner LLC	The owner ³
7. A valid trust, estate, or pension trust	Legal entity ⁴
8. Corporate or LLC electing corporate status on Form 8832	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership or multi-member LLC	The partnership
11. A broker or registered nominee	The broker or nominee
12. 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

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 second name line. You may use either your SSN or EIN (if you have one). If you are a sole proprietor, IRS encourages you to use your SSN.

⁴ List first and circle the name of the legal 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 regarding partnerships* on page 1.

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.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA, or Archer MSA or HSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. possessions to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax 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. Payers must generally withhold 28% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.



North Star Lending
Application for Mortgage Loan Brokerage Program

1. Company Information:

Legal Company Name: _____

DBA: _____

Principal Address: _____

Telephone Number: _____

Federal Tax Id Number: _____

State License Id. Number: _____
(where applicable)

Fax Number: _____ Rates UW Only Marketing

E Mail Address: _____

2. Additional Contacts:

Principal Contact: _____ Title: _____

List of Principal Officers:

Name Title
Name Title
Name Title

(For North Star Lending use only)

Branch _____ AE _____ Account No: _____



3. Additional Company Information:

This Company was established in (month/year) ____/____ under the laws of the State of _____ and is organized as a/an: (choose one)

- Corporation _____
- Limited Liability Co _____
- Limited Partnership _____
- Partnership _____
- Sole Proprietorship _____
- Other (explain) _____

Company breakdown of production for the 2 most recent fiscal years:
(This section is required for all applicants.)

	Year One		Year Two	
Conventional	% _____	\$ _____	% _____	\$ _____
FHA	% _____	\$ _____	% _____	\$ _____
VA	% _____	\$ _____	% _____	\$ _____
Sub Prime	% _____	\$ _____	% _____	\$ _____

Please list all States in which your company primarily does business:

Does any Principal in your firm have ownership or interest in any other real estate related business?
Yes _____ No _____ If Yes please explain below:

4. Agency Approvals:

FannieMae	Mo./Yr. _____/_____	Id. No. _____
FreddieMac	Mo./Yr. _____/_____	Id. No. _____
GNMA	Mo./Yr. _____/_____	Id. No. _____
FHA	Mo./Yr. _____/_____	Id. No. _____
VA	Mo./Yr. _____/_____	Id. No. _____

Has your company ever had an approval revoked by any investor or MI Company?
Yes _____ No _____ If Yes please explain below:

Does your company have warehouse lines? Yes _____ No _____ If Yes then:

Amount of Line	Institution	Contact	Telephone Number
\$ _____	_____	_____	_____
\$ _____	_____	_____	_____
\$ _____	_____	_____	_____



5. References:

Please list four mortgages investors or MI companies with which your company is currently approved. Please provide copies of approval letters where possible.

Name: _____

Name: _____

Address: _____

Address: _____

Telephone No: _____

Telephone No: _____

Contact Person: _____

Contact Person: _____

Name: _____

Name: _____

Address: _____

Address: _____

Telephone No: _____

Telephone No: _____

Contact Person: _____

Contact Person: _____

Please list two trade references:

Name: _____

Name: _____

Address: _____

Address: _____

Telephone No: _____

Telephone No: _____

Contact Person: _____

Contact Person: _____

Please list two Bank references:

Name: _____

Name: _____

Address: _____

Address: _____

Telephone No: _____

Telephone No: _____

Contact Person: _____

Contact Person: _____



6. Additional Branch Locations:

Contact: _____

Address: _____

Telephone Number: _____

Federal Tax Id Number: _____

State License Id. Number: _____
(where applicable)

	Rates	UW Only	Marketing
Fax Number: _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Fax Number: _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
E Mail Address: _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

7. User Log on ID/PW's needed:(email address required for log on access)

ADMINISTRATION USER: (Main person to setup users and see all of pipeline for office):

First Name: _____ Last Name: _____

Email Address: _____



8. Authorization to Obtain and Release Information and Release of Liability:

The undersigned hereby authorize North Star Lending, in its sole discretion, to verify any information regarding the applicant and its principals from any source, including but not limited to sources identified herein. This authorization to verify and release information shall include, but not be limited to, business references reports, personal credit reports on the principals and all other information that is of interest or concern to North Star Lending. The undersigned hereby consent and agree that any third party having information sought or requested by North Star Lending in connection with this application, shall produce or divulge such information on the request of North Star Lending. The undersigned hereby consent and agree that North Star Lending may produce or divulge any information it may have concerning the applicant and/or its principals to any third parties upon request of such third party.

The undersigned hereby fully release and discharge North Star Lending and all such third parties from any and all liability for producing or divulging information about the applicant and/or its principals. Any third party having information sought by North Star Lending may accept and rely upon a facsimile or photocopy of this authorization as if it were an original.

The undersigned hereby authorizes North Star Lending to send advertising and other marketing materials, including but not limited to rate sheets, product information, and promotional materials designed to inform the customer about the services offered by North Star Lending companies, to the fax number (s) and/or email addresses designated in sections 1 (one) and 6 (six) above.

Upon obtaining approval with North Star Lending, should Broker elect to establish a similar business relationship with another North Star Lending company, North Star Lending may rely upon the same representations and warrants provided herein as valid and binding for North Star Lending, or any other North Star Lending company engaged in residential mortgage lending and accepting loan originations from third parties. Notwithstanding any approval granted by North Star Lending, other North Star Lending companies may have their own approval requirements and investigative processes.

Signature

Social Security Number

Name Typed or Printed

Title

Signature

Social Security Number

Name Typed or Printed

Title

(The above information should be included for all principal offers, partners, or owners of 5% or more interest in the applicant company. Please attach additional sheets if necessary.)



BROKER AGREEMENT

This Agreement is entered into between North Star Lending, whose address for purposes of this agreement is 270 SW Natura Avenue, Deerfield Beach, FL 33441, and the broker identified on this signature page (the Broker).

1. North Star Lending and Broker hereby agree that, on a non-exclusive basis as to both parties, Broker may locate and qualify potential borrowers for residential mortgage loans, which North Star Lending will underwrite, close, and sell into the secondary mortgage market. Broker shall be an independent contractor and not the agent of North Star Lending or a partner or joint venturer of North Star Lending.
2. Broker warrants that all information about the broker submitted to North Star Lending by Broker is and will be accurate. Broker acknowledges that North Star Lending is relying upon such information as an inducement to entering into this agreement and will be relying on such information in connection with the funding of loans submitted to North Star Lending. If there should be any material adverse change in such information, broker will promptly advise North Star Lending of such fact. Upon request from North Star Lending, broker shall furnish North Star Lending copies of Broker's most recent financial statements (audited if available), which should include stated of company net worth.
3. Broker shall not represent itself to be the agent of North Star Lending or in any relationship with North Star Lending other than that of independent contractor. Broker has no authority to commit North Star Lending or bind North Star Lending to any contract.
4. If the law applicable to Broker requires that Broker be licensed to conduct its business as a broker of residential mortgage loans, Broker represents that broker has all necessary licenses and shall furnish North Star Lending copies of such licenses and keep such licenses in effect during the term of this Agreement.
5. Broker agrees to obtain information about the loan programs offered by North Star Lending, explain such programs to its customers, qualify prospects at North Star Lending's then-current rates, and prepare a preliminary Good Faith Estimate of Settlement Charges including any fees to be paid to Broker.
6. By submitting a loan application to North Star Lending, Broker shall warrant and represent the following:
 - a. Broker will have verified all information on loan applications submitted by Broker in accordance with prudent underwriting standards.
 - b. All documents submitted by North Star Lending are genuine.
 - c. All representations with respect to the application are true.



BROKER AGREEMENT CONT'

- d. All appraisals have been obtained from appraisers who are licensed by the proper state regulatory agency and are independent of Broker
 - e. All credit reports have been obtained from reputable credit reporting agencies and are independent of Broker.
 - f. Broker has disclosed all information known to or suspected by Broker with respect to the application, the prospective borrower, and the security for the loan, and agrees to immediately disclose to North Star Lending any additional information broker may obtain between the time of submission of the loan application to North Star Lending and the funding of the loan.
 - g. Broker has full authority to submit such loan application to North Star Lending without violating any agreement, law, or order relating to Broker.
 - h. The procedures, eligibility requirements, forms, and other aspects of the loan application shall be in accordance with the requirements of Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, and in compliance with all applicable federal, state, and local laws, regulations and ordinances including, without limitation to the Truth-In-Lending Act and Regulation Z, the Real Estate Settlement Procedures Act and Regulation X, the Fair Credit Reporting Act, the Home Mortgage Disclosure Act, the Community Reinvestment Act, and the Equal Credit Opportunity Act and Regulation, the Fair Housing Act, FHA's Tiered Pricing Rule and the Consumer Credit Protection Act.
 - i. Broker's advertising is not deceptive and does not unfairly target any group. Broker's advertising campaigns are designed to avoid confusing the intended recipients.
7. No loan application submitted to North Star Lending shall be approved by North Star Lending except by written notification to Broker. Such approval may be granted or withheld by North Star Lending in its sole discretion, and North Star Lending is not obligated to approve any application.
8. Broker will submit to North Star Lending all information North Star Lending may request with respect to an application. Broker will deliver to North Star Lending a fully completed and executed Mortgage and Broker Agreement and Fee Disclosure in the form attached to this Agreement as Exhibit A; provided, that if the use of the Mortgage Broker Agreement and Fee Disclosure is precluded by state law, regulation or ordinance applicable or pertaining to Broker's dealings with its clients or customers, then Broker shall provide such other form of mortgage broker agreement and fee disclosure as is required by the state law, regulation or ordinance applicable or pertaining to broker's dealings with its clients or customers. North Star Lending may verify any information with respect to an application or Broker, including, without limitation, obtaining credit reports on Broker and the applicants.

BROKER AGREEMENT CONT'

9. No such verification and no quality control audits or reviews by North Star Lending will (a) relieve Broker from responsibility for Broker's warranties and representations made hereunder or (b) effect or operate as a waiver of any claim North Star Lending may have with regard to any such representation or warranty that is incorrect or incomplete when made or at any prior or other time.
10. North Star Lending and Broker acknowledge that in the course of processing loan applications and inquiries submitted by Broker to North Star Lending, each party may share certain elements of an applicant's nonpublic personal or financial information with the other party and with unaffiliated third parties, for the limited purposes of completing the transaction for which the information was shared, selling the resulting loan to an investor, or servicing the loan after origination, and as otherwise permitted by applicable law. North Star Lending and Broker mutually agree that all applicants' information shared between them is to be kept strictly confidential and is not to be further disclosed or disseminated, except as expressly permitted for the limited purposes specifically set out in this Agreement. North Star Lending and Broker further agree that each party to this Agreement shall require any unaffiliated third parties with whom it shares nonpublic personal or financial customer information, for any purpose other than completing a transaction initiated by our customer, to agree that that the shared information is to be kept strictly confidential and is not to be further disclosed or disseminated, except as expressly permitted for the limited purposes specifically set out in this agreement.
11. Neither North Star Lending nor Broker shall be responsible for the other's compliance or failure to comply with any applicable laws, regulations, or ordinances.
12. No rate quotations, lock-ins, or commitments will be binding upon North Star Lending unless in writing and signed by an authorized representative of North Star Lending.
13. As agreed from time to time by the parties, North Star Lending may compensate Broker for the goods, services and facilities Broker provides and utilizes in arranging loans with North Star Lending for Broker's clients or customers. At or before the closing of a loan for which North Star Lending compensates Broker, all compensation, if any, which North Star Lending pays or will pay to Broker with respect to such loan shall be disclosed to the borrower(s) in writing and in such manner as North Star Lending shall require or direct. Broker will not share Broker's compensation with any other party, except for payments to Broker's loan officers who are legally eligible to receive compensation. The loan proceeds will not be paid (except for payments to a lender to satisfy an existing loan on the subject property) to any party who compensates or is compensated by Broker, is under common ownership or control with Broker, or shares profits or losses with Broker.
14. This Agreement shall continue until terminated, with or without cause, by either party by giving written notice of termination to the other. The termination shall be immediate upon the giving of such notice but shall not affect any representation or warranty by Broker with respect to an application or loan, which has funded and will not effect any commitment that North Star Lending has previously issued in writing.



BROKER AGREEMENT CONT'

15. Broker hereby agrees to indemnify North Star Lending against and hold North Star Lending harmless from all liability, loss, cost, and expense, including, without limitation, reasonable attorney's fees and cost of investigation, resulting from any breach of Broker's warranties, representations, or covenants herein or from any acts or omissions of Broker or its agents or employees. Broker agrees to promptly reimburse North Star Lending for any loss, cost, or expense North Star Lending may incur as a result of the liquidation of any loan or the security for any loan submitted to North Star Lending by Broker resulting from any breach of Broker's warranties, representations, and covenants or from any acts of omission.
16. North Star Lending shall have a contractual right to set off any money North Star Lending owes to Broker against any obligation of Broker to North Star Lending, but any such set off shall not constitute an accord and satisfaction unless agreed to in writing by the parties.
17. No failure to act or exercise any remedy for any violation of this agreement by either party shall constitute a waiver of such violation or consent to any future violation.
18. This Agreement may not be assigned by either party hereto but is personal between North Star Lending and Broker. Neither party will reveal any confidential information about the other that it may receive in connection with this Agreement except pursuant to subpoena or other court order.
19. Broker has no authority to make any representations on behalf of North Star Lending except to quote loan rates and terms, which have been quoted by North Star Lending in writing.
20. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors.
21. This agreement shall be governed by and construed in accordance with the laws of the State of Texas. Any action to enforce or interpret this Agreement shall be brought in Harris County, Texas. All disputes under this Agreement shall be resolved by binding arbitration conducted in Houston, Texas under the commercial arbitration rules of the American Arbitration Association then in force. The prevailing party in any such proceeding shall be entitled to recover its reasonable attorney's fees as part of any award.
22. All notices hereunder shall be in writing and deemed delivered when presented in person or three days after deposit in the United States mail, properly addressed, postage prepaid, registered or certified mail, return receipt requested addressed to North Star Lending at the address shown above to the attention of General Counsel or to Broker at the address shown below Broker's signature.



BROKER AGREEMENT CONT'

23. In the event that any loan or loans submitted by Broker to North Star Lending shall be prepaid in full prior to the receipt of five (5) scheduled monthly payments, then Broker shall promptly refund to North Star Lending, upon demand therefore, the amount of any "service release premium" and/or "yield spread premium fee" (as those terms are defined for federal disclosure purposes) previously paid to Broker by North Star Lending with respect to such loan or loans. Broker shall promptly notify North Star Lending of any refinance transaction in which Broker is involved that causes a loan submitted by Broker to North Star Lending to be prepaid in full prior to the receipt of five (5) scheduled monthly payments.
24. North Star Lending will consider and pursue any and all remedies available to it in the event of mortgage loan fraud or misrepresentation, as generally described in Exhibit B attached to this Agreement, regardless of whether the discovery is prior to, or after, loan closing and funding. Termination of this Broker Agreement does not constitute a waiver of North Star Lending's right to consider and pursue any and all remedies available to it with regard to the perpetration of mortgage loan fraud or misrepresentation.
25. North Star Lending supports Fair Lending in all aspects of the mortgage lending business. If Broker requests, North Star Lending will make a copy of its Fair Lending training video available for Broker and Broker's associates to review.
26. North Star Lending requires Broker to adhere to the Code of Conduct attached Exhibit B.
27. Upon obtaining approval with North Star Lending Wholesale Corporation, should Broker elect to establish a similar business relationship with another North Star Lending company, North Star Lending may rely upon the same representations, warrants, and remedies provided herein as valid and binding for North Star Lending Funding Corporation, or any other North Star Lending Company engaged in residential mortgage lending and accepting loan originations from third parties. Notwithstanding any approval granted by North Star Lending Wholesale Corporation, other North Star Lending Companies may have their own approval requirements and investigative processes.
28. This Agreement contains the entire agreement of the parties with respect to the subject matter hereof, supersedes all prior understandings or agreements, and can be amended only by written instrument signed by the party to be bound by such amendment. There are no unwritten or oral agreements between the parties with respect to the subject matter hereof. If any part of this Agreement is unenforceable, the unenforceable provision shall be disregarded and the balance of the Agreement shall be enforced in accordance with its terms.
29. First Payment Default. Broker shall repurchase within ten (10) days of Lender's demand on any loan for which the first payment due Lender after funding the loan is not made by the borrower within thirty (30) days of its due date, notwithstanding any other provision of this Agreement.



The repurchase price shall be an amount equal to the unpaid principal balance of the loan plus accrued but unpaid interest through the date of repurchase. In the event of any repurchase, Broker shall pay all Lenders' costs and fees associated with such loan repurchase.

Effective as of: _____
Date

Broker:

Company Name

Address

Authorized Signature

City, State, Zip Code

Printed Name

Printed Name

North Star Lending:

Authorized Officer's Signature

EXHIBIT A

It is the policy and intent of North Star Lending to support the elimination of mortgage loan fraud and misrepresentation within the residential lending industry. Brokers are hereby advised that they bear responsibility for all actions performed in the course of business by their respective employees. The submission of a loan application containing false or misrepresented information is a federal crime.

Although fraud or negligent misrepresentation may be perpetrated in many ways, some of the most common examples are provided below:

- a. Submission of inaccurate or partially accurate information, including false statements on loan applications and falsification of documents relating to credit, employment, deposit, and asset information including identity, ownership, and title to real property.
- b. Forgery.
- c. Misrepresentation of occupancy or intent to maintain required occupancy as agreed in the security instrument.
- d. Lack of due diligence or concern by the Broker, loan officer, interviewer or processor including failure to obtain or divulge all information required by the application and/or failure to request further information as dictated by the applicant's response to other inquiries or documentation.
- e. Acceptance of information or documentation, which is known or suspected to be inaccurate or fraudulent, or acceptance of information or documentation, which should be known or suspected of being inaccurate or fraudulent. This would include simultaneous or consecutive processing of multiple owner-occupied mortgage loans for an individual applicant or permitting an applicant or interested third party to assist and participate in the processing of the loan.
- f. Failure of the Broker to disclose any known relevant or pertinent information regarding the loan application.

The consequences of loan fraud and/or misrepresentation are extensive and costly. North Star Lending is obligated to accurately underwrite its mortgage loans for many third parties, including but not limited to the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation and the Government National Mortgage Association. Fraudulent mortgage loans cannot be sold or placed in mortgage-backed securities. North Star Lending is further obliged to repurchase any mortgage loan discovered to be fraudulent after it is sold in the secondary mortgage market. Fraudulent mortgage loans damage North Star Lending' and its customer's reputations in the industry and impair relationships with mortgage investors and insurers. North Star Lending' policy is to vigorously pursue any and all remedies available to it in the event of fraud or misrepresentation.



The potential consequences to those who are involved in fraud or misrepresentation can be even more severe. Such consequences may include, but are not limited to, the following:

BROKER OR BROKER/APPLICANT PERPETRATED:

- a. Referral of the fraud to the applicable state or federal criminal justice agencies;
- b. Petition for revocation of mortgage broker or lender licenses;
- c. Civil action by North Star Lending;
- d. Loss of approved Broker status with North Star Lending;
- e. The inability to gain broker approval with other entities caused by the publication of legally permissible information by entities such as the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, mortgage insurers, other secondary investors, governmental regulatory bodies and criminal justice agencies; or
- f. Inclusion on the Department of Housing and Urban Development's Limited Denial Participation listing and the Federal Home Mortgage Loan Corporation's exclusionary list.

APPLICANT PERPETRATED:

- a. Referral of the fraud to the applicable state or federal criminal justice agencies;
- b. Acceleration of debt as allowed by the security instrument;
- c. Additional civil action by North Star Lending;
- d. Civil action by other parties to the transaction such as the real estate agent or broker;
- e. Forfeiture of any professional license or bond; or
- f. Adverse long-term effect on credit history.



EXHIBIT B

Code of Conduct

Broker must be honest and professional in the conduct of their business. Borrowers should be given full disclosure regarding the financing programs that are available, and Broker should keep them informed of the status of their loan application. The loan process should be explained to them in detail, including an explanation of all documents and cost associated with the loan, as well as how disbursement of the loan will be made.

Broker must not share any borrowers' non-public personal or financial information with unaffiliated third parties except as needed to complete the transaction. Broker must require any third parties with whom Broker shares borrower's non-public personal or financial information to agree that the shared information is to be kept strictly confidential and is not to be further disclosed or disseminated except as needed to complete the transaction. Broker should inform all borrowers of Broker's privacy policy.



Dear Customer,

In accordance with recently approved amendments to the Federal Communications Commission telemarketing rules, North Star Lending is now required to obtain prior written authorization to send rate sheets and marketing materials to your fax number(s).

The undersigned hereby authorizes North Star Lending Wholesale Corporation to send advertising and other marketing materials, including but not limited to rate sheets, product information and promotional materials designed to inform the customer about the services offered by North Star Lending companies, to the fax number(s) and/or email addresses designated below.

Company Name

Signature

Address

Name Typed or Printed/Title

Phone Number

City, State, Zip Code

Please type or print legibly any fax number and/or email address, which North Star Lending may use for the purposes stated above.

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Thank you for your time and your business!

After completion and signature, please return a copy of this form to North Star Lending.

SIGNATURE/CORPORATE RESOLUTION

The undersigned, as the (Assistant) Secretary of _____ (“Broker”), do hereby consent to Sky Investment Inc d/b/a North Star Lending (“Lender”)that:

1. I am the duly elected, qualified and acting (Assistant) Secretary of the Broker, and as such officer, have custody of the corporate records of the Broker.
2. The following resolutions were duly adopted by the Broker on _____, 2010; and that such resolutions are in full force and effect and have not been amended or rescinded”
 - a. **RESOLVED, THAT** the Broker hereby approves the brokering of loans to Lender on such terms and conditions as any one of the officers listed below shall approve, and that each such officer has been and is hereby authorized and empowered to execute and deliver, on behalf of the Broker, the Broker Agreement, and take any and all actions required or appropriate to effectuate, and to take any and all actions required to consummate, the transactions contemplated by the Broker Agreement, each on such terms and conditions as such officer shall approve, such approval to be conclusively evidenced by the execution and delivery thereof, and to affix the Broker’s seal, if applicable and necessary:

NAME	TITLE	SIGNATURE
_____	_____	_____
_____	_____	_____
_____	_____	_____

Dated this _____ day of _____, 2010

Signature _____
(Title)

Printed Name _____

Corporate Seal (If applicable)