FBC Wholesale Mortgage Lock Policy

Rate Lock Desk:  Email: neptunelocks@fbcwholesale.com  
Phone: 1-866-590-3623

Time for rate lock:

- Rate locks are available Monday – Friday after pricing has been released (typically 10:30 – 11:00 AM EST) and 5:00 PM EST
- Rate Lock Desk will honor a good rate lock order, meaning bona fide with sufficient information, up to the time that a freezing message is sent out. Rate Lock Desk will compare the time stamp on the order against the time of the freezing message. Likewise, no withdrawal is allowed once submitted.

Lock and Change Request Process:

- All Locks to be submitted thru www.fbcwholesale.com and change requests submitted to neptunelocks@fbcwholesale.com.
- Rate Lock Desk reviews the request for validity; but the Client is responsible for the accuracy of pricing – not Lock Desk. Maximum price on any product is 104.50 on conforming products and 105.50 on government products.
- Change Requests: ALL change requests on existing locks are to be emailed to the Lock Desk at neptunelocks@fbcwholesale.com, with the Borrower’s last name and FBC Wholesale loan # in the subject line of the email. Examples of such changes are: extensions, change to loan amount(s), rate, etc.

Rate Lock Extensions:

- Extension requests must be received by the Lock Desk on or before the rate expiration date (emailed to neptunelocks@fbcwholesale.com).
- Two extensions will be allowed per loan. Extensions must be requested on or before the lock expires and no earlier than 15 days before the expiration date. The first extension can be granted up to a max of 30 days. The second extension can be granted up to a max of 15 days. See Extension Fees below for first and second extensions.
- Free Extensions may also be granted, please see the Free Extensions description below.
- If the loan has been re-locked, extension requests will be reviewed on a case-by-case basis and may or may not be approved by Secondary.

Extension Fees:

First Extension Fees (MAX 30 DAYS):
- -.025 Per day cost

Second Extension Fees (MAX 15 DAYS):
- -.03 Per day cost
Free Extensions:

- If current market has improved from the time the loan was originally locked, 3 free calendar days may be granted. If subsequent extensions occur charges will apply to the total number of days extended.

Re-locks:

Loans may be relocked one time by requesting the relock via email to neptunelocks@fbcwholesale.com, please allow 24 hours for the request to be completed (price will be determined as stated herein). The relock starts a new lock period on the date the relock is approved. More than one relock will be considered on a case-by-case basis, but in all cases, the loan must be “Approved w/ Conditions” at minimum in underwriting before a second re-lock is considered.

- If the relock is requested within 30 days after the earlier of the original lock expiration or cancellation date, the loan will be priced at the "worst case" price comparing the original locked price to the current market price, less a .125 re-locking fee. The “worst case” price will be determined by comparing the current market price to the most recent (previously) locked price.
- If the relock is requested more than 30 days after the earlier of the lock expiration or cancellation date, the loan will be priced at the current market price.

Change of Rate Lock:

Rate lock may or may not be changed. Secondary Marketing has the full right to decide whether to grant the change request or not. If the change is granted, price may be determined at worst scenario or according to market situation. To request a change, please email neptunelocks@fbcwholesale.com with the FBC Wholesale loan number, borrower last name, details of the change, and allow 24-48 hours for completion.

Any request for other changes is as follows:
- **Change of rate and pricing** is allowed as long as the original rate and pricing is on the FBC Wholesale rate sheet.
- **Change of property** requires a written request. Secondary may or may not require an entirely new lock.
- **Change of borrower** before commitment can be honored as long as the original borrower remains the FBC Wholesale; change of borrower after commitment needs underwriter to re-underwrite the loan, if the original borrower remains the FBC Wholesale. No fee is charged.
- **Change in loan term** (from 30 year to 15 year, or vice versa) is allowed as long as the new rate and pricing is derived from the original lock day’s rate sheet.
- **Change in amortization type** (from Fixed Rate Mortgage to ARM, or vice versa) will be considered cancellation and fall out of original loan. Price of new loan will be either the worst scenario or decided by secondary market.
- **Change in loan type** (from conventional or FHA/VA, or vice versa) is allowed as long as the new rate and pricing is derived from the original day’s rate sheet.

Rate Renegotiation/ Float-down:

Renegotiation/float-downs may be considered on a case-by-case basis, but in all cases – current market rate must have improved by a minimum of .25% (in rate). No extensions will be granted – loan MUST be funded/purchased by original lock expiration date, otherwise the loan will be re-priced to original pricing. Please contact FBC Wholesale Secondary Marketing department for loan-level inquiries.

Cooling period:
After a rate lock is canceled or expired, a cooling period of 30 days must be expired for a new lock at current market to be issued (assuming all loan characteristics are the FBC Wholesale as the first lock).

**Emergency “Circuit Breaker”:**

When there is an abnormal and dramatic change of interest rates in the bond market, a “circuit breaker” may kick in at FBC Wholesale’s discretion. As such, FBC Wholesale may suspend pricing for a certain period of time and not allow new locks until the market settles into a more reasonable situation.

**Expiration Date:**

The rate lock expiration date must be good thru the FUNDED DATE.

**Example of Worse Case Pricing**

<table>
<thead>
<tr>
<th>Case One:</th>
<th>Original Lock</th>
<th>Current</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rate</td>
<td>4.000%</td>
<td>4.000%</td>
</tr>
<tr>
<td>Price</td>
<td>1.500%</td>
<td>2.250%</td>
</tr>
</tbody>
</table>

Based on Worse Case Pricing (WCP), the original pricing is granted, less a .125 relocking fee.

Note: Lock Policies are subject to change as necessary.