

Donor Information:

NAME (first, middle, last): _____.

Borrower Name (first, middle, last): _____.

Co- Borrower Name (first, middle, last): _____.

Relationship to Borrower(s): _____.

Donor Mailing Address: _____.

Donor Email Address: _____.

Donor Phone Number: _____.

Donation:

\$ _____ Maximum \$500 per individual donor. Funds will be held in a trust managed by MegaStar Financial Corp. If borrower does not close on the purchase of a home, the donation will be returned to Donor.

Please read the Disclosure below and then sign on page 4. Return all pages, including signature page, and donations to the following address:

MegaStar Financial Corp.
Attn: SVP of Operations
1080 Cherokee Street
Denver, CO 80204

Disclosure:

The following terms and conditions apply to MegaStar's "Fund My Friend" program:

- I. **Terms:**
 - a. **Borrower:** Borrower(s) mean the person or persons who applied for a residential mortgage loan with MegaStar Financial Corp. Borrower may be used for the singular or plural for purposes of this Disclosure.
 - b. **Campaign:** means the efforts of Borrower to raise donations to be placed in the Borrower's "Fund My Friend" trust during the period beginning with the issuance of the pre-approval letter by MegaStar and ending upon the closing of Borrower's qualifying loan.

- c. **Donor:** Any person, family, group, business or the like who donates to a “Fund My Friend” Campaign. Donor may be used for the singular or plural for purposes of this Disclosure.
- d. **Interested Party:** Interested parties to a transaction include, but are not limited to, the property seller, the builder/developer, the real estate agent or broker, or an affiliate who may benefit from the sale of the property and/or the sale of the property at the highest price possible. A lender or employer is not considered an interested party to a sales transaction unless it is the property seller or is affiliated with the property seller or another interested party to the transaction. (An affiliation exists when there is direct common ownership or control by the lender over the interested party or vice versa, or when there is direct common ownership or control by a third party over both the lender and the interested party. A typical ongoing business relationship — for example, the relationship between a builder and a lender that serves as its financial institution — does not constitute an affiliation.)

II. Eligibility Requirements.

- a. Borrower must fully complete a loan application with MegaStar for a first-lien position, residential property and must specify that Borrower is interested in the “Fund My Friend” program.
- b. Borrower must be pre-approved by MegaStar and be issued a pre-approval letter from MegaStar.
- c. Borrower must be eligible for a qualifying loan product.
 - i. For information on whether you qualify, consult your licensed MegaStar Mortgage Loan Officer. For a list of MegaStar Loan Officers licensed in your state, please visit: <https://www.megastarfinancial.com/staff-roster/all/>.
- d. Borrower must close on the qualifying loan within 12 months after receiving the pre-approval. Extension of the Campaign term beyond the 12 month period will be in the sole discretion of MegaStar and approved, in writing, by MegaStar Senior Vice President of Operations.

III. “Fund My Friend” Campaign.

- a. Upon receiving a pre-approval letter from MegaStar, Borrower will be eligible to begin Borrower’s “Fund My Friend” Campaign and said pre-approval letter will act as authorization for Borrower to start raising funds for his/her “Fund My Friend” Campaign.
- b. All funds raised during the “Fund My Friend” Campaign must go towards the following:
 - i. Paying Borrower Paid Closing Costs & Fees; OR
 - ii. Funding all or part of the Down Payment for the qualifying loan; OR
 - iii. Paying for applicable Closing Costs & Fees and funding of all or part of the Down Payment.
- c. All funds raised will be used for the above as follows: Campaign Funds will first be applied to borrower paid closing costs with any remainder to be applied directly toward the Down Payment.
- d. There is no minimum or maximum that can be raised during the Campaign. All funds will be disbursed from the trust account as of the loan closing and said trust account will close upon disbursement.

IV. Restrictions.

- a. The MegaStar Financial Corp. “Fund My Friend” program is only available for properties located in states where MegaStar is licensed to originate mortgage loans. For more information on where MegaStar has a licensed mortgage loan officer, please visit: <https://www.megastarfinancial.com/legal/>.
- b. Borrower can only begin his/her “Fund My Friend” Campaign after Borrower has submitted his/her loan application and been issued a pre-approval letter from MegaStar.
- c. The funds raised during the Campaign shall not go towards any other purpose except for those listed above in Section III.b.i—iii.
- d. No funds in excess of the “Fund My Friend” Campaign’s goal amount, if specified at the beginning of the Campaign by Borrower, shall be distributed to Borrower at closing or throughout the Campaign.

- V. **Cancellation.** Borrower may cancel or terminate his/her “Fund My Friend” Campaign at any time after Borrower has submitted an application with Megastar and been issued a pre-approval letter. Borrower cannot pause his/her “Fund My Friend” Campaign. Should Borrower cancel or terminate his/her “Fund My Friend” Campaign, all proceeds will be returned to the applicable Donor via check as stated in Section VI below. Borrower acknowledges that should Borrower cancel or terminate his/her “Fund My Friend” Campaign prior to closing a qualifying loan with MegaStar, Borrower has no right or interest in or to the donations received during the Campaign and said proceeds will no longer be applicable to any subsequent purchase transaction Borrower closes with MegaStar.
- VI. **Reimbursement of Campaign Funds to Donors.**
- a. If Borrower fails to close on a qualifying loan within 12 months from MegaStar’s issuance of a pre-approval letter to Borrower, MegaStar will terminate the Campaign. All funds donated to the Campaign will be returned to the applicable donor within 60 days after cancellation via check.
- i. **Exception.** However, MegaStar reserves the right, in its sole discretion, to issue an exception, in writing and signed by MegaStar Senior Vice President of Operations, to Borrower to extend the amount of time for said Campaign. If MegaStar issues said exception, MegaStar will specify the amount of time Borrower has to close his/her qualifying loan. Should Borrower fail to close his/her qualifying loan by date specified in the exception, MegaStar will terminate the Campaign and reimburse all Donors.
- VII. **Anti-Money Laundering Compliance:** It is the policy of MegaStar to prohibit and actively prevent money laundering and any activity that facilitates money laundering or the funding of terrorist or criminal activities by compliance with all applicable laws and regulations, for example, the requirements set forth under the Bank Secrecy Act, the Patriot Act, the Money Laundering Control Act, and their respective amendments and implementing regulations. Therefore, Borrower and any Donor shall not use the MegaStar “Fund My Friend” Campaign to further or illicit any illegal activity of any kind. Should MegaStar determine that any “Fund My Friend” Campaign is being used to further or illicit illegal activity, MegaStar has the right, in its sole discretion, to immediately terminate the Campaign and notify any applicable government agency, including the Financial Crimes Enforcement Network, Federal Bureau of Investigation, Department of Treasury, and local authorities. MegaStar may, at the direction of any applicable government authority and in connection with an on-going investigation, refuse to reimburse any campaign funds until the conclusion of the government agency’s investigation. In such case, MegaStar will not be held responsible to Borrower or any applicable Donor for failure to remit reimbursements in accordance with this Disclosure.
- VIII. **E-Consent.** By donating to a MegaStar “Fund My Friend” Campaign, Donor consents to receiving electronic communications from MegaStar Financial Corp. until such time as you opt-out of such communications, if applicable.
- IX. **Taxes and Fees.** MegaStar does not collect any taxes, fees, or other costs in collecting any funds contributed towards Borrower’s Campaign nor does it charge any taxes, fees, or other costs in maintaining the applicable trust accounts. **However, Borrower and Donor should consult with their Certified Tax Professional or other Financial Advisors on whether any funds contributed to the Campaign or any funds received through the Campaign have any personal income tax consequences and/or require additional documentation. MegaStar is not responsible for Borrower’s and/or Donor’s failure to claim or disclose any funds contributed to or received from the Campaign or for Borrower’s and/or Donor’s failure to provide required documentation of said contribution or receipt.**
- X. **General Disclosure:** MegaStar Financial Corp. reserves the right to alter, amend, or terminate the MegaStar “Fund My Friend” program at any time, for any reason, with or without notice. Should MegaStar alter, amend, or terminate the MegaStar “Fund My Friend” program after a trust account has been created for Borrower,



MegaStar reserves the right to honor and maintain the trust account until Borrower(s)'s qualifying loan closes with MegaStar or to return the funds to the applicable Donors.

The information provided herein may have changed subsequent to the production of this website and may no longer be valid. Contact your licensed MegaStar Mortgage Loan Officer for detailed, current information.

The MegaStar "Fund My Friend" program is not an offer to lend or extend credit, nor is this a guaranty of loan approval or a commitment to lend. Borrower remains responsible for satisfying all loan qualifications, approvals, and conditions and providing all required documentation within the time-frame required and/or requested by MegaStar. Borrower must satisfy all underwriting guidelines and all other applicable approvals and must provide an acceptable property, appraisal, and title report. Program rates, terms, and conditions are subject to change at any time and available loan terms are subject to vary given the Borrower's credit history.

I hereby certify I am not an interested party to the real estate transaction and that I fully understand this donation is a gift and I do not expect or have any arrangement with Borrower for any type of repayment. I further certify that all funds donated to this campaign were legally obtained, are my own, and are not being used to further or illicit any criminal conduct of any kind.

Additionally, I hereby certify that I have read and understands the terms and conditions described above.

Signature: _____

Printed Name: _____

Date: _____