

Violation and Fine(s):

- a. \$200 Penalty fee due to incomplete files or files turned in 48 hours after close of escrow.**
- b. \$40 Late fee due for Broker or Point fess paid after the 5th of the month.**

Broker may deduct the full amount of fines from Compensation payable to Loan Officer on Any transaction without notice.

Delay In Compensation Disbursement: Loan originator compensation will be delayed due to but not limited to the following during or after close of escrow:

- a. Broker receives compensation checks from retail lenders approximately 3 weeks after close of escrow, or
- b. Broker does not receive a complete file from Loan Originator, or
- c. Broker receives letter regarding a lawsuit or claim from a lawyer, or
- d. Broker receives a lawsuit summons from a local court, or hearing notice from the local board, or
- e. Broker files a lawsuit against another party(s) involved with Associate-Licensee transaction, or
- f. Broker receives notice regarding a claim or license suspension from the Bureau of Real Estate, or
- g. Broker receives a notice from any government agency, such as child support, IRS, State Franchise Office.

Compensation Eligibility: To be eligible for compensation loan originator must fully comply with RESPA, TILA, TRID, HOEPA, the Fair Housing Act, and ECOA. Additionally, originator must comply with all state and federal regulations as they apply to residential mortgages. Bankers Home Loans conducts a quality control review on ALL closed loans and randomly completes top to bottom file audits. **Originator will not be compensated for any closed and funded transactions for which originator failed to follow acceptable professional and industry standards, for any loans that fail a quality control review/audit or for any loans found to contain fraud or misrepresentation. Bankers Home Loans reports loan fraud to federal, state and local authorities and will prosecute offenders to the fullest extent of the law.**

Compensation Period: Closed and funded transactions, that satisfy compensation eligibility, will be considered “complete” and subject to compensation disbursement upon the company’s receipt of the required loan, title, appraisal, and escrow documents. Completed files will be compensated within **five business days or sooner**; depending on lender or escrow delays. Notwithstanding hereto, upon receipt of file, company will make best efforts to complete a quality control and compliance review within 24-48-hours in order to disburse compensation to the loan originator immediately thereafter.

Loan Processing: All loans are to be processed by a company approved processor. Processors shall directly send, receive, and validate any and all loan verifications. Failure to follow these policies may result in forfeiture of compensation on closed and funded

transactions.

Expenses: Expenses include but are not limited to the company transaction fee, processing fees, credit report fees, courier and delivery fees, automated underwriting fees, software, and any other expenses not paid from the proceeds of a closed and funded loan transaction. Loan expenses also include those paid by Bankers Home Loans on behalf of the Independent Contract Loan Originator. All business related expenses shall be the responsibility of the loan originator. Loan originator is responsible for supplying their work space, hardware, software, professional tools, equipment, materials and supplies, and all other business related expenses as necessary. Loan originator may originate loans ‘virtually’ utilizing technology including email, internet, telephone/VOIP, courier and fax as necessary. Due to state and federal compliance regulations, originator must subscribe to compliant origination software (i.e. Point, Encompass). Originator is also responsible for business related expenses such as credit reports, automated underwriting, and verifications.

Company does not insure originator to travel. State and federal laws and regulations prohibit originator from meeting prospective clients and borrowers at any location other than a company licensed location or public location (i.e. public library, restaurant or coffee shop). Bankers Home Loans does not require independent contract originator to travel, set a work schedule, or to set or achieve any production and or sales goals. Originator is free to determine the means and manner necessary to accomplish their desired levels of productivity.

From time to time company may provide originator with services in exchange for payment such as, but not limited to, origination software, marketing tools, and expedited compensation. Payment is due immediately at such time that services are rendered. Payments rendered for such services, including monthly dues and origination software, are non-refundable. Furthermore, pro-rata payments rendered for such services are also non-refundable. The loan originator will not receive any pro-rata refund of any dues or fees paid to the company for services.

YOU ACKNOWLEDGE THAT YOUR RELATIONSHIP WITH THE COMPANY IS AS AN INDEPENDENT CONTRACTOR; TO ORIGINATE LOANS TO A MULTITUDE OF BROKER APPROVED WHOLESALE LENDERS. IT IS EXPRESSLY ACKNOWLEDGED BY BOTH PARTIES THAT THE SOLE PURPOSE OF THIS DOCUMENT IS TO SET FORTH THE COMPENSATION TERMS OF YOUR INDEPENDENT CONTRACTOR AFFILIATION WITH COMPANY. ORIGINATOR IS RESPONSIBLE FOR UNDERTSTANDING, KNOWING, AND OPERATING IN COMPLIANCE WITH ALL STATE AND FEDERAL MORTGAGE FINANCE LAWS. ORIGINATOR AFFILIATION IS ON A PER TRANSACTION BASIS AND COMPANY MAY REVOKE THE AFFILIATION IN THE EVENT ORIGINATOR VIOLATES ANY FEDERAL OR STATE RESIDENTIAL LOAN ORIENTATION LAWS AND REGULATIONS OR FAILS TO MAINTAIN COMMON INDUSTRY STANDARDS OF PROFESSIONALISM AS OUTLINED BY THE NATIONAL ASSOCIATION OF MORTGAGE BROKERS AND RESPECTIVE STATE MORTGAGE PROFESSIONAL ASSOCIATIONS.

The laws of the State of California shall govern the interpretation, the validity, performance and enforcement of this Agreement. In the event any term, covenant or condition of this Agreement or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this Agreement, or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant or condition of this Agreement shall be valid and enforceable to the full extent permitted by law. This agreement shall supersede any prior agreements between company and originator.

IN WITNESS WHEREOF, the parties have hereunto set their hands to this Agreement the day and date first above written.

Bankers Home Loans

_____	_____	_____	_____
Broker/ Office Manager	Date	Loan Originator (Signature)	Date

		NMLS Originator ID	

		Loan Originator (Print Name)	

Initial _____

ORIGINATION DISCLOSURE

In the determination of whether payments from lenders to mortgage brokers are permissible under Section 8 of RESPA, HUD identified the following services normally performed in the origination of a loan:

- (a) Taking information from the borrower and filling out the application;
- (b) Analyzing the prospective borrower's income and debt and pre-qualifying the prospective borrower to determine the maximum mortgage that the prospective borrower can afford;
- (c) Educating the prospective borrower in the home buying and financing process, advising the borrower about the different types of loan products available, and demonstrating how closing costs and monthly payments could vary under each product;
- (d) Collecting financial information (tax returns, bank statements) and other related documents that are part of the application process;
- (e) Initiating/ordering VOEs (verifications of employment) and VODs (verifications of deposit);
- (f) Initiating/ordering requests for mortgage and other loan verifications;
- (g) Initiating/ordering appraisals;
- (h) Initiating/ordering inspections or engineering reports;
- (i) Providing disclosures (truth in lending, good faith estimate, others) to the borrower;
- (j) Assisting the borrower in understanding and clearing credit problems;
- (k) Maintaining regular contact with the borrower, realtors, lender, between application and closing to apprise them of the status of the application and gather any additional information as needed;
- (l) Ordering legal documents;
- (m) Determining whether the property was located in a flood zone or ordering such service; and
- (n) Participating in the loan closing.

The Loan Originator certifies that he/she will take or assist the borrower with the application information and perform all applicable items on the list above.

Loan Originator (Signature) Date

Loan Originator (Print Name)

Initial _____