

WHOLESALE RATE LOCK POLICY

Rate Locks

Lock Request	Requirements	Extensions
10 day	Ready for Docs status with all PTDs and PTFs signed off (without a change in circumstance)	N/A
15 day	Ready for Docs status with all PTDs signed off (Clear to Close)	N/A
30 day	Receipt of a complete loan file within 10 calendar days of the lock date, or Kinecta will cancel the lock.	Subject to additional fees. See Rate Lock Extensions .
45 day	Receipt of a complete loan file within 20 calendar days of the lock date, or Kinecta will cancel the lock.	
60 day	Receipt of a complete loan file within 25 calendar days of the lock date, or Kinecta will cancel the lock.	

- Submit rate lock requests through LoanKinection. If LoanKinection is unavailable, email the rate lock request to ratelocks@kinecta.org (Pacific) or ChicagoRateLocks@kinecta.org (Midwest-East).
- For rate lock requests submitted through LoanKinection, lock cutoff is 5:00 AM Pacific Time/Central Time the following day. If LoanKinection is unavailable (for paper locks), lock cutoff is 4:00 PM Pacific Time/Central Time.
- Locks with weekend or holiday expiration dates expire on the first business day following the stated expiration date. This is the effective expiration date.
- If the loan amount changes by more than 10% of the original principal balance, the lock is subject to the worse of current market or original lock date pricing.

Rate Lock Extensions

- A loan must fund within its lock period.
- Rate lock extensions are available for active locks only. Kinecta will not extend expired locks.
- The initial minimum extension period is 5 days. Subsequent extensions are available for active locks in 5 calendar day increments.
- You can request multiple lock extensions. The cumulative lock extension maximum term is 30 days.
- Kinecta Secondary Marketing approval is required for:
 - Lock extensions exceeding the 30 day maximum
 - Lock extensions without a full loan file delivery
- See the Wholesale Rate Sheet for the extension cost.
- Requests must be received 48 hours prior to lock expiration.
- Submit requests to:
 - WholesaleExtensions@kinecta.org (Pacific)
 - ChicagoRateLock@kinecta.org (Midwest-East)

Rate Lock Renegotiations

- Active, unexpired locks may be eligible for renegotiation if they are at or beyond Submitted status.
- Only one renegotiation per loan is permitted.
- Market movement must meet or exceed threshold for 48 consecutive business hours for the desired rate renegotiation. If the base rate movement for currently locked interest rate is:
 - ≥ 1.25 better than locked pricing, Kinecta will reduce the interest rate 0.125%.
 - ≥ 2.000 better than locked pricing, Kinecta will reduce the interest rate 0.250%.
- Kinecta Secondary Marketing approval is required for renegotiations.
- Re-locked loans are not eligible.
- Lock expiration terms will not be amended.

Rate Re-Locks

- Kinecta can relock any expired lock using the worse of:
 - Current market pricing
 - Original lock date pricing less 50 basis points
- Any lock that expired, or that you or Kinecta cancelled, is eligible for current market pricing 45 days after the later of the lock expiration date or the cancellation date.

Rate Lock Program Changes

- Kinecta prices active locks switching loan programs from an Agency FX to Agency FX (for example, 30yr FX to 20yr FX) or Agency ARM to Agency ARM (for example, 10/1 Libor ARM to 5/1 Libor ARM) using the pricing on the original lock date.
- Kinecta prices active locks switching from a Jumbo loan program to a like amortization Agency loan program (for example, Jumbo ARM to Agency ARM) using current market pricing.
- Kinecta prices active locks switching from an Agency loan program to a like amortization Jumbo loan program using worst case pricing.
- Kinecta Secondary Marketing evaluates and re-prices all other loan program change requests (for example, Fixed to/from ARM or Agency to/from Government) for actively locked loans.

Any exception to this Policy must be approved by Secondary Marketing.