



Lender-Paid Compensation Election Form

Mortgage Broker: _____ NMLS ID # _____

This updated compensation plan is designed to be flexible and allow Brokers to choose a Compensation Plan that best suits your business model, while optimizing compliance with the new regulatory guidance surrounding the LO Compensation, Ability to Repay, and the Qualified Mortgage amendments to Reg Z. (the Truth-in-Lending Act).

Brokers are advised to select a plan that best fits their business, taking into consideration all of your fixed and variable costs, your average loan amount, and the fee limitations applicable to Qualified Mortgages. The Plan selected will be applied to all branches of your mortgage company and is binding for all Lender-Paid transactions closed by Nations Direct and/or its Affiliates. The Broker is responsible for ensuring compliance with the QM Points & Fee requirements and all Anti-Steering Requirements under Reg. Z.

When selecting both a percentage and a flat fee, your compensation will be the sum of the two selections on all transactions, without variation, and that total sum, plus all other points & fees that must be included under the new rules of Reg Z regarding the Qualified Mortgage (including, as applicable, Lender Fees, Third Party Processing Fees, discount points, etc.), must be less than the 3% of Total Loan Amount fee cap at the time the loan is submitted.

To define your Lender Paid Compensation for the period covered by this Election Form, please select your compensation percentage and flat fee (if desired) from the following options. PLEASE NOTE: A FLAT FEE IS NOT AVAILABLE FOR COMPENSATION PERCENTAGES > 2.5%:

Grid of compensation options with checkboxes for percentages (1.000% to 2.750%) and flat fees (\$500.00, \$750.00, No Flat).

You may also establish a maximum limit on the compensation paid to you, as shown below:

- Checkboxes for: No maximum, \$10,000 maximum, \$12,000 maximum, \$15,000 maximum

Election Period: You will be allowed to change your Compensation Plan once each month or at the Lender’s discretion, according to the Broker Compensation Addendum to your Broker Agreement. Any changes made will not affect loans in process.

All new Compensation Plans will become effective the First Business Day of the Month following the date the Election Form is Submitted to brokerapproval@myndm.com unless otherwise expressly permitted by NDM Management.

By: _____
Authorized Signature

Date

Print Name: _____

Title _____