

The Coastal Lending Group

Broker Agreement

This Agreement, executed this _____ of _____, 2011, by and between _____ (“Broker”) and **The Coastal Lending Group.**, a California Corporation.

Broker desires to submit residential mortgage loan applications to The Coastal Lending Group and The Coastal Lending Group is willing, subject to the terms of this agreement, to accept and potentially fund, with The Coastal Lending Group’s sole discretion such loans. The following are the terms under which The Coastal Lending Group will underwrite and close approved loan applications offered by Broker. Broker agrees:

Independent Contractor: The Coastal Lending Group and Broker agree that Broker is neither an agent nor an employee of The Coastal Lending Group and may not be construed as such. Instead the Broker is an independent contractor, and is hereby expressly prohibited from holding itself out as The Coastal Lending Group’s agent, representative, or employee. It is expressly understood that broker does not have endorsement by nor is Broker affiliated with The Coastal Lending Group. Broker shall have no authority to sign any writing on behalf of The Coastal Lending Group or to commit The Coastal Lending Group in any manner to fund loans. Broker shall not make express or implied representations or warranties to loan applicant(s) that conflict with the authority set forth herein.

Application: Broker shall obtain from all applicants completed loan, credit and similar applications, together with supporting verifications, approvals and related documentation, as directed by The Coastal Lending and in compliance with any instructions of The Coastal Lending Group, and shall deliver the same to The Coastal Lending Group. Broker shall, at Broker’s expense perform or cause to be performed such other functions as The Coastal Lending group may facilitate the closing of the loan transaction which may include a review appraisal performed by a licensed appraiser approved by The Coastal Lending Group. Nothing herein shall be construed as creating any obligation of The

Coastal Lending Group to accept the applications and/or approve the loan applications as prepared and presented by broker.

Broker agrees not to submit to The Coastal Lending group any loan package for a loan applicant with any circumstances, conditions or events exist that, if known to The Coastal Lending Group would cause The Coastal Lending Group to deny approval of such loan package. In connection Broker shall promptly disclose to The Coastal Lending Group any material information that reasonably could be expected to be relevant in The Coastal Lending Group's to close a loan including, without limitation discrepancies between information provided by the loan applicant and that obtained from other sources, factors bearing on the physical condition of the real property security and any security or the irregularities or involvement of any other brokers, agents or escrows in connection therewith.

The loans entered into pursuant to this agreement shall conform with all applicable provisions and requirements of: a) this agreement; and b) The Coastal Lending group's lending policies. The Coastal Lending Group reserves the right to amend or modify this agreement in its sole and absolute discretion.

Prior to the approval of a loan package by The Coastal Lending Group, Broker shall not make any representations to the effect that The Coastal Lending Group has approved such loan, or that The Coastal Lending Group has issued a commitment to fund such loan. Broker understands all approved loans are locked at the time of closing documents being issued.

Representations, Warranties, and Covenants: In order to induce The Coastal Lending Group to enter into this Agreement and to thereafter accept loan applications and loan packages from Broker for potential funding, Broker warrants, represents and covenants, as of the date hereof, as of the date of each submission by Broker of a loan application and/or a loan package, and as of the date of funding of each approved loan, that:

- 1) **Licenses:** Broker has all licenses and permits to conduct its mortgage Brokerage business that are required by the applicable jurisdictions from which all mortgage loans originate and where the real property securing the mortgage loan is located. Additionally, Broker holds all applicable federal, state, and other licenses, authorizations endorsements and approvals, including, without limitation, those of FHA, VA, FNMA, GMNA and as deemed necessary to Broker's performance of its obligations

hereunder in compliance with applicable law and secondary market requirements, and is not in violation of any of the requirements of any such licenses, authorizations and/or approvals.

- 2) **Compliance:** Broker warrants that any loan it submits to The Coastal Lending Group for approval will contain true and valid information and that Broker shall, both in the conduct of its business generally, and, in particular, in its handling of each loan application, comply fully, completely and in a timely manner with every requirement of all applicable federal and state laws dealing with the origination of mortgage loans, including without limitation upon the generality of the foregoing, the consumer Credit Protection Act (“CCPA”); the Equal Credit Opportunity Act and Regulation B promulgated there under (“ECOA”); the Truth –in-Lending Act and Regulation Z promulgated there under, including without limitation, those portions of Regulation Z and the Official Staff Commentary that pertain to Mortgage Loan Originator Compensation, effective April 1, 2011 (“TILA”); the Real Estate Settlement Procedures Act and Regulation X promulgated there under (“RESPA”); and all applicable state or federal statutes or regulations governing fraud, consumer credit transactions, predatory and abusive lending, and mortgage banks and brokers in general. In connection with ECOA, Broker shall not discourage or pre-screen any applicant or in any other manner violate the terms of ECOA and Regulation B. Broker shall maintain, available for The Coastal Lending Group’s inspection, and shall deliver to The Coastal Lending Group upon demand, evidence of compliance with all such requirements.
- 3) **Valid Information:** Broker warrants that all signatures, names, addresses, social security numbers, amounts and other statements appearing on the credit application, mortgage notes, and all other documents relating to each mortgage loan are true and correct and do not omit any material information.
- 4) **Financial Condition:** Upon The Coastal Lending Group’s request, the Broker shall furnish to The Coastal Lending Group a detailed statement of the Broker’s financial condition.
- 5) **Quality Control Audits:** Broker understands that The Coastal Lending Group at their own expense routinely conducts quality control audits to

re-verify credit and income documentation and appraisals submitted by Broker. Broker understands that any discrepancies found by The Coastal Lending Group or its assigns during quality control and verbal audits shall be grounds for immediate cancellation of this agreement.

6) **Cooperation:** Broker understands that in consideration of funding Brokered loans, The Coastal Lending Group relies on Broker's full cooperation, before and after the loan funds. Broker will assist The Coastal Lending Group in obtaining any information The Coastal Lending Group or its successors or assigns deem necessary.

7) **Compliance with Truth in Lending Act:** Broker represents and warrants that the boxes checked below set forth all forms of compensation which Broker has or will enter into with any individual "Mortgage Loan Originator" and "Creditor-Paid Consumer Credit Transaction" shall have the meanings attributed to them in said Part 226 of regulation Z. *(Broker to check and initial each statement which applies).*

- *Commissions.* Broker pays Mortgage Loan Originator(s) a pre-determined fixed commission, which does not vary by loan, loan type or loan product and which is calculated by multiplying a fixed percentage against the principal loan amount funded. Commissions may be subject to a minimum or a maximum dollar amount, or both, in Broker's discretion.

Broker Initials _____

- *Fixed Dollar Amount.* Broker pays Mortgage Loan Originator(s) a pre-determined fixed dollar amount, which does not vary by loan, loan type or loan product and which is paid in connection with each closed and funded loan, without regard to the principal loan amount funded.

Broker Initials _____

- *Hourly Wage.* Broker pays Mortgage Loan Originator(s) a pre-determined set salary for each pay period, which does not vary by loan, loan type or loan product and which is paid without regard to the principal balance of loans which are closed and funded.

Broker Initials _____

- *Fixed Salary.* Broker pays Mortgage Loan Originators(s) a pre-determined set salary for each pay period, which does not vary by loan, loan type or loan product and which is paid without regard to whether or not any loan(s) fund and close, and without regard to the principal balance of loans which are closed and funded.

Broker Initials _____

- *Bonuses/Other Compensation.* No more often than once in any calendar quarter, Broker pays Mortgage Loan Originator(s) bonuses and/or other compensation which is a function of one or more of the following:

The Mortgage loan Originator's overall loan volume (i.e., total dollar amount of credit extended and/or total number of loans originated);

The long-term performance of the Mortgage Loan Originator's loan production;

The quality of the Mortgage Loan Originator's loan files.

Broker Initials _____

During the term of this Agreement, when compensation is paid to Broker by The Coastal Lending Group in connection with any mortgage loan which is subject to Part 226 of Regulation Z, such compensation shall constitute Broker's sole compensation with respect to such mortgage loan and Broker shall not and will not accept any other compensation of any form or kind from the borrower or any third party with respect to such mortgage loan.

Cost & Expenses: Broker shall be responsible for and shall pay all costs and expenses directly or indirectly incurred in performing its duties hereunder.

Broker Fees/Compensation: All fees of the Broker in connection with the application for or the processing, making or closing of any mortgage loan will be deducted from the proceeds of the loan and will be paid upon completion of all loan documentation in accordance with loan closing instructions.

Indemnification: Broker agrees to indemnify and hold The Coastal Lending Group, its successors or assigns harmless from and against any and all

liability, losses, damages, expenses and/or costs, including reasonable attorneys' fees sustained or incurred by reason of or in consequence of the breach and/or inaccuracy of any representation, warranty, covenant or obligation under this Agreement, without limitation. Among other things, Broker's duty of indemnification shall arise upon the occurrence of any of the following.

- 1) A breach by Broker of any representation, warranty or covenant contained in this agreement.
- 2) The failure of any loan to conform to the applicable investor requirements for such loan, as determined by The Coastal Lending group.
- 3) A request by any investor, or subsequent owner of a loan, that The Coastal Lending Group repurchase that loan.
- 4) The discovery by The Coastal Lending Group, and investor and/or any subsequent owner of a loan, of any defect which materially and adverse affects the interest of The Coastal Lending Group with respect to the loan.

Broker understands and agrees that in the event of a repurchase demand being made upon The Coastal Lending Group Broker may be required to submit further information to The Coastal Lending Group and/or assist The Coastal Lending Group in responding to such repurchase request. The decision as to how/or if to request reconsideration of a repurchase demand shall be at the sole discretion of The Coastal Lending Group.

Broker further understands and agrees that Broker will be required to purchase from The Coastal Lending Group any loans originated pursuant to this agreement which The Coastal Lending Group repurchases from its investor, successor/or assign.

Notices: All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given if delivered or if mailed by United States or certified or registered mail, to the parties hereto or their successors in interest at the following addresses, (or at such other address as shall be given in writing by either party hereto to the other), and

any such notice shall be deemed complete upon mailing to the address set forth below:

Broker: _____

Attn: _____

Address: _____

Broker: _____

Early Prepayment: In the event that any loan funded by The Coastal Lending Group originated by the broker hereunder is refinanced or paid off within 90 days of the date such loan closed by The Coastal Lending Group. The broker agrees to repay to The Coastal Lending Group all lender paid compensation received by Broker in connection with said loan.

Early Payment Default: An Early Payment Default (EPD) occurs when any of the first 6 payments due following the sale of a loan by The Coastal Lending Group to an investor becomes 45 days or more delinquent. Broker understands and agrees that in the event of an EPD, The Coastal Lending Group may require to purchase the loan or offer other options to Broker including financial indemnity of The Coastal Lending Group and/or repayment by Broker of some or all compensation in connection with such loan, plus any fees or expenses incurred in connection therewith.

Assignment: Except as otherwise provided herein, neither this agreement nor any right hereunder may be assigned by broker without the prior written consent of The Coastal Lending Group, and any such assignment shall be void and of no effect.

Effective Date: The Effective Date of this Agreement shall be the date on which it is signed by The Coastal Lending Group.

Integration Date: This Agreement supersedes any and all other agreements, either oral or in writing between Broker and The Coastal Lending group, and contains all the covenants and agreements between the Broker and The Coastal Lending Group with respect to the matters referred to herein.

Governing Law: This Agreement shall be governed by and construed according to the laws of the State of California, without regard to its conflict of laws principles.

Survival: The covenants, agreements, representations and warranties made herein shall survive the termination of this agreement, unless the context clearly provides otherwise.

Severability: If a court of competent jurisdiction finds any provision in this agreement to be invalid, illegal, or otherwise unenforceable, that determination will not affect any other provision of this agreement. The invalid provision will be severed from the Agreement and all remaining provisions will continue to be enforceable by their terms and of full force and effect.

Attorney Fees: In the event of a legal action between the Broker and The Coastal Lending Group for breach of contract, the prevailing party in that action shall be entitled to an award of reasonable attorneys' fees.

Terms of Agreement: This Agreement shall commence on the Effective Date and shall continue for month-to month, with either party having the ability to terminate the Agreement upon (30) days written notice. Upon termination of this Agreement, all terms, conditions, covenants, agreements, representations and warranties shall continue to apply to all loans funded pursuant to this agreement.

In Witness whereof, the Broker and The Coastal Lending Group each have caused their duly authorized representative to execute and enter into this Agreement as of the Effective Date.

Agreed and Accepted:

Broker

Dated: _____

By _____

Broker of Record

Agreed and Accepted:

The Coastal Lending Group

Dated: _____

by _____

Thomas J. Kish

Addendum to Broker Agreement

Mortgage Broker Compensation Plan

Subject to the terms and conditions of the Agreement, the amount of compensation paid by The Coastal Lending Group in connection with each mortgage loan which is subject to Part 226 of Regulation Z shall be calculated by multiplying the following basis point (“bps”) against the amount of credit extended. Mortgage Broker to select one of the following quarterly lender paid compensation plan by initialing on the line:

- _____ 100 Basis Points of Loan Amount
- _____ 125 Basis Points of Loan Amount
- _____ 150 Basis Points of Loan Amount
- _____ 175 Basis Points of Loan Amount
- _____ 200 Basis Points of Loan Amount
- _____ 225 Basis Points of Loan Amount
- _____ 250 Basis Points of Loan Amount
- _____ 275 Basis Points of Loan Amount
- _____ 300 Basis Points of Loan Amount

The Coastal Lending Group may agree to amend the foregoing fixed percentage on a periodic basis; however, any such amended rate of compensation shall apply only to loan applications registered by The Coastal Lending Group after the effective date of any such change.

Agreed and Accepted

Agreed and Accepted

Broker

The Coastal Lending Group

Dated: _____

Dated: _____

By _____

By _____

Printed Name

Printed Name

Authorized Broker of Record

Authorized Broker of Record

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/disregarded entity name, if different from above	
	Check appropriate box for federal tax classification (required): <input type="checkbox"/> Individual/sole proprietor <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate	
	<input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶	
	<input type="checkbox"/> Other (see instructions) ▶	
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 the "Name" line 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									

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

Employer identification number									

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. citizen or other U.S. person (defined below).

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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General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

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.

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. 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.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

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 payee 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 a percentage of such payments. This is called “backup withholding.” Payments that may be subject to backup withholding include interest, tax-exempt 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 3 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 for partnerships* on page 1.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account, for example, if the grantor of a grantor trust dies.

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/disregarded entity name” line.

Partnership, C Corporation, or S Corporation. Enter the entity's name on the “Name” line and any business, trade, or “doing business as (DBA) name” on the “Business name/disregarded entity name” line.

Disregarded entity. Enter the owner's name on the “Name” line. The name of the entity entered on the “Name” line should never be a disregarded entity. The name on the “Name” line must be the name shown on the income tax return on which the income will be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a domestic owner, the domestic owner's name is required to be provided on the “Name” line. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on the “Business name/disregarded entity name” line. If the owner of the disregarded entity is a foreign person, you must complete an appropriate Form W-8.

Note. Check the appropriate box for the federal tax classification of the person whose name is entered on the “Name” line (Individual/sole proprietor, Partnership, C Corporation, S Corporation, Trust/estate).

Limited Liability Company (LLC). If the person identified on the “Name” line is an LLC, check the “Limited liability company” box only and enter the appropriate code for the tax classification in the space provided. If you are an LLC that is treated as a partnership for federal tax purposes, enter “P” for partnership. If you are an LLC that has filed a Form 8832 or a Form 2553 to be taxed as a corporation, enter “C” for C corporation or “S” for S corporation. If you are an LLC that is disregarded as an entity separate from its owner under Regulation section 301.7701-3 (except for employment and excise tax), do not check the LLC box unless the owner of the LLC (required to be identified on the “Name” line) is another LLC that is not disregarded for federal tax purposes. If the LLC is disregarded as an entity separate from its owner, enter the appropriate tax classification of the owner identified on the “Name” line.

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/disregarded entity name" line.

Exempt Payee

If you are exempt from backup withholding, enter your name as described above and check the appropriate box for your status, then check the "Exempt payee" box in the line following the "Business name/disregarded entity 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.

The following payees are exempt from backup withholding:

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

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 9
Broker transactions	Exempt payees 1 through 5 and 7 through 13. Also, C corporations.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 5
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt payees 1 through 7 ²

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

² However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney, 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-member LLC that is disregarded as an entity separate from its owner (see *Limited Liability Company (LLC)* on page 2), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, 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.ssa.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 Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting 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. Entering "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 item 1, below, and items 4 and 5 on page 4 indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on the "Name" line must sign. Exempt payees, see *Exempt Payee* on page 3.

Signature requirements. Complete the certification as indicated in items 1 through 3, below, and items 4 and 5 on page 4.

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) b. So-called trust account that is not a legal or valid trust under state law	The grantor-trustee ¹ The actual owner ¹
5. Sole proprietorship or disregarded entity owned by an individual	The owner ³
6. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulation section 1.671-4(b)(2)(i)(A))	The grantor*
For this type of account:	Give name and EIN of:
7. Disregarded entity not owned by an individual	The owner
8. A valid trust, estate, or pension trust	Legal entity ⁴
9. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
10. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
11. Partnership or multi-member LLC	The partnership
12. A broker or registered nominee	The broker or nominee
13. 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
14. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulation section 1.671-4(b)(2)(i)(B))	The trust

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 "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

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

*Note. Grantor also must provide a Form W-9 to trustee of trust.

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.

Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, social security number (SSN), or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Publication 4535, Identity Theft Prevention and Victim Assistance.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes.

Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: spam@uce.gov or contact them at www.ftc.gov/idtheft or 1-877-IDTHEFT (1-877-438-4338).

Visit IRS.gov to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and 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. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

Broker Application

Business Name: _____

Business Address: _____

City: _____ **State:** _____ **Zip Code:** _____

Telephone: _____ **Fax:** _____

E-mail: _____ **Primary Contact:** _____

Business Entity: (check one)

_____ ***Corporation**

_____ ****Partnership**

_____ **Sole Proprietorship**

***Please include Articles of Incorporation**

****Please list all Partners Separately**

Year Business Established: _____

Primary State of Incorporation: _____

Federal Tax Identification Number: _____

Social Security Numbers of Principals if not Incorporated:

1. _____ 2. _____ 3. _____

DESIGNATED BROKER: _____ **LICENSE #** _____

BROKER LICENSE EXPIRATION DATE: _____

PLEASE LIST ALL STATES LICENSED: _____