



## **Wholesale Rate Lock Policies and Procedures**

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## General Information

**Lock Desk Hours** Orion Lending Lock Desk will accept locks between the hours of 8:00 AM and 3:30 PM PST, Monday through Friday. Exceptions include, but are not limited to, bond market holidays, periods when current pricing has been suspended or unavailable, and other pre-announced closures.

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**Rate Sheets** Rate sheets are generally posted to the Orion Lending website by 8:00 AM PST each business day. Rates and pricing are subject to change without notice and during volatile markets pricing may be unavailable during lock desk hours. Prior to requesting a lock it is recommended that the client verify pricing.

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**Closing Doc Requests** A rate lock request must be submitted two (2) business days prior to the scheduled closing date.

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**Overnight Protection** Orion Lending does not allow for overnight protection on rate lock requests. All rate lock requests must be received between standard lock desk hours.

## Lock Requests

**Initiating a Lock Request** All lock requests are to be completed via Orion Lending's STAR Portal at <https://www.orionlending.com/STAR>.

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**Information Required to Lock a Loan** Interest rate, price, margin and all applicable loan level adjustments must be completed based upon each loans unique loan characteristics. The Lock Desk will base final pricing on this required information and lock the loan accordingly, based on the data received.

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## Lock Requests (Continued)

**Inaccurate/  
Incomplete Data** Inaccurate or incomplete lock requests will delay processing of the lock request. The Lock Desk reserves the right to make necessary corrections on lock requests that do not reflect accurate pricing, based on the current rate sheet and program adjustments. Locks that have not been confirmed due to inaccurate/incomplete information are subject to market fluctuation.

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**Initial Lock  
Requests** Initial lock requests must be submitted online via the STAR portal at <https://www.orionlending.com/STAR>.

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**E-mail  
Correspondence** Changes, clarification or questions regarding previously locked loans will be accepted via e-mail at [locks@orionlending.com](mailto:locks@orionlending.com). The client is to include the Orion Lending assigned loan number and borrower's last name in the subject line of all e-mail correspondence regarding the lock. The Lock Desk will not accept e-mails for an initial lock request.

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**Fax Requests** Orion Lending does not accept faxes for initial lock requests or correspondence.

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**Lock  
Confirmations** Orion Lending will e-mail all lock confirmations by the end of the business day. If the client does not agree with the rate lock confirmation, he/she must notify the Lock Desk within 24 hours of receipt of the confirmation to have it reviewed and corrected (if applicable). If a lock confirmation is not received within 24 hours of a lock request, it is the client's responsibility to verify that a valid lock is in place. If there are any questions regarding the confirmation, the client should contact the lock desk ([locks@orionlending.com](mailto:locks@orionlending.com)). Lock confirmations are also available via the STAR portal @ <https://www.orionlending.com/STAR>

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## Lock Requests (Continued)

### Maximum Rate/Program

Orion Lending will not lock an approved loan at a rate that is higher than the maximum rate for which the loan was approved. Loans are locked based upon the maximum approval rate to guarantee ratesheet pricing and can be re-priced if/when the maximum rate is raised.

If the loan program on the initial lock request differs from the loan approval, the Lock Desk will not lock the loan. A change request must be submitted to and approved by Underwriting before the loan can be locked under the new program.

### Miscellaneous

Questions about locks, change requests, extensions, clarifications on pricing and other questions should be directed to the Lock Desk ([locks@orionlending.com](mailto:locks@orionlending.com)) via e-mail with a cc to the Account Manager and Account Executive. The e-mail should include the Orion Lending loan number and borrower last name in the subject line and the body of the e-mail should include the nature of the request and the client's name and phone number so the Lock Desk can contact the client to resolve any issues or problems.

## Standard Lock Options

### Lock Periods

#### *Standard Agency & Government Programs*

- **15 Day Locks** require:
  - File received and approved by Orion Lending
- **30 Day Locks**
- **45 Day Locks**

### Pre-Locks

Orion Lending will allow Pre-Lock (locks prior to Orion Lending approval) subject to criteria below.

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**Pre-Locks**

*Continued*

Client will have fifteen (15) calendar days from the date of the lock to submit a complete file. **The rate lock will be canceled on all files that remain incomplete after 15 calendar days.** Orion Lending will not be responsible for notification of cancelation, however a courtesy e-mail reminder may be sent by the Account Manager; it is ultimately the client's responsibility to ensure the lock remains in effect. If additional time is required to submit a file prior to the 15-day cutoff, client should notify the lock desk ([locks@orionlending.com](mailto:locks@orionlending.com)); requests will be granted on a case-by-case basis.

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**Suspended Files**

Initial lock requests for suspended files may not be processed until the loan is approved and will be subject to market movement. The rate lock may be canceled on files that remain suspended more than five (5) calendar days. Before the 5-day cutoff, if additional time is needed, client should notify the lock desk ([locks@orionlending.com](mailto:locks@orionlending.com)) and additional time to obtain an approval will be granted on a case-by-case basis. If the rate lock is canceled the loan will be subject to the Orion Lending Re-lock Policy.

**Lock Expiration Date**

Orion Lending calculates the lock expiration date by using the day of the lock as "Day One." When the initial lock expiration falls on a weekend or holiday, the loan must fund no later than the first business day following the expiration date.

## Lock Extension Policy

**General Information**

Client may request a Lock Extension on or before the lock expiration date. An extension will guarantee the initially locked rate for an extended period of time and will be subject to an extension fee. Extensions requested after the rate lock expiration date will be subject to re-lock at worst case pricing and .25 bps relock fee. Extensions for **suspended files** will not be processed until the loan is approved and are subject to the Orion Lending's Re-lock Policy.

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## Lock Extension Policy (Continued)

<b>Extension Pricing</b>	<p>All extension requests must be made via STAR Portal on or before the lock expiration date.</p> <p>The new expiration date will be based on the original expiration date plus the extension days. Maximum of 30 days allowed.</p> <p>1 day = 3 bps  7 days = 15 bps  15 days = 30 bps</p>
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**Pricing Adjustments**

<b>General Information</b>	<p>All products published on Orion Lending rate sheets reflect base pricing. Program-specific loan level price adjustments are not included in the base price; however, they are listed separately on each ratesheet. Adjustments are applied based on information in Orion Lending’s database at the time of the lock and will be adjusted as necessary in the event of changes to the locked loan prior to funding.</p>
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<b>Escrow/ Impound Waivers</b>	<p>Adjustments for escrow/impound waivers are listed on the ratesheet for each loan program. Not all programs or LTVs are eligible for escrow/impound waivers. Both taxes and hazard insurance must be impounded in order to avoid the escrow/impound waiver price adjustment.</p> <p><b><i>Government Loans</i></b></p> <p>All FHA and VA loans require escrow/impounds regardless of LTV.</p>
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<b>Price Changes</b>	<p>When the mortgage market moves substantially, it will cause new pricing and an updated ratesheet will be posted on our website. During volatile markets a rate change notice may be posted on our website; during this period locks will be subject to the next posted ratesheet. Rate lock requests received by the Lock Desk during or after a rate change will be adjusted and confirmed accordingly.</p>
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## Product Changes/Exceptions

### Product Changes

Although it is discouraged, it is not uncommon for a client to switch from one product to another after a loan has been locked. Program/product switching is allowed on all products, but may result in worse case pricing. Please consult the lock desk for specific loan scenarios. [locks@orionlending.com](mailto:locks@orionlending.com)

### Product Exceptions

All product exceptions must be requested through the Orion Lending Underwriting Department. Upon approval of the exception, a rate and/or price adjustment may be assessed in addition to the standard rate/price adjustments listed on the ratesheet. Any adjustments will be disclosed at the time the exception is approved. Client should contact the lock desk, [locks@orionlending.com](mailto:locks@orionlending.com), for the amount of the adjustment.

### Loan Changes

For changes to a loan that are to be made by the Lock Desk, an e-mail request must be submitted. Such changes may include:

- Appraised value
- Interest rate
- Loan amount
- Property type
- Other loan parameters that affect pricing

Any necessary changes to the loan and/or pricing will be made by the Lock Desk and the person requesting the changes will be notified when the changes are complete and if the changes caused a change in pricing.

## Re-lock Policy



**General Information\***

A re-lock request is a request to lock an expired or canceled loan that was previously locked.

Re-locks will be subject to the following pricing, using the earlier of cancelation date or expiration date as day one:

***Less Than 45 Days***

Worst-case pricing plus .25 re-lock fee applies. The original lock price, plus any extensions necessary for closing will be compared to the ratesheet price of the day the re-lock is requested (current market). The worst-case pricing (lowest premium) will be used.

***45 days or more***

Re-lock at current market pricing without a re-lock fee.

**Maximum Re-locks**

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The maximum number of re-locks allowed is one (1)

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\*Some loan products may be subject to investor relock policies.

**Section 32 Loans**

**Policy**

Orion Lending does not accept loans that fall under Section 32 rules.

**High Cost Loans**

**Policy**

All loans must pass State and federal high cost tests as well as the FNMA point and fees test (conventional loans only).

**Fees and Compensation Policy**

<b>Borrower Paid Compensation</b>	Orion Lending allows Borrower Paid Compensation (BPC) to exceed the value of the Lender Paid Compensation (LPC) plan currently in effect with Orion Lending.
<b>Appraisal Fee</b>	The borrower may only be charged the actual invoiced fee amount for an appraisal. The invoice must be provided to Orion Lending.
<b>Third-party Fees</b>	The borrower may only be charged the actual fee amount for all third-party fees. Orion Lending may require invoices to document/validate any third-party fees.
<b>Discount to Broker</b>	This is not allowed.
<b>Broker Fee</b>	This is not allowed.
<b>Other Fees</b>	Any fees not noted above are not allowed by Orion Lending.