



BROKER AFFILIATE CERTIFICATION DISCLOSURE

The Qualified Mortgage (QM) regulation states that certain fees paid to a broker must be included in the QM points and fees test. Consequently, Emm Loans llc, must identify affiliated entities of brokers with whom it does business in order to ensure that Emm Loans llc, loans are with the QM test. The definition of an affiliate is open to a great deal of interpretation. Emm Loans llc, cannot provide legal advice as to whether an entity is an affiliate of a broker. However, to help you accurately identify your affiliates, we have included information from the Truth-In-Lending Act) TILA) below.

TILA defines affiliate: as any company that controls, is controlled by, or is under common control with another company, as [control is defined] in the Bank Holding company Act.

The Bank Holding Company Act defines "control" as:

A[person] has control over a company if—

(A) the [person] directly or indirectly.... Owns, controls, or has power to vote 25 per cent or more of [the shares] of the company;

(B) the [person can] control... the election of a majority of the directors... of the company; or

(C) the [person] directly or indirectly exercises a controlling influence over the management or policies of the company.

State law and regulatory and court interpretations of affiliation and control vary. Generally, if entities have 25% or more common ownership or subsidiary relationship **or if one entity or person otherwise exercises a controlling influence of the management or policies of the other entity**, the entities will be deemed affiliates. A family relationship is not a conclusive indication of control or affiliate status. However, courts and regulators often find that entities are affiliates if controlling owners of entities have a close family relationship—for example, a wife owns a majority interest in a title company and her spouse owns a majority interest in a mortgage broker.

In light of the guidance provided above, please identify any of your affiliates that provide settlement services.

Affiliate Name	Service Provided	Standard Fee or Fee Range for service provided

The undersigned declare(s) that the statements set forth herein are true and accurate.

Broker name: _____

Date: _____

By: _____

Title: _____

Printed Name: _____