

SECONDARY MARKETING DEPT.

RATE LOCK POLICY

This policy applies to all Conventional Conforming, FHA/VA and Alt-A Jumbo products. Secondary Marketing reserves the right to change this policy at any time. Lock requests are not a commitment to fund a loan. Locked loan pricing is subject to change at FGFC discretion to ensure proper price execution and product eligibility.

Daily pricing is subject to change (including mid-day changes) without notice.

NEW RATE LOCKS

DAILY LOCK-IN WINDOW

- New locks will be accepted each day after the daily ratesheet has been issued.
- Locks must be received no later than **3:00** p.m. each day.
- Locks can be submitted via fax to 714-850-9280 or via the FGFC website: www.fgflend.com.

LOCKS RECEIVED AFTER CUT-OFF

- Locks received after the lock cut-off time are subject to next days pricing.

LOCK INTEGRITY

- All data on the lock request must be legible, accurate, complete and meet program eligibility to be valid, with all applicable adds to rate or price.

LOCK REQUESTS ON INELIGIBLE PRODUCTS ARE INVALID

- Lock requests deemed invalid and that cannot be executed by Secondary are considered "Floating". The loan is then subject to current market conditions or modification for the appropriate product the loan is eligible for (if any).

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NOTE

- *Maximum rates may be imposed at underwriting that could affect your lock (i.e. Max approved rate is 7.50% due to DTI, lock cannot exceed approved rate, therefore locked rate & price will be revised).*

CHANGES TO EXISTING LOCKS

- Changes to a valid lock for note rate or price are acceptable within the range of published prices on the original lock day for that same product.

CONFIRMATION OF LOCK

- Printed confirmation of rate lock will be sent to the customer by 10:00 a.m. the following day.
- Secondary Marketing must be notified of any discrepancy on the rate lock confirmation within 1 business day of lock-in.
- Lock confirmations are **NOT** an indication of loan eligibility. Loans that do not fit program parameters are subject to price changes and/or lock cancellation.

EXTENSIONS / RELOCKS

- All extension & relock requests must be in writing either by fax or via E-mail ONLY. No verbal requests will be accepted. Confirmation of extension/relock will be generated within 24 hours.
- **MAXIMUM DAYS EXTENDED or RELOCKED IS 10 DAYS PER REQUEST.**
- Maximum Days extended is 30 days. Loan is then subject to worse case of .250 or current market.
- Price compared to same # of days locked on the original request (i.e. Original lock was for 15 days, pricing compared to current 15 day price)
- **FGFC IS NOT responsible for investor turn-around times or any other delays not caused by FGFC. Number of days locked should be considered on loans that require prior investor approval or other party involvement. Free extensions/relocks will not be granted for such circumstances.**

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NOTE

EXTENSION REQUESTS

- **EXTENSION REQUESTS MUST BE RECEIVED PRIOR TO OR ON THE DAY OF THE LOCK EXPIRATION.**

If lock is still active and...

MARKET IS WORSE:

- 1-2 Days No Charge (1 time only. Loan must be at funding.)
- 3-10 Days Pricing will be the worse of original lock-in price **minus .250** or current market price. Exceptions may be made on case-by-case basis.

OR...

MARKET IS SAME OR BETTER:

- 1-2 Days No Charge (1 time only. Loan must be in funding and clear to close.)
- 3-5 Days .125 Charge (2 times only. Lock is then subject to worse-case scenario.)
- 6-10 Days .250 Charge (1 time only. Lock is then subject to worse-case scenario.)

RELOCK REQUESTS

If lock has expired...

- Pricing based on same # of days on original lock.
- Maximum relock is 10 days.
- Pricing will be the worse of original lock-in price **minus .250** or current market price.
- Relocks under a different program series are subject to worse market pricing.
- Relocks are subject to investor program and price adjustment changes effective after initial lock-in.