

COMMERCIAL/BUSINESS PURPOSE MORTGAGE BROKER

Account Executive: _____

Welcome to meMortgage's Commercial/Business Purpose Property Mortgage Broker application process, also known as the "theStart" Program! Upon meeting our reasonable approval standards, meMortgage will provide your organization with log-ins and system access so that you can start to deliver commercial and business purpose property loans to us once approved!

Please provide each of the following documents:

- 1) Completed and signed Commercial/Business Purpose Property Mortgage Broker Application
- 2) Executed Commercial/Business Purpose Property Mortgage Broker Agreement
- 3) Completed W-9 Form*
- 4) Signed theLender Zero Tolerance Fraud Certification*
- 5) E&O Insurance, if applicable or required by state*
- 6) Signed Certifications and Authorization Form, which includes:
 - Broker Origination Compensation Agreement Certification
 - Background Check Certification
 - AML/BSA Policy Certification
 - Loan Fraud Zero Tolerance Policy Certification
 - Broker Affiliation Disclosure with Authorization
- 7) Corporate Resolution or Principal/Partner Authorization evidencing signature authority*
- 8) Articles of Incorporation, or other legal documents detailing ownership as applicable*
- 9) Completed Broker Contact List with names, numbers and e-mail addresses*
- 10) Completed Business Purpose Loan Sign Up form

*Do not need to provide if already approved for Consumer Loans

COMMERCIAL/BUSINESS PURPOSE MORTGAGE BROKER

Account Executive: _____

Business Channel: Commercial/Business Purpose Property Mortgage Loans

Company Information			
Broker Corporate Entity Name: _____			
DBA Names (if applicable): _____			
State of Incorporation: _____ Date of Incorporation: _____			
List of State Licenses Held (include) Licensing Numbers: _____			

Address of Main Office: _____			
List of Branch Offices and Locations: _____			

Volume	Year	Units	Dollar Amount
Current Year:	_____	_____	_____
Prior Year:	_____	_____	_____
Company Owners and Principals			
Name	Title	Percentage of Ownership	
_____	_____	_____	
_____	_____	_____	
_____	_____	_____	
_____	_____	_____	
_____	_____	_____	



Key Contacts			
Name	Title	Email	Phone Number
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Certifications		
1. Has your company, or any of its Owners or Principals, been named as defendant in a lawsuit, or been involved in any litigation during the past ten (10) years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
2. Has any Owner or Principal with your company ever been convicted of a crime?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
3. Has your company, or any of its Owners or Principals, ever filed for protection from creditors under any provision of United States Bankruptcy laws within the past ten (10) years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4. Has your company, or any of its Owners, Principals or Loan Officers, ever had a company or individual mortgage lender/banker, mortgage broker, real estate or other professional license suspended, revoked or received any other disciplinary action from a federal or state regulatory agency?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
5. Does your company have hiring policies and procedures that include a check for all employees, including management, who are involved in the origination of mortgage loans against the U.S. General Services Administration (GSA) excluded Parties List, the HUD Limited Denial of Participation List (LDP List), and the Federal Housing Finance Agency (FHFA) Suspended Counterparty Program (SCP) List?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
6. Has your company, or any of its Owners, Principals or Loan Officers (i) had any formal complaints filed against them by a federal or state mortgage banking/broker regulatory authority; (ii) been found in violation of any mortgage banking/broker federal or state regulatory authority's statutes or regulations; or (iii) had an order entered against them by a federal or state mortgage banking/broker regulatory authority?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
7. Has your company ever had unfavorable findings with regard to mortgage operations included in any audit, examination or report by FHA, VA, Fannie Mae, Freddie Mac or any regulatory, supervisory or investigative agency?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
8. Have you been required to repurchase a loan(s) from a lender during the last twenty-four (24) months??	Yes <input type="checkbox"/>	No <input type="checkbox"/>



BUSINESS PURPOSE BROKER AGREEMENT

This **BUSINESS PURPOSE BROKER AGREEMENT** (the “Agreement”) is entered into as of this _____ day of _____, 20____ (the “Effective Date”), by and between Hometown Equity Mortgage, LLC dba meMortgage, a Missouri limited liability company with an address at 25531 Commercentre Drive, Suite 250, Lake Forest, CA 92630 (“Company”) and _____, a _____, with an address at _____ (“Broker”).

WHEREAS, Broker is in the business of marketing, soliciting, and processing business purpose, and commercial purpose mortgage loans;

WHEREAS, Company is in the business of funding business purpose, and commercial purpose mortgage loans;

WHEREAS, Company desires to partner with Broker to receive applications and loan documents from Broker for the purpose of funding such loans for borrowers who qualify for one or more loan programs offered by Company;

NOW THEREFORE, in consideration of the mutual promises contained herein, and other good and sufficient consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereto agree as follows:

1. DUTIES OF BROKER

- A.** Broker will solicit complete loan applications (the “Application”) from potential borrowers (each, an “Applicant”) from prospective Applicants for applicable business purpose and commercial purpose loan programs (the “Programs”). Each Application shall be (i) executed by each Applicant, (ii) signed by an authorized representative of Broker, and (iii) submitted by Broker to Company.
- B.** Broker will communicate to potential Applicants information about the available Programs offered by Company, including the Programs’ terms and conditions.
- C.** Broker will submit Applications for Programs limited to loans that are (i) secured by real property that is of a commercial and business purpose nature, and which is not at any point in time a residence of a borrower who is, either directly or indirectly, obligated for such loan, or the family of such borrower, (ii) an “exempt transaction”, as intended and described in 12 CFR 1026.3(a), Reg. Z 226.3(a), and related appendices and official staff interpretations, (iii) not considered a consumer or consumer purpose (e.g., personal, family or household) loan under Applicable Law (as defined below), (iv) complies with the Program requirements; (v) funded by Company, and (vi) Originated (as defined below) by Broker (the “Loans”).
 - i. The term “Applicable Laws” means all federal, state and local laws, regulations, opinions, guidelines, and staff interpretations (including but not limited to the SAFE Act, the Federal Fair Housing Act, RESPA, the Truth in Lending Act, Regulation Z, the Equal Credit Opportunity Act, including, but not limited to, applicable notices of adverse action pursuant to Regulation B, the Consumer Credit Protection Act, the Flood Disaster Protection Act, the Depository Institution Deregulation Monetary Act, the Financial Institutions Reform Recovery and Enforcement Act, and the Federal Credit Union Act, all as amended from time to time), along with standard industry practice, that pertain to loan brokering, lending and servicing in the states or jurisdictions where the real property proposed on the Application to secure the Loan (the “Subject Property”) may be located.
 - ii. The term “Originated” means a representative of Broker signed an Application for the Loan.

- D.** Broker shall not solicit or submit to Company Applications for loans that do not meet the definition of "Loan" above (loans other than those that fall under the "Loans" definition are herein referred to as "Consumer Purpose Loans").
- E.** Broker shall, at all times with respect to the Application and the Loan, comply with all Applicable Laws and act in good faith and fair dealing with the Applicants.
- F.** Broker will submit Applications to Company through Company's online portal and will obtain an acknowledgement of such submission through the portal.
- G.** Broker will, in accordance with the Programs and Applicable Law, including but not limited to ability to repay standards, obtain documentation and information regarding Applicant's creditworthiness, and will submit such documentation and information to Company through the online portal.
- H.** As applicable, Broker will communicate Applicants' desire to lock-in an interest rate to Company, and Broker will deliver Interest Rate Lock Agreements issued by Company to Applicants.
- I.** Broker will keep Applicants apprised of the status of their Applications at all times.
- J.** Broker will, at the request of Company, obtain additional information or take additional actions to facilitate the underwriting of an Application and the closing of the Loan.
- K.** Broker will not solicit an Applicant obligated on a Loan to refinance such Loan during the six (6) month period following the date that Company (or a settlement agent working on behalf of Company) disbursed the proceeds of such Loan (the "Funding Date").
- L.** Broker shall be exclusively responsible for all of its own costs and expenses in connection with Broker's business and its handling of Applications including but not limited to payments due its mortgage loan originators.

2. DUTIES OF COMPANY

- A.** Company may, from time-to-time, authorize Broker to accept Applications that conform to the underwriting and other Program requirements of one or more Programs offered by Company, provided that Company may, at its sole discretion, change or discontinue any Program, or withdraw Broker's authority to accept Applications for one or more Programs, and further provided that Broker shall never be deemed to have been authorized to solicit or accept a Consumer Purpose Loan.
- B.** Company will notify Broker of Company's interest rates for available Programs, provided that Company may change one or more of its interest rates at any time without prior notice by posting such change on its website, or by e-mailing such change to Broker, or by communicating such change to Broker by another reasonable method as selected by Company.
- C.** With respect to a specific Application, Company will issue a written communication from Company to one or more Applicants, setting forth the interest rate and various other terms and conditions under which Company will fund the Loan (the "Interest Rate Lock Agreement") only if Company determines that a request for an Interest Rate Lock Agreement was underwritten and made in accordance with Company's policies, procedures, guidelines, and Program requirements.
- D.** Company may, at its sole discretion, obtain appraisals from an appraisal management company approved by Company, as well as inspections, environmental reports and engineering reports.

- E.** Company will underwrite Applications submitted to Company by Broker, at such time as Company receives such documentation and information as Company requires to perform an underwriting review.
- F.** Upon underwriting an Application, Company will provide a written notice (the “Approval Notice”) to Broker to provide to the Applicant if the Application is approved, or otherwise will provide a written declination or suspension notice (“the Adverse Action Notice”); Approval Notices may include (i) conditions and stipulations that must be satisfied prior to the loan proposed by the Application (the “Proposed Loan”) being settled, and (ii) additional conditions and stipulations that must be satisfied prior to the Loan being funded. Broker will promptly and timely provide the Approval Notice or Adverse Action Notice to the Applicant.
- G.** Once the Applicants have accepted an Approval Notice for such Loan, and provided that Company has determined that required pre-closing conditions and stipulations have been satisfied; Company will (i) prepare a note, security instrument and other loan documents for execution by the loan applicants, and as applicable by guarantors and non-borrower co-signors, and (ii) arrange for the closing of the Loan.
- H.** Following closing of the Loan in a manner satisfactory to Company, and provided Company determines that all remaining, required conditions and stipulations have been satisfied, Company will fund the Proposed Loan.
- I.** Company shall be under no obligation to approve any minimum number or percentage of Applications, or any Applications at all.

3. BROKER COMPENSATION

- A.** Upon the funding of a Loan that was Originated by Broker, Company will pay Broker an amount equal to the amount set forth in the Broker Originator Compensation Certification (the “Broker Compensation”).
- B.** Where and as allowed under Applicable Law, if the Applicants associated with a Loan have authorized that fees and points due Broker be deducted from Loan proceeds, then Company will deduct such fees and points as have been agreed by such Applicants from Loan proceeds and remit same to Broker.
- C.** Broker may NOT be compensated by both Company and the Applicants in the same transaction, unless Applicant receives a disclosure clearly stating that compensation will be paid to Broker by both Company and the Applicant and such payment is allowed by Applicable Law.
- D.** Broker will not steer an Applicant into a Loan or Program that will benefit the Applicant less than other loans or programs. Further, broker will not incentivize any of its employees to steer an Applicant into a Loan or Program that will benefit the Applicant less than other loans or programs.

4. REPRESENTATIONS AND WARRANTIES OF THE BROKER

Broker represents and warrants that as of the date of this Agreement, and as of each date on which Broker submits an Application to Company, and as of the Funding Date of any Loan, all of the following are true and active:

- A.** Broker is duly organized and in good standing in the state of its formation, and qualified to conduct business in each state where a Subject Property is situated.

- B.** Broker, its employees, and all other persons required to be licensed under Applicable Law hold the requisite licenses to accept and process each Application; and Broker will notify Company if a license issued to Broker is revoked or a licensing authority determines not to renew a license issued to Broker.
- C.** Broker will not discuss any Program with prospective Applicants or solicit or accept Applications for any program, unless the program is a Program offered by Company and for which Company has expressly authorized Broker to utilize.
- D.** Upon Company's funding of a Loan, such Loan will be solely the property of Company, and Broker waives all claims of interest or ownership in such Loan, including the servicing of such Loan.
- E.** Broker has the requisite corporate authority, power and capacity to enter into this Agreement, and Broker's compliance with the terms and conditions of this Agreement will not violate the terms of any governing organizational instrument of Broker or any other instrument or agreement to which Broker is a party.
- F.** No Loan is subject to any right of rescission, set-off, counterclaim or defense, and none of the terms of any Loan and none of the rights thereunder are unenforceable, in whole or in part, on account of any action by Broker, and no such right or rescission, set-off, counterclaim or defense has been asserted by any borrower obligated on a Loan or by any third party.
- G.** No instance of fraud, misrepresentation or material omission occurred, exists, or was committed with respect to any Loan or Application.
- H.** Each Application submitted by Broker to Company is for a business, and/or commercial purpose, and no Applicant or family relationship thereof will live in the Subject Property. None of the Applications are for Consumer Purpose Loans.
- I.** All Applicable Laws, along with related rules and regulations, applicable to the Loans and this Agreement have been strictly complied with, including but not limited to the the Flood Disaster Protection Act, Truth-in-Lending Act (as to verifying that the loan is not a Consumer Purpose Loan), Equal Credit Opportunity Act, Anti-Money Laundering and all applicable statutes or regulations governing fraud, lack of consideration, unconscionability, consumer credit transactions, predatory and abusive lending, interest charges, and disclosure requirements.
- J.** In connection with Broker's activities in general, and at the time of each Loan submission, Broker has in place an effective written quality control plan/procedures, a specific process for resolving quality control discrepancies, and a method for tracking any and all corrective actions taken.
- K.** Without limiting any other provision of this Agreement, Broker shall not discriminate with respect to any Application and related Loan in violation of Applicable Laws. Broker acknowledges that Company: (i) has implemented a fair lending policy; and (ii) will monitor Applications for fair lending performance in conformity with its internal fair lending policy and with applicable laws and reserves the right to terminate this Agreement for Broker's failure to comply with any and all fair lending laws and regulations or Company's fair lending policies.
- L.** All fees charged to borrowers are appropriate and reasonably related to the value of the services rendered and comply with all Applicable Laws.
- M.** Broker shall provide each borrower with any and all disclosures it is required to provide pursuant to all Applicable Laws including, but not limited to, a Good Faith Estimate of charges the borrower is likely to incur in connection with the Loan settlement as required pursuant to RESPA and applicable regulations thereunder. Each such Good Faith Estimate shall be in form and substance acceptable to Company.

- N.** Broker shall conduct its affairs in connection with the Loans so as to avoid any ethical improprieties or conflicts of interest. Without limitation, Broker shall not have any direct or indirect ownership interest in any collateral for the Loan or any business or personal affiliation with, or ownership interest in, any third party vendors providing services with respect to the Loan... Broker shall disclose in writing upon Loan submission to Company any and all personal or monetary involvement in the transactions associated with or relating to the Loan.
- O.** All information submitted by Broker to Company in connection with the Loan Application, including all written materials and financial statements, is true, correct and complete.
- P.** Broker and/or Applicants for Loans submitted to Company by Broker, will, upon a request from Company, execute such documents and writings as are necessary to make the Loan saleable in the secondary mortgage market or eligible for securitization.
- Q.** Broker has no knowledge with respect to any Loan, the Applicants for the Loan, or the Subject Property, that can reasonably be expected to cause an institutional secondary mortgage market investor to regard the purchase of the Loan as an unacceptable investment, cause any Loan to become delinquent, or adversely affect the value or marketability of any such Loan.
- R.** All services provided, products sold and/or licensed, forms utilized, and/or compensation paid pursuant to this Agreement are (and will remain throughout the term of this Agreement) in compliance with Applicable Laws and this Agreement.

5. REPRESENTATIONS AND WARRANTIES OF COMPANY

Company represents and warrants each of the following:

- A.** Company is duly organized and in good standing in the state of its formation and is authorized to conduct business in each state where it conducts business and offers Programs.
- B.** Company has the requisite corporate authority, power and capacity to enter into this Agreement, and Company's compliance with the terms and conditions of this Agreement will not violate the terms of any governing organization instrument of Company or any other instrument or agreement to which Company is a party.

6. COMPLIANCE MONITORING

- A.** Broker agrees that Company may monitor Broker's compliance with licensing laws and Broker's creditworthiness, including by subscribing to license compliance services and obtaining reports regarding Broker's credit.
- B.** Broker agrees that Company reserves the right to conduct a complete quality control audit on one or more Loans and Applications and may re-verify any documentation or information provided to support the creditworthiness of any Loan or Application, including but not limited to documentation and information regarding creditworthiness and appraised value. Company may, at its option, perform inspections of the Subject Property securing a Loan or of the Subject Property for an Application.
- C.** Broker shall maintain in its possession or control for Company's inspection on demand evidence of such compliance with respect to every Loan submitted to Company by Broker. Company, and any supervisory agents or examiners representing a state or federal governmental agency having jurisdictions over Company, shall have the right, at any time and after reasonable notice to Broker and without charge, to: (i) examine and audit Broker's books of account, records, reports, compensation plans, payroll records, policies and procedures, systems, and other documentation in any form in connect with any Loan; (ii) make copies and extracts thereof; and (iii) discuss the affairs

and accounts of Broker relating to such compliance with Broker's officers and employees, at such times and places and with such frequency as Company may reasonably requests.

- D.** No later than ninety (90) days after the end of Broker's fiscal year, Broker shall deliver to Company Broker's annual financial statements, which will be prepared in accordance with general accepted accounting principles, and either be audited by a certified public accountant, or which will be executed by the Broker's President, Controller, Managing Member, General Partner or Sole Proprietor, and which will include both a balance sheet and an income statement for the fiscal year most recently ended. Upon Company's request, Broker shall provide additional information about its financial condition to Company in accordance with a request therefor from Company. Upon Company's request, Broker shall deliver to Company evidence that Broker is insured under an errors and omissions policy which names Company as an additional insured.
- E.** Broker agrees to comply with applicable Programs and guidelines of Company. Company may change its Programs and guidelines from time-to-time without prior notice to Broker, and Company may inform Broker of changes to its policies and procedures in any reasonable fashion, including a posting on Company's website, or a communication delivered to Broker by e-mail.
- F.** In the event any Loan funded by meMortgage hereunder is paid in full within 220 calendar days of the date such Loan was funded by meMortgage, the Broker shall, within 30 days after notice from meMortgage, pay meMortgage (a) an administrative fee plus the amount demanded by meMortgage, including all costs and expenses reasonably incurred by meMortgage, (b) the greater of (i) the equivalent of all monies received by Broker from Lender with regard to such loans as well as all monies that Broker received at the direction of borrower which borrower received from Lender in the form of credits or such fees as paid by Borrower to Broker as borrower-paid-compensation with regard to such loans or (ii) an amount equal to 100 basis points (1%) multiplied by the original Loan amount. No portion of any sums paid by Broker to Lender pursuant to the EPO may be charged back to the borrower by Broker.

7. BROKER INDEMNITY AND REPURCHASE OBLIGATIONS

- A.** To the extent permitted by law, Broker hereby indemnifies and holds harmless Company and its past, present and future directors, officers, shareholders, employees, attorneys, agents, representatives, subsidiaries, affiliates and assigns, and holds them harmless from and against, any claims, losses, damages, demands, costs or other liabilities, including reasonable attorneys' fees and the costs of investigation, arising out of any of the following:
 - i.** Broker's breach or failure to perform any of Broker's covenants, representations, warranties, agreements, duties and/or obligations arising under this Agreement;
 - ii.** Any third party claims, including third party repurchase claims related to actions or inactions of Broker;
 - iii.** Any acts, omissions or services provided by Broker, its agents, employees, representatives, attorneys, officers, directors, or partners;
 - iv.** Any claim by a borrower or Applicant resulting from Company's failure or refusal to fund a loan, or
 - v.** Any claim by any third party that Broker is a joint venture, partner, representative, employee or agent of or otherwise is affiliated with Company.
- B.** Broker immediately shall notify Company if a claim is made by a third party with respect to this Agreement, Applications, or Loans, and Broker shall assume the defense of any such claim for which Broker is required to indemnify Company and pay all expenses in connection therewith, including counsel fees, and promptly pay, discharge and satisfy any judgment or decree which may be

discretion, to assume the defense of any such claim, and Broker shall pay all reasonable out-of-pocket expenses in connection therewith, including counsel fees and promptly pay, discharge and satisfy any judgment or decree which may be entered against it or Company.

- C. This indemnification and hold harmless provision shall survive the termination of this Agreement.
- D. If a Loan is a Purchase Remedy Mortgage Loan, then Company shall provide notice to Broker that Broker must repurchase such Loan, and Broker will purchase such Loan from Company. In such event, the purchase price that Broker will pay to Company will be the sum of (i) the unpaid principal owed on the Loan, plus (ii) accrued interest owing on the Loan, plus (iii) all lender paid compensation, if any, paid to Broker by Company with regard to the Loan as well as all monies that Broker received at the direction of borrower which borrower received from Lender in the form of credits or such fees as paid by Borrower to Broker as borrower-paid-compensation with regard to such loans, plus (iv) a repurchase fee plus (v) Company's costs for collecting and securing the Loan including foreclosure costs, attorney fees, property preservation fees and advances for real estate taxes, insurance and other property expenses, plus (vi) any penalties or other amounts other than those listed above paid to third parties with respect to the repurchase.
- E. Company is hereby authorized, at any time and without presentment, demand, protest or other notice of any kind to Broker or to any other person, any such notice being expressly waived, to set off from any amounts due Broker from Company, any and all amounts due Company from Broker. This remedy is in addition to any other remedy Company may have at law or equity.
- F. "Purchase Remedy Mortgage Loan" means a Loan that (i) at the sole discretion of Company, after its consideration of relevant facts and circumstances, is the subject of a fraud, misrepresentation or material omission, (ii) a Loan with regard to which, Broker or any of its employees are not properly licensed if and as required under Applicable Law, (iii) a Loan that a third party requested Company repurchase and/or (iv) a Loan for which one (1) or more of the first six (6) payments due is paid more than thirty (30) days after the date on which such payment was due.

8. NOTICES

All notices given pursuant to this Agreement will be given in writing and will be deemed given to a party hereto when either (i) personally delivered at such party's Notice Address (as defined below), (ii) addressed to a party's Notice Address and deposited into the US Mail, using certified mail with return receipt service, with postage prepaid; or (iii) addressed to such party's Notice Address and given, for overnight delivery service, to a nationally recognized overnight delivery carrier, provided the carrier, upon making a delivery provides proof of delivery, and further provided that charges due the carrier are either prepaid or put on account in a method that is satisfactory to the carrier, so that the carrier makes or attempts overnight delivery in its customary manner without delay for lack of payment.

The address for each of the parties to provide notice to the other party (for each, the "Notice Address") is as follows:

Company:
Hometown Equity Mortgage, LLC dba meMortgage
Attn: Chief Compliance Officer
25531 Commercentre Drive, Suite 250 Lake Forest, CA 92630

Broker:



9. TERM AND TERMINATION

- A.** This Agreement shall be effective as of the above-referenced date and shall continue until terminated by either party hereto. Either party hereto may terminate this Agreement at any time by giving written notice to the other party hereto at the Notice Address. If Company terminates this Agreement, such termination will be effective immediately, except with regard to Applications for which Company has issued an Interest Rate Lock Agreement. For each Application for which Company has issued an Interest Rate Lock Agreement, this Agreement shall continue, until the earlier of the Application (i) resulting in a funded Loan, (ii) Application being declined, or (iii) the expiration of the Interest Rate Lock Agreement for the Application.
- B.** Notwithstanding the foregoing, if Company terminates this Agreement due to a breach by Broker of its obligations or promises hereunder or of a representation or warranty given herein, Company may, at its discretion, terminate this Agreement immediately upon giving notice of such termination to Broker.
- C.** With regard to any Loan or Application; Broker's covenants, representations, warranties, agreements, duties and obligations set forth in this Agreement shall survive the termination of this Agreement. In addition, Broker's indemnification set forth in Section 7 hereof shall survive the termination of this Agreement.

10. CONFIDENTIALITY, PRIVACY AND SECURITY

- A.** Broker acknowledges and agrees that confidential data and non-public personal information relating to Applicants, as well as Company's marketing, strategies, business operations, and business systems (collectively, the "Confidential Information") may come into Broker's possession in connection with this Agreement. Broker understands that Company is a is subject to a number of federal and state laws regarding the privacy.
- B.** Broker shall maintain the confidentiality of and protect Company's Confidential Information in accordance with all relevant state and federal laws, regulations, rules and guidelines, including, but not limited to, the California Financial Information Privacy Act, the Gramm-Leach-Bliley Act of 1999, the Fair Credit Reporting Act, all applicable regulations related thereto, and the requirements imposed upon "service providers" (which shall include, without limitation, Broker's officers, agents, successors, and assigns) pursuant to Applicable Laws. Broker, on behalf of itself and its officers, employees, agents, successors and assigns, understands and agrees to implement, utilize, and maintain best industry practices to secure and protect Confidential Information from unauthorized access, destruction, use, modification, or disclosure, and agrees that it will not retain copies of any such information and that it will not use or disclose such Confidential Information to its commercial advantage or in any other manner except in the performance of this Agreement. In addition, Broker agrees that it will structure all practices, procedures, communications, and transactions involving the sharing and/or dissemination of information other than Transaction Information and Experience Information (as these terms are defined in the Fair Credit Reporting Act and all applicable regulations and interpretations applicable thereto) between Broker and Company such that Company will not be considered to be a "Consumer Reporting Agency" for purposes of the Fair Credit Reporting Act.

- C.** If Broker is requested or required (by oral questions, interrogatories, requests for information or documents, subpoena or other judicial, governmental or administrative process) to disclose any Confidential Information, Broker will provide Company with prompt written notice thereof so that Company may seek an appropriate protective order or waive, in such instance, compliance with the applicable provisions of this Agreement. If, failing the entry of a protective order or the receipt of a waiver hereunder, Broker, in the opinion of its counsel, is compelled to disclose Confidential Information, Broker may disclose that portion of the Confidential Information which its counsel advises it in writing that it is compelled to disclose. Broker expressly consents to the entry of a protective order with regard to this nondisclosure agreement, it being understood that mere money damages would be insufficient in the event of a breach of this Section.
- D.** Broker shall have an internal written security program in place at all times that shall reflect and require compliance with Broker's obligations pursuant to this Section. The security program shall comply with Applicable Laws and meet or exceed industry standards.
- E.** For electronic communications, Company and Broker will only transmit Confidential Information to each other in an encrypted format. Broker will store all Confidential Information in a manner which utilizes the highest level of security available, including, without limitation, industry standard or higher encryption for electronically-stored Confidential Information.
- F.** Except as otherwise provided by Applicable Laws governing Broker's record retention requirements, Broker shall immediately, permanently, and irretrievably destroy, delete, and erase all hard copy and all electronically-stored Confidential Information once use of such Confidential Information is no longer required pursuant to the terms of this Agreement in accordance with Applicable Laws, including the FTC's Final Regulation on Consumer Information and Records Disposal (16 CFR 682), and certify in writing within thirty (30) days that it has done so. In the event that there is a breach of Broker's systems which in any way involves Confidential Information, Broker shall take appropriate action prevent further unauthorized access to or use of Company's Confidential Information, including, but not limited to, providing immediate written notice to Company and conducting a prompt and thorough data security investigation to determine the nature, extent, and duration of the security breach.
- G.** Broker agrees to indemnify and hold Company harmless in the event of a breach of this confidentiality agreement in any manner by Broker or its officers, employees, agents, successors, and assigns.
- H.** Company (and/or its regulator(s)) may, at any time during the term of this Agreement and upon reasonable notice to Broker, inspect Broker's practices and controls and/or require reasonable documentation from Broker to verify that Broker has complied with its obligations pursuant to this Section.
- I.** The parties agree that this Section shall survive the termination of this Agreement.

11. MISCELLANEOUS PROVISIONS

- A.** No waiver or modification of this Agreement shall be valid unless executed in writing by both parties hereto. Notwithstanding the foregoing, Company reserves the right, at its sole discretion, to amend, update, and modify the Agreement as necessary to comply with Applicable Law.
- B.** Any waiver or breach of any term or condition of this Agreement shall not be deemed a waiver of any other or subsequent breach, whether of a like or different nature.
- C.** In the event of litigation between the parties hereto, the prevailing party shall be entitled to recover its attorneys' fees from the other party. For the purposes hereof, the prevailing party shall be such party as is awarded or receives any monetary amount from the other party, irrespective of whether such amount is de minimis, and irrespective of whether receipt is a result of trial, arbitration or settlement.
- D.** This Agreement shall be governed and interpreted in accordance with the laws of the State of California without regard to conflict of law provisions, and broker agrees to exclusive personal jurisdiction and venue in the state and federal courts of the United States located in the State of California, County of Orange. Broker hereby waives application of diversity of citizenship and expressly waives application of inconvenient forum.
- E.** A copy or copies of this Agreement, and/or electronic or facsimile reproductions of this Agreement may be used for any and all purposes and such copies and/or electronic or facsimile reproductions will have the same force and effect of a fully executed, original document.
- F.** The section and sub-section headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.
- G.** This Agreement constitutes the entire agreement between the parties hereto and supersedes all prior agreements, representations and understandings of the parties hereto whether written or oral.
- H.** Nothing in this Agreement shall create or be deemed to create a partnership, joint venture, agency or employment relationship between Company and Broker, and Broker will not hold itself out as a branch or affiliate of Company and will not represent that it can bind Company.

[SIGNATURE PAGE(S) IMMEDIATELY FOLLOW]

BY SIGNING BELOW, the parties hereto have executed this Agreement as of the Effective Date.

COMPANY

Hometown Equity Mortgage, LLC DBA meMortgage

Signature: _____

Printed Name: Alan Vidal

Title: Chief Compliance Officer

Date: _____

BROKER

Signature: _____

Printed Name: _____

Title: _____

Date: _____



Broker Originator Compensation Agreement Certification:

Broker/Principal certifies by execution of this application that the Broker Origination Compensation Certification has been reviewed and Broker/Principal agrees to the terms and conditions of this Certification. Broker Originator Compensation Certificate (see page 16)

Background Check Certification

Broker certifies that it has an effective policy in place for performing background checks on all its employees, compliant with Applicable Laws (as defined in the Commercial/Business Purpose Property Mortgage Broker Agreement) and performs periodic reviews to ensure compliance with such policy.

BSA/AML Policy Certification

Broker certifies that it has an effective anti-money laundering policy and training in accordance with the Bank Secrecy Act (commonly known as “BSA/AML”) and performs periodic reviews to ensure compliance with such policy.

Loan Fraud Zero Tolerance Policy Certification

Broker certifies that it has an effective zero tolerance loan fraud policy in place and performs periodic reviews to ensure compliance with such policy. Applicant has read meMortgage’s Loan Fraud Zero Tolerance Policy and understands meMortgage’s position on “Loan Fraud.” Loan Fraud Zero Tolerance

Broker Affiliation Disclosure with Authorization

Broker and each of the undersigned persons hereby authorize meMortgage to obtain references and similar background information to be used for evaluation of the Broker’s eligibility to do business with meMortgage.

Principal Owners/Broker of Record: *(Attach additional pages if necessary).* **Percent of ownership must total 100%. If ownership is not individual, please provide ownership down to the individual level. Include Broker of Record, even if no ownership interest.**

Name	Title	SSN	Date of Birth	State of Residence	Percent of Ownership	Signature

Broker authorizes and certifies to the above-listed certifications and certifies that all information provided to meMortgage in connection with this application is accurate and agrees to update meMortgage in the event that any such information changes in any material respect.

Company’s Legal Name: _____
Typed Name and Title of Authorized Officer: _____
Signature of Officer: _____
Date: _____



Broker Originator Compensation Certification

To accept loan applications that a Broker submits to Hometown Equity Mortgage, LLC, dba meMortgage (further referred to as "meMortgage")

Broker represents, warrants and covenants to meMortgage that:

1. Broker does not steer and does not incentivize its employees to steer borrowers into loan programs that are less beneficial to the borrower than other programs.
2. Broker understands all applicable laws, regulations, laws, and the applicable meMortgage loan program ("collectively, the "Requirements") related to commercial and business purpose loans, has effective policies and procedures in place to address the Requirements, and will comply with the Requirements.
3. Broker understands the difference between a consumer purpose loan and business purpose loan and will make certain that no loans submitted to meMortgage related to this loan application are consumer purpose loans that require compliance with TILA or RESPA.
4. Broker will not act in a manner that will violate deceptive trade practice or similar laws.
5. Broker acknowledges that total points and fee including Lender fees are not to exceed 5 points.

SO AGREED:

BROKER

Signature: _____

Printed Name: _____

Title: _____

Date: _____



AUTHORIZATION TO OBTAIN SCREENING INFORMATION

By providing my signature below, I hereby authorize Hometown Equity Mortgage, LLC dba meMortgage (hereinafter referred to as "meMortgage") to verify information provided in the Commercial/Business Purpose Mortgage Loan Broker Approval Application.

By providing my consent below, meMortgage is also authorized to submit the name of the Company, and all employees of the company, for screening through any mortgage industry background database, including but not limited to, LexisNexis, FraudGuard, and/or the Mortgage Asset Research Institute ("MARI").

By signing below, I/we hereby release, discharge and hold harmless any person or entity providing information to meMortgage in connection with applying to become an approved Commercial/Business Purpose Loan Broker with meMortgage and any recipient of such information, including meMortgage, from any and all liability arising from or in connection with the furnishing, receipt, and review of such information.

Company Corporate Entity Name: _____

Address: _____

FEIN: _____

Principal / Owner Name:	
SSN:	
Address:	
Phone Number:	
Date of Birth:	
Ownership Percentage:	
Signature:	
Date:	



Principal / Owner Name:	
SSN:	
Address:	
Phone Number:	
Date of Birth:	
Ownership Percentage:	
Signature:	
Date:	

Principal / Owner Name:	
SSN:	
Address:	
Phone Number:	
Date of Birth:	
Ownership Percentage:	
Signature:	
Date:	

Principal / Owner Name:	
SSN:	
Address:	
Phone Number:	
Date of Birth:	
Ownership Percentage:	
Signature:	
Date:	

** Please use additional sheets as necessary to provide information for additional Owners/Principals.



Loan Fraud Zero Tolerance

Broker and its employees must be aware that the company/broker/principal(s) bear the responsibility for all actions of its employees or licensees. Broker is responsible for the content, quality and accuracy of each application taken and each loan submitted to Hometown Equity Mortgage, LLC, dba meMortgage.

THE SUBMISSION OF A LOAN APPLICATION CONTAINING FALSE INFORMATION IS A CRIME!

TYPES OF LOAN FRAUD

1. Submission of inaccurate information, including false statements on loan application(s) and falsification of documents purporting to substantiate credit, employment, deposit or asset information, personal information including identity, ownership/non-ownership of real property, etc.
2. Forgery of partially or predominantly accurate information.
3. Incorrect statements regarding current occupancy or intent to maintain minimum continuing occupancy as stated in the security instrument or occupancy affidavit.
4. Lack of due diligence by loan officer/interviewer/processor, including failure to obtain all information required by the application and failure to request further information as dictated by Borrower's response to other questions.
5. Unquestioned acceptance of information or documentation which is known, should be known, or should be suspected to be inaccurate.
 - A. Simultaneous or consecutive processing of multiple owner-occupied loans from one applicant supplying different information on each application.
 - B. Allowing an applicant or interested third-party to "assist" with processing the loan.
6. Loan Officer's non-disclosure of relevant information.

CONSEQUENCES

The effect of "Loan Fraud" is costly to all parties involved. Hometown Equity Mortgage, LLC, dba meMortgage stands behind the quality of its loan production. Fraudulent loans cannot be sold into the secondary market and, if sold, could require repurchase by Hometown Equity Mortgage, LLC, dba meMortgage. Fraudulent loans damage our reputation with our investors and mortgage insurance providers, and could cause Hometown Equity Mortgage, LLC, dba meMortgage's selling privileges to be suspended and/or terminated by its investors.

The price paid by those who participate in "Loan Fraud" is even more costly. The following is a list of a few of the potential consequences that may be incurred.

(Continued on next page)

Loan Fraud Zero Tolerance

Consequences to Broker

1. Criminal prosecution.
2. Loss of state licensing to perform mortgage loans.
3. Loss of lender/investor access due to exchange of information between lenders, mortgage insurance companies including submission of information to investors, police agencies, and state regulating agencies.
4. Civil Action by applicant/borrower or other parties to the transaction.
5. Agreement to indemnify and hold harmless Hometown Equity Mortgage, LLC, dba meMortgage.
6. Loss of HUD approval.
7. Loss of funding facilities.

Consequences to Broker Employees

1. Criminal prosecution.
2. Civil action by Hometown Equity Mortgage, LLC, dba meMortgage.
3. Civil action by other parties to a Transaction, such as borrower, seller or real estate agent/broker.
4. Agreement to indemnify and hold harmless Hometown Equity Mortgage, LLC.
5. Employee termination.
6. Loss of professional license, if any.

The undersigned has read the foregoing and understands Hometown Equity Mortgage, LLC, dba meMortgage's position on "Loan Fraud."

Initial: _____ Date: _____



This Addendum to Broker Agreement (“Addendum”) is entered into by and between Hometown Equity Mortgage, LLC (“Lender”), and the mortgage broker identified below (“Broker”) (hereinafter collectively referred to as the “Parties”) as of the date execution stated below.

Recitals

- A. Broker entered into that certain Broker Agreement (“Agreement”) with Lender, dba theLender and currently is an Approved Broker of Lender.
- B. Broker may from time to time submit application packages for residential mortgage loans to Lender, operating as Hometown Equity Mortgage, LLC, for underwriting review, and possible funding under the terms and conditions of the Agreement.

NOW THEREFORE, in consideration of the RECITALS set forth above and subject to the mutual promises and covenants set forth below, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

- 1. Binding Effect. The Agreement, and any amendments or addendums thereto, shall apply to mortgage loan applications submitted to Lender in any name in which Lender does business.
- 2. Lender Paid Compensation. For any loan submitted to Lender that Broker requests to be paid by Lender, and in accordance with Regulation Z (12 CFR Part 226). Broker shall be compensated in the same amount as specified in their then current lender paid compensation election, regardless of the name in which Lender is doing business.
- 3. Continuing Effect. This Addendum shall not affect Broker’s or Lender’s rights and obligations with respect to any loans submitted or funded under the Agreement.

Executed as of _____

LENDER

Broker

Alan Vidal, Chief Compliance Officer

By _____

Title _____



I want to do Business Purpose Loans in the States indicated below. I Certify that I have complied with each State's compliance requirements.

Please sign me up!

- | | |
|--|--|
| <input type="checkbox"/> ALABAMA | <input type="checkbox"/> MISSOURI |
| <input type="checkbox"/> ARIZONA | <input type="checkbox"/> NEW JERSEY |
| <input type="checkbox"/> CALIFORNIA | <input type="checkbox"/> NORTH CAROLINA |
| <input type="checkbox"/> COLORADO | <input type="checkbox"/> OKLAHOMA |
| <input type="checkbox"/> CONNECTICUT | <input type="checkbox"/> OREGON |
| <input type="checkbox"/> DELAWARE | <input type="checkbox"/> PENNSYLVANIA |
| <input type="checkbox"/> FLORIDA | <input type="checkbox"/> RHODE ISLAND |
| <input type="checkbox"/> GEORGIA | <input type="checkbox"/> SOUTH CAROLINA |
| <input type="checkbox"/> HAWAII | <input type="checkbox"/> TENNESSEE |
| <input type="checkbox"/> ILLINOIS | <input type="checkbox"/> TEXAS |
| <input type="checkbox"/> IOWA | <input type="checkbox"/> UTAH |
| <input type="checkbox"/> KENTUCKY | <input type="checkbox"/> VIRGINIA |
| <input type="checkbox"/> LOUISIANA | <input type="checkbox"/> WASHINGTON |
| <input type="checkbox"/> MARYLAND | |
| <input type="checkbox"/> MASSACHUSSETS | |

BOLD = State requires licensing

Company represents and warrants each of the following:

- A.** Company is duly organized and in good standing in the state of its formation and is authorized to conduct business in each state where it conducts business and offer Programs.

Signature

Date

