

From time to time, Broker may submit to Fremont Bank (“Bank”), for underwriting and funding by Bank, an application (“Application”) for 1-4 family residential first and second lien mortgage loans (“Loan”) that meet the eligibility requirements of the mortgage loan programs offered by Bank. Broker agrees to submit Applications to Bank, and Bank agrees to underwrite the Applications and, if approved, fund the Loans, in accordance with the terms and conditions set forth below.

Now, therefore, the parties agree as follows:

ARTICLE 1 – RESPONSIBILITIES OF BROKER

- 1.1 Duties of Broker.** With respect to each Application submitted by Broker to Bank, Broker shall:
- (a) Take information from the applicant(s) (collectively, “Applicant”) and fill out the Application;
 - (b) Perform at least five (5) additional services from the list in this paragraph (b), including at least one (1) non-counseling service. (The parentheticals indicate whether each particular service is considered to be a counseling or non-counseling service.):
 - (i) Analyze the Applicant’s income and debt and prequalifying the Applicant to determine the maximum mortgage that the Applicant can afford (counseling);
 - (ii) Educate the Applicant in the home buying and financing process, advise the Applicant about the different types of loan products available, and demonstrate how closing costs and monthly payments would vary under each product (counseling);
 - (iii) Collect financial information (tax returns, bank statements) and other related documents that are part of the application process (counseling);
 - (iv) Initiate or order verifications of employment and verifications of deposit (non-counseling);
 - (v) Initiate or order requests for mortgage and other loan verifications (non-counseling);
 - (vi) Initiate or order appraisals (non-counseling);
 - (vii) Initiate or order inspections or engineering reports (non-counseling);
 - (viii) If applicable, provide disclosures (Loan Estimate, Closing Disclosure and others) to the Applicant (refer to Section 1.4 below; non-counseling);

- (ix) Assist the Applicant in understanding and clearing credit problems (counseling);
 - (x) Maintain regular contact with the Applicant, realtors and lender between application and closing to apprise them of the status of the application and to gather any additional information as needed (counseling);
 - (xi) Order legal documents (non-counseling);
 - (xii) Determine whether the property is located in a flood zone or ordering that service (non-counseling); or
 - (xiii) Participate in the loan closing (non-counseling);
- (c) Submit to Bank the Mortgage Application Package, as set forth in Section 1.3 below; and
- (d) Perform any other service as Bank may from time to time reasonably request.

1.2 Pricing. Bank shall provide Broker with Loan pricing information by telephone, e-mail, website or facsimile. Broker may submit an Application to Bank or, if offered by Bank, lock-in an interest rate with Bank by following such procedures as Bank may from time to time specify.

1.3 Mortgage Application Package. Broker shall provide, or cause to be provided to Bank, an application package (“Mortgage Application Package”) for each Application submitted to Bank under this Agreement by secure email or through Bank’s online MORRIS Broker Portal within 24 hours of receiving an Application, regardless as to whether Broker or Bank will provide the Loan Estimate and Written List of Service Providers (WLSP) to the Applicant, as set forth in paragraph 1.4 below. Each Mortgage Application Package shall include the following at a minimum:

- (a) Applicable loan submission form, as required by Bank (not applicable to Portal submissions), which must include fee break down provided by the title company that itemizes title and escrow fees associated with the transaction;
- (b) A completed Uniform Residential Loan Application (Form 1003) signed by Applicant and Broker and or Loan Originator (as defined below), including the unique identification number under the Nationwide Mortgage Licensing System and Registry (NMLS) of the individual mortgage loan originator who took the Application. The Loan Originator and individual mortgage loan originator must be authorized to represent the Broker and in good standing;
- (c) Any DO/DU or 3.2 Findings assigned to Bank;
- (d) A completed Uniform Underwriting and Transmittal Summary (Form 1008);

If applicable, a completed Wholesale Rate Lock Request (Form WH-11), unless submitted through the online Portal; and

- (e) If applicable (refer to Section 5.2(i) below), such as when requesting rate lock, an appraisal authorization or regulatorily compliant appraisal unless submitted through the online Portal.

Broker shall be responsible for causing each Application and supporting documentation to be prepared accurately and in accordance with Bank's policies and procedures in effect at the time the Application is made. It is understood and agreed that Bank will not collect, hold or be responsible for the disbursement of any Applicant trust funds.

1.4 Broker's Disclosure Duties. As applicable, Broker must:

- (a) Submit the Mortgage Application Package and any information Bank reasonably requires, as amended from time to time, by secure email or through the Bank's online MORRIS Broker Portal within 24 hours of receiving an Application to enable Bank to issue the Loan Estimate and Written list of Service Providers or WLSP;
- (b) Provide a Loan Estimate and WLSP to the Applicant in strict compliance with Regulation Z 12 CFR Sections 1026.19 and 1026.37. In this case, Broker agrees:
 - (i) To provide the Applicant with good faith estimates of the information and figures stated in the Loan Estimate, which means that if any information necessary for an accurate disclosures is unknown to Broker, Broker must make the disclosure based on the best information reasonably available. This 'reasonably available' standard requires Broker, acting in good faith, to exercise due diligence in obtaining information (for example, looking to the consumer for the time of consummation, to insurance companies for the cost of insurance, to realtors, title or settlement agents for taxes and escrow fees, to settlement agents for settlement fees). If after contacting said persons at least twice, Broker cannot obtain such information from that person, it must base its estimates on similar transactions in the locality and will provide Bank documentation demonstrating that basis (with any personal identifying information or the like redacted, in conformance with applicable federal and state privacy law and regulations (refer to Section 9.4 below));
 - (ii) If Bank permits Applicant to shop for a settlement service, provide the Applicant with a WLSP in conformance with Regulation Z 12 CFR Section 1026.19(e)(1)(vi);
 - (iii) To submit a copy of each Loan Estimate and WLSP to Bank either by a secure email or through Bank's online MORRIS Broker Portal within 24 hours of sending the Loan Estimate and WLSP to the Applicant; and

- (iv) Provide any other applicable disclosures required to be provided to Applicant within the timeframe dictated by federal and state laws that govern and regulate those disclosures.

- 1.5 Conflict of Interest.** Broker shall not serve as a real estate agent or earn a sales commission on any transaction for which Broker is serving as the mortgage broker without the prior written consent of Bank. Broker must notify Bank in writing if it is serving in such dual capacity at the time Broker submits the Application to Bank and must submit to Bank a copy of any disclosure of its dual capacity that Broker is required by applicable law to provide to Applicant.
- 1.6 Quality Control Program.** Broker shall maintain a quality control program (the "Quality Control Program"), which shall be acceptable to, and comply with all applicable requirements of, Bank. Bank reserves the right to change its requirements for the Quality Control Program at any time and for any reason, effective upon notice to Broker. Upon prior written notice, Bank may conduct an audit of Broker to verify the existence and implementation of the Quality Control Program. As Bank may from time to time request, including, without limitation, during the initial due diligence and approval of Broker, Broker shall promptly provide Bank with a detailed written description of its Quality Control Program.
- 1.7 Fidelity Bond and/or Errors and Omissions Policy.** If Broker maintains a fidelity bond and/or errors and omissions policy, Broker shall name Bank as an additional insured.
- 1.8 Affiliate Disclosure.** Broker shall disclose in writing to Bank, and to Applicant as may be required by applicable law, such information as may be required by Bank or applicable law (including, without limitation, the name, address, primary manager and participating or ownership interest that Broker has) in any other company or service ("Affiliate"), regardless of whether the Affiliate is providing products or services related to any Loan transaction contemplated hereunder. Broker shall not use any Affiliate to provide products or services related to any Loan transaction unless approved in writing by Bank, and in no event shall Bank's receipt of information from Broker related to any Affiliate constitute Bank's approval of the Affiliate.
- 1.9 Document Retention.** Broker shall maintain a sufficient document retention program for Applications submitted to Bank, regardless of whether the Loan is actually funded by Bank. The document retention program shall, at a minimum, provide for the retention of documents related to Applications for the period(s) of time required by applicable state and federal law and shall otherwise comply with all applicable laws. Without limiting the foregoing, Broker must retain the Loan Estimate and evidence of compliance with Regulation Z 12 CFR Sections 1026.19(e) and 1026.37 for three years after consummation of the transaction. To the extent Broker retains, or is required to retain, possession of any document related to a Loan and Bank determines that it needs such document, upon request of Bank, Broker shall promptly provide such document to Bank.

- 1.10 Review of Broker.** As may be required by Bank from time to time, Broker shall cooperate with and provide all information, documents and reports reasonably requested by Bank so that Bank may conduct a review of Broker and its operation. Such information, documents and reports may include, but shall not be limited to, financial reports, copies of any required bonds or insurance coverages and any approvals with applicable governmental agencies.
- 1.11 Compliance with Requests for Missing or Additional Documentation.** Broker shall comply with any requests by Bank for missing, corrected or additional documentation related to a Loan. Broker shall comply with any such requests as soon as possible, regardless of whether the request was made prior to or after the closing of the related Loan, but, unless otherwise agreed by Bank, Broker shall comply with any such request no later than ten (10) business days after its receipt of a request from Bank.
- 1.12 Customer Complaints.** Broker shall promptly notify Bank no later than five (5) business days after Broker's receipt of any oral or written Customer complaints related to the Bank or the services provided by Broker under this Agreement or related to the conduct of a Bank or Broker Representative that Broker receives or becomes aware of. Bank shall be solely responsible for responding to such complaints. However, when requested by Bank, Broker will assist Bank in preparing the response.
- 1.13 Compliance with Bank's Policies and Procedures.** Broker shall comply with all other applicable policies and procedures of Bank, including without limitation the fair lending requirements set forth under Section 9.3 of this Agreement.

ARTICLE 2 – UNDERWRITING

- 2.1 Underwriting the Loans.** Upon receipt from Broker of a complete Mortgage Application Package, Bank shall evaluate the Application under applicable underwriting guidelines in effect from time to time. Bank may, in its discretion, notify Broker of any underwriting or documentation deficiencies with respect to any Mortgage Application Package or may decline the Application. Broker acknowledges that Bank may rely on the contents of the Mortgage Application Package submitted by Broker and may assume the authenticity and accuracy of all signatures and information contained therein. Bank's conduct or non-conduct of an investigation with respect to such materials, signatures and information shall not affect or modify the representations and warranties made by Broker under Article 5 below or the rights and remedies available to Bank for a breach thereof.
- 2.2 No Liability.** Bank shall have no liability to Broker for Bank's failure to underwrite any Application in accordance with the applicable guidelines except to the extent such failure constitutes willful misconduct by Bank.

ARTICLE 3 – LOAN APPROVAL AND FUNDING; FEES TO BROKER

- 3.1 Approval of Loans by Bank.** Notwithstanding anything to the contrary in this Agreement, Bank shall have no obligation to approve any Application or fund any

Loan submitted to it by Broker and may reject any Application or Loan, in Bank's sole discretion. With respect to any Application approved by Bank for funding, Bank may require the Applicant or Broker to comply with certain conditions, as set forth in writing to Broker, prior to funding of the Loan. Bank shall not fund any Loan until all such conditions have been satisfied by Broker or waived in writing by Bank, or may revoke any approval, with or without cause, upon oral or electronic notice to Broker.

- 3.2 Notice of Adverse Action.** If Bank rejects an Application for funding or makes a counteroffer to Applicant, Bank shall prepare in Bank's name and deliver to Applicant a notification of adverse action in accordance with the Equal Credit Opportunity Act.
- 3.3 Closing.** All Loans approved by Bank for funding shall be closed in accordance with Bank's written closing instructions and on closing documents prepared by Bank or any Bank-approved document vendor. Bank shall provide the settlement agent, aka escrow or title company, with the appropriate closing documents as soon as practicable after all applicable conditions to closing have been satisfied.
- 3.4 Funding.** Each Application approved by Bank for funding shall be closed in the name of Bank. No Loans will be table funded (closed in the name of Broker). Bank will fund each approved Loan as soon as practical following receipt of all closing documents, properly completed and signed (and notarized, where applicable), including, but not limited to:
- (a) Mortgage, deed of trust, or other security instrument ("Mortgage"), naming Fremont Bank, as applicable, as the lender or beneficiary;
 - (b) Mortgage note naming Fremont Bank as the payee ("Note");
 - (c) All required property and casualty insurance policies naming Fremont Bank and its successors and assigns, as applicable, as an additional loss payee;
 - (d) A Closing Disclosure under Regulation Z and all other required disclosure statements;
 - (e) Evidence of title insurance acceptable to Bank; and
 - (f) Any other documents or items required by Bank in its reasonable discretion.
- 3.5 Broker's Fee.** Upon the successful funding of a Loan as to which Broker provided the services in Section 1.1 of this Agreement, and subject to Broker's compliance with every other term and condition of this Agreement, Bank shall pay Broker the fee in the amounts as provided for in Broker Compensation Agreement ("Fees").
- (a) All Fees shall be calculated as a fixed percentage of the amount of credit extended, subject to any agreed upon dollar minimums or maximums, and further subject to all of the restrictions of Section 1026.36(d) of Regulation Z, as amended from time to time, and Section 1403 of the Dodd-Frank Act, or other applicable law (collectively, "Broker Compensation Rules").

- (i) Without limiting the foregoing, no Fee or other compensation to Broker may be based on a Loan's interest rate, "points," fees or other terms or conditions, or any proxy for the terms or conditions (including, without limitation, the Applicant's credit score), to the extent prohibited by the Broker Compensation Rules.
 - (ii) Broker and Bank may agree to revise the fixed percentage or amount of the Fees from time to time by signed amendments to the Broker Compensation Agreement, but not in such a way as to cause Broker's Fees to be based, in whole or in part, on the terms or conditions of any Loan.
- (b) Broker may not pay any compensation to its employees or sub-contractors which Broker could not receive directly under this Agreement or applicable law.
 - (c) For purposes of this Section 3.5, any affiliate of Broker shall be treated as the same person as Broker.
 - (d) No Broker Party (as defined below) may accept any compensation directly from the Applicant on the Loan, as prohibited by Section 1026.36(d)(2) of Regulation Z. For purposes of this paragraph 3.5(d), "compensation" does not include amounts a consumer may remit to Broker to pay or reimburse Broker for *bona fide* and reasonable amounts owed to third-party service providers, provided such payments are disclosed as required by law and only to the extent permitted by Broker Compensation Rules.
 - (e) Notwithstanding Section 3.5(d) above, Broker may not charge any fees to any Applicant for a credit report. Broker's exclusive source of payment for credit report charges shall be the reimbursement from Bank provided for, and as limited by, Section 3.7 below.

3.6 No Referral Fees. Broker shall be entitled to and shall receive no referral fees from Bank or its affiliates in connection with any Loan covered by the Real Estate Settlement Procedures Act (RESPA). Broker's fees under Section 3.5 above are not conditioned upon, and shall not be characterized as, payment for the referral of any Loan or other RESPA-covered business. Broker's Fees shall in no way be increased in contravention with applicable law, including being based on the value or number of Applications that Broker refers to Bank. Broker shall be entitled only to the Fees as compensation for services actually rendered as provided in Section 3.5 above.

3.7 Reimbursement of Credit Report Fees. In addition to the compensation provided for in Section 3.5 above, Bank will reimburse Broker for its actual costs of credit report fees on successfully closed and funded Loans, subject to a maximum of \$40 per individual borrower and \$80 overall per loan. These limits may be adjusted by Bank from time to time upon notice to Broker. Reimbursable credit-report fees are limited to the actual fees charged to Broker by the credit bureaus in connection with the subject Loan and must be evidenced by invoices from the credit bureaus, which

must be submitted to Bank prior to Bank issuing the Closing Disclosure. Bank will pay the reimbursement only if and when the related Loan closes. Broker may not charge the Applicant for any credit report fees whatsoever, whether reimbursed hereunder or not.

ARTICLE 4 – FHA LOANS

This Article 4 shall apply to Broker to the extent Broker intends to originate Loans that are eligible to be insured by the Federal Housing Administration (“FHA”, “FHA Loans”).

4.1 FHA Loan Correspondent.

- (a) **Relationship of the Parties.** In accordance with Bank’s participation in the FHA Direct Endorsement Program and pursuant to the regulations promulgated by the Department of Housing and Urban Development (“HUD”) including, but not limited to, 24 CFR Section 203.5, Broker is authorized to act as Bank’s loan correspondent solely for the purpose of processing, originating and insuring FHA Loans submitted to Bank for underwriting and funding. With respect to the origination of any FHA Loan, Broker is authorized to act as Bank’s loan correspondent only upon submission of such Mortgage Application Package to Bank for underwriting; prior to such time, Broker shall be acting as an independent mortgage broker when performing all functions with respect to such Loan. This loan correspondent relationship shall be solely for the benefit of Broker and Bank and not for the benefit of any third party. Broker shall not hold itself out to any third party as Bank’s loan correspondent and shall not advertise, publicize or discuss, in any manner whatsoever, the fact that Broker is acting as Bank’s loan correspondent with respect to the origination of any FHA Loan, without Bank’s express prior written consent.
- (b) **Application and Fees.** Broker shall, with Bank’s assistance, prepare for submission to HUD all paperwork required to complete the loan correspondent application. Broker shall be responsible for the payment of any application fees, annual fees and territorial fees that are required by HUD in order to maintain Broker’s status as an FHA loan correspondent in all territories in which it originates FHA Loans.

- 4.2 Mortgage Insurance Premium.** With respect to each FHA Loan funded by Bank, Bank shall deduct from the Loan proceeds the mortgage insurance premium and shall forward to HUD such premium together with the completed mortgage insurance package. In the event that HUD issues to Broker the OTMIP Statement of Account, the MIC or a suspense letter with regard to the issuance of a MIC, Broker shall forward same to Bank immediately. Broker agrees to cooperate with Bank in resolving any issues relating to suspension of HUD insurance.

ARTICLE 5 – WARRANTIES AND REPRESENTATIONS OF BROKER

5.1 Warranties and Representations Regarding Broker. Broker represents, warrants and covenants to Bank that, with respect to (i) itself, including each office or branch operated by Broker, (ii) any third party originating Loans under Broker's license ("Loan Originators") and (iii) the Loans, the following are true and correct as of the date hereof and shall remain true and correct during the term of this Agreement:

- (a) Broker and each Loan Originator is duly organized, validly existing and in good standing under the laws of the state of its incorporation or organization and is qualified and/or licensed as necessary to transact business in each state where property securing a Loan is located and otherwise complies with Section 9.8 below;
- (b) Broker and each Loan Originator possesses all necessary approvals, licenses (including without limitation licensing under the NMLS), permits, and authority (collectively, "License") to execute and deliver this Agreement and to engage in the activities contemplated by this Agreement, all such approvals, licenses and permits are in good standing, and is in full compliance in all respects with the rules, regulations and guidance of all regulatory and supervisory agencies having jurisdiction over Broker and each Loan Originator;
- (c) Broker and each Loan Originator is, and shall at all times remain, knowledgeable and in compliance with all federal, state and local laws and regulations, and any federal, interagency or state guidelines applicable to it and the operation of its business and as an FHA loan correspondent and/or VA authorized agent (if applicable), including, but not limited to, RESPA, the Home Ownership and Equity Protection Act, the Fair Credit Reporting Act, the Fair Housing Act, the Equal Credit Opportunity Act, the Truth in Lending Act, the Home Mortgage Disclosure Act and all regulations promulgated under each such law;
- (d) This Agreement, and all actions provided for herein, have been duly authorized by Broker's board of directors, if Broker is a corporation, or by such other individual(s) empowered and authorized to bind Broker, and Broker shall provide Bank with evidence reasonably satisfactory to Bank for such authorization;
- (e) Neither the execution of this Agreement nor the consummation of the transactions contemplated herein, nor the fulfillment of or compliance with the terms and conditions of this Agreement will conflict with or result in the breach of any term, condition or provision of Broker's certificate of incorporation, by-laws or other organizational document, any License, or any agreement to which Broker is a party or by which Broker is bound, or constitute a material default or result in an acceleration under any of the foregoing;
- (f) There is no suit, action, arbitration or legal, administrative or other hearing that would affect Broker's ability to perform its obligations hereunder;

- (g) Broker has not entered and has no plans to enter into any agreement, commitment or understanding to merge with or into, or sell all or substantially all of its assets to, any other person or entity or dissolve, liquidate or otherwise terminate its corporate or organizational rights, existence or franchise;
- (h) Broker has entered into a written services agreement with each Applicant if required by applicable federal or state law;
- (i) All documents submitted by Broker or Loan Originator in connection with any Mortgage Application Package are in every respect valid and genuine, being on their face what they purport to be, and all signatures on each Note and Mortgage are the true signatures of the appropriate Applicant; and
- (j) All information, reports or other documents furnished or to be furnished by Broker to Bank pursuant to this Agreement or in connection with Bank's review and approval of Broker are true, correct and accurate and no such information, reports or other documents contain any untrue statement of fact or omits to state a fact necessary to make the statements contained therein not misleading.

5.2 Warranties and Representations Regarding Individual Loans. Broker represents, warrants and covenants to Bank that the following are true and correct with respect to each Loan as of the date Bank acquires or funds such Loan:

- (a) The terms of the Note or the Loan have not been impaired, waived, altered or modified in any respect, except by written instruments which have been disclosed to, and approved by, Bank (and any primary mortgage insurer, if applicable) in writing and which have been, or will be recorded if necessary to protect the interests of Bank;
- (b) The Loan and the related documents comply in all respects with the terms and conditions of this Agreement;
- (c) All representations and warranties made by Broker and all information contained in any documents submitted by Broker to Bank with respect to the Loan are true and correct in all material respects;
- (d) If the Loan is an FHA loan, it has been originated in conformance with all applicable FHA requirements. If the Loan is not a FHA loan, it has been originated in accordance with the requirements set forth by Bank.
- (e) If the Loan is a conventional conforming loan, it has been originated in conformance with all applicable Bank requirements and all applicable requirements of the Federal National Mortgage Association or any successor ("Fannie Mae") or Federal Home Loan Mortgage Corporation or any successor ("Freddie Mac") for sale to Fannie Mae or Freddie Mac or inclusion in a Fannie Mae or Freddie Mac mortgage backed securities pool, as applicable.

- (f) The Mortgage is a valid first or second lien (as applicable for the loan program under which the Loan was delivered) on the property that secures the Loan (the “Mortgaged Property”), and the Mortgaged Property is free and clear of all encumbrances and liens having priority over the Mortgage, subject to (i) the Bank-approved first lien, if any, (ii) the lien of current real property taxes and assessments not yet due and payable, (iii) covenants, conditions and restrictions, rights of way, easements and other matters of the public record as of the date of recording acceptable to mortgage lending institutions generally and specifically referred to in the lender’s title insurance policy delivered to the originator of the Loan and which do not adversely affect the appraised value of the Mortgaged Property, and (iv) other matters to which like properties are commonly subject which do not materially interfere with the benefits of the security intended to be provided by the Mortgage or the use, enjoyment, value or marketability of the related Mortgaged Property. No borrower or property owner has been released, in whole or in part, from the obligations set forth in the Note or Mortgage;
- (g) No action has been taken or failed to be taken, no event has occurred and no state of facts exists or has existed (whether or not known to Broker) that has resulted or will result in an exclusion from, denial of, or defense to coverage under (i) any primary mortgage insurance policy, if applicable; or (ii) if the Loan is a FHA Loan, any MIC or LGC, as applicable (including, without limitation, any exclusions, denials or defenses which would limit or reduce the availability of the timely payment of the full amount of the loss otherwise due thereunder to the insured or the holder of the MIC or LGC, if applicable) arising out of actions, representations, errors, omissions, negligence or fraud of Broker, related Mortgagor or any third party involved in the application;
- (h) All applicable federal, state and local laws, rules and regulations, including without limitation, RESPA, the Flood Disaster Protection Act, the Federal Consumer Credit Protection Act including the Truth-in-Lending and Equal Credit Opportunity Acts, the Federal Fair Housing Act, the Home Ownership and Equity Protection Act, Gramm Leach Bliley Act, and all applicable federal and state statutes or regulations governing fraud, lack of consideration, unconscionability, consumer credit transactions, consumer protection and consumer privacy, interest or other charges, licensing and mortgage insurance applicable to the Loan, including without limitation, the origination, servicing and collection thereof, have been complied with in all respects applicable to Broker. The Loan is not subject to the Federal Trade Commission’s “Preservation of Consumer’s Claims and Defenses Rule”, 16 CFR Part 433;
- (i) Broker has not ordered and will not order an appraisal on any property securing the Loan except to the limited extent permitted by Bank’s policies and procedures, and Broker has complied and will comply at all times with all applicable provisions and restrictions of any and all applicable current laws and regulations (including without limitations the prohibition against contacting appraisers); and

- (j) No error, omission, misrepresentation, negligence, fraud or similar occurrence with respect to a Loan, including without limitation, the related documentation has taken place on the part of any person, including without limitation, Broker, the Applicant, any builder or developer, or any other party involved in the origination of the Loan or in the application of any insurance in relation to such Loan.

ARTICLE 6 – PURCHASE AND INDEMNIFICATION

6.1 Purchase and Indemnification. Upon the occurrence of any Purchase Obligation (as defined below), Broker shall be obligated to purchase the related Loan(s) and indemnify Bank as to such Loans(s) as set forth below.

6.2 Purchase Obligations. Any of the following circumstances shall be considered a “Purchase Obligation”:

- (a) Bank reasonably determines that Broker has failed to observe or perform or has breached or breaches, any of the representations, warranties, covenants or agreements contained in this Agreement or any applicable policies and procedures with respect to any Loan. The warranties made by Broker are not limited to matters as to which Broker had actual knowledge. Further, untrue warranties can, at Bank’s discretion, be treated as a breach of contract resulting in the termination of this Agreement;
- (b) Bank receives a repurchase notification from any third-party investor which is based on actual or alleged fraud or misrepresentation by any party other than Bank, its agents, affiliates, successors, or assigns with respect to the Loan, regardless of whether Broker had actual knowledge of the fraud;
- (c) Bank reasonably determines that Broker has been materially negligent in conducting its responsibilities under this Agreement with respect to the Loan; or
- (d) Bank reasonably determines that Broker committed fraud or misrepresentation with respect to the Loan or otherwise aided, abetted or assisted in the commission of fraud or misrepresentation by any third party with respect to the Loan.

6.3 Demand for Purchase; Purchase Price; Purchase Procedures.

- (a) **Demand for Purchase.** In the event of an occurrence of any Purchase Obligation, upon the demand of Bank, Broker shall purchase the related Loan(s) (or, if the related Loan(s) has been foreclosed, the related Mortgaged Property) within thirty (30) days after Bank’s written demand therefore for an amount equal to the Purchase Price (as defined below). For the purpose hereof, the term “foreclosure” shall include judicial foreclosure, non-judicial foreclosure, deed in lieu of foreclosure, or any other mechanism of obtaining title to the Mortgaged Property.

- (b) **Purchase Price.** The purchase price for any Loan which Bank has demanded Broker to purchase (the "Purchase Price") shall be an amount equal to the sum of (a) the current unpaid principal balance of the Loan at the time of purchase (or at the time of the foreclosure sale date if the related Loan has been foreclosed); (b) accrued but unpaid interest on such principal balance at the Note rate from the paid-to-date of the Loan through and including the last day of the month in which the Purchase Price is paid; (c) all costs and expenses, including without limitation, reasonable fees and expenses of counsel, incurred by Bank as a result of Broker's breach of this Agreement or enforcing the terms of the Loan; (d) any premium paid by Bank in excess of the principal balance of the Loan at the time of purchase (excluding the service release premium) if Bank has not sold the Loan at the time of Broker's purchase or if Bank has sold the Loan and it is required to reimburse the purchaser the premium that the purchaser paid to Bank; (e) any unreimbursed advances made by Bank, including without limitation taxes or insurance or payments authorized by the Note or the Mortgage or law to protect Bank's interest in the Loan or related Mortgaged Property and (f) any other fees, costs or amounts relating thereto. The Purchase Price shall be reduced by (i) any proceeds of mortgage insurance collected by Bank with respect to the Loan that have not been applied to the unpaid principal balance; and (ii) if the Loan has been foreclosed and the Mortgaged Property has been sold to a third party, the proceeds of the sale price received by Bank net of all advances, costs and expenses, including but not limited to reasonable fees and expenses of counsel, incurred by Bank in connection with such sale.
- (c) **Purchase Procedures.** Upon Bank's receipt of the full Purchase Price, Bank shall execute and deliver to Broker (i) an assignment of the Mortgage, an endorsement to the Note, and the related Loan files and other Loan documents, each without representation, warranty or recourse, and (ii) if Bank previously foreclosed the Loan and at such time then owns the Mortgaged Property, a deed to the Mortgaged Property, without representation, warranty or recourse, and (iii) if Bank previously foreclosed the Loan but either sold the Mortgaged Property or another buyer purchased the Mortgaged Property at the foreclosure, an assignment of all deficiency obligations of the Mortgagor, without representation, warranty or recourse. With respect to the servicing of any Loan(s) purchased by Broker, Bank shall transfer such servicing, or cause such servicing to be transferred, to Broker or its designee. If Broker is unable to service any Loan(s) or does not have a designee for such servicing, Bank may, at its sole option, service such Loan(s) for a fee equal to Bank's then current rate until such time as Broker is capable of servicing such Loan(s) or designates a successor servicer. All costs of transferring servicing from Bank to Broker or its designee shall be borne by Broker, and Broker shall reimburse Bank for any costs incurred in connection therewith.
- (d) **Workouts, Foreclosures.** Broker's Purchase Obligation with respect to a Loan shall not be eliminated, reduced or otherwise modified as a result of any modification, workout or assumption of the Loan. Notwithstanding anything to

the contrary, in no event shall a full credit bid made by Bank or any related party at a foreclosure sale of any Mortgaged Property affect in any way the rights and remedies of Bank or the obligations of Broker under this Agreement, including, without limitation, the obligations of Broker to purchase and indemnify Bank as provided herein.

6.4 Request for Indemnification; Indemnification Agreement in lieu of Purchase.

- (a) **Indemnification.** Broker hereby agrees to indemnify and hold Bank and its officers, directors, employees, agents, shareholders and representatives, harmless from and against any and all claims, demands, liabilities, causes of action and expenses (collectively, "Claim"), including attorneys' fees actually incurred, relating to, arising out of or in connection with Broker's breach or alleged breach of any applicable law or regulation or any representation, warranty or covenant contained in this Agreement; provided, however, that Broker shall have no obligation to indemnify Bank to the extent the Claim is based on Bank's own gross negligence or willful misconduct.
- (b) **Indemnification Agreement in lieu of Purchase.** Without limiting the indemnification granted by Broker in Section 6.4(a) above, and at Bank's sole option and in lieu of purchasing the related Loan(s) subject to a Purchase Obligation, Bank may allow Broker to enter into a written indemnification agreement, in a form acceptable to Bank in its sole reasonable discretion, which requires Broker to indemnify Bank, including, without limitation, reimbursing Bank for any losses incurred by Bank as a result of such Purchase Obligation with respect to the related Loan(s).

6.5 Right of Offset. In addition to any other rights or remedies available to Bank under this Agreement or at law or equity, Bank shall have the right, at any time, and from time to time, without notice, to offset and apply any and all deposits of money or property or any other indebtedness at any time held or owing by Bank (collectively, "Deposits") to or for the credit of the account of Broker against and on account of the obligations and liabilities of Broker under this Agreement or any other agreement between Broker and Bank and/or between Broker and any of Bank's affiliates and/or subsidiaries, irrespective of whether or not Bank or its affiliates shall have made any demand hereunder and whether or not said obligations and liabilities shall have matured. For purposes of the foregoing, the determination as to whether Broker has any obligations and liabilities under this Agreement or any other agreement between Broker, Bank or its affiliates and the extent of such obligations and liabilities shall be made by Bank in its sole and reasonable discretion.

To secure its obligations under this Section 6.5, Broker grants a security interest in all Deposits to Bank.

6.6 Early Payoff. If a Loan funded by Bank is paid off in full within one hundred eighty (180) days of the funding of such Loan for any reason, Broker shall pay to Bank the greater of: (a) any credit for the rate paid by Bank to the borrower or Broker, in the aggregate; or (b) one percent (1%) of the Loan amount within ten (10) days after notice of early payoff by Bank.

6.7 Survival. The provisions of this Article 6 shall survive any Loan closing and assignment thereof.

ARTICLE 7 – TERMINATION

7.1 Termination. Either party may terminate this Agreement at any time with or without cause, which termination shall be effective immediately upon the other party's receipt of written notice thereof. All representations and warranties made herein and the parties' rights and obligations under Section 2.2 and Articles 6 and 7 of this Agreement shall remain in full force and effect notwithstanding any termination of this Agreement. Unless otherwise agreed to in writing by the parties, Bank may, in its sole discretion, complete underwriting of any Mortgage Application Package submitted by Broker prior to the date of termination and shall approve or reject funding of such Loans in accordance with the terms of this Agreement.

ARTICLE 8 – GENERAL

8.1 Loan Originators. Broker shall notify Bank in the event Broker intends to originate Loans through multiple locations or branches or Loan Originators. Broker agrees to provide Bank with such information as Bank may reasonably request regarding such locations and Loan Originators and to cause each Loan Originator to sign, prior to originating any Loans hereunder, a statement whereby Loan Originator agrees to comply with and be subject to the terms and conditions of this Agreement. Notwithstanding anything to the contrary contained in this Agreement, Broker shall be liable for the acts and omissions of its officers, employees and agents, including, without limitation, Loan Originators.

8.2 Notification of Change in Status. Broker shall immediately notify Bank in the event (a) Broker changes the name and/or address under or from which it conducts business; (b) there is a change of ownership or broker of record; (c) Broker fails to be in compliance with qualification or licensing laws of any jurisdiction where it conducts business; or (d) Broker files for bankruptcy protection or is a party to any similar proceeding.

8.3 Relationship of the Parties. Bank and Broker acknowledge and agree that at all times they are operating as independent parties. This Agreement is for the sole and exclusive benefit and obligation of the parties hereto and nothing contained herein shall be construed to give any party, other than Bank and Broker, any legal or equitable right, remedy or claim under or in connection with any provision of this Agreement. Nothing contained herein shall constitute a partnership or joint venture between Bank and Broker and neither party shall at any time hold itself out as an agent or employee of the other. Broker and Loan Originator shall have no authority to:

- (a) Pledge the credit of Bank or any of its employees;
- (b) Bind Bank to any contract or agreement, written or oral, with any person or entity; or

(c) Represent to any person or entity that Broker is an employee of Bank or has the authority to bind Bank to any contract or agreement.

- 8.4 Bank's Trademarks.** Broker shall not use Bank's name, trademarks or service marks in any manner, including, without limitation, in any advertising or marketing materials without Bank's prior express written consent.
- 8.5 Non-Exclusive Arrangement.** Broker shall not be obligated to submit any or all Applications to Bank, it being understood that this is a nonexclusive agreement.
- 8.6 Governing Law.** This Agreement shall be governed by and construed and enforced under the laws of the State of California, without regard to its conflict of laws principles. In the event of any lawsuit or other proceeding relating to this Agreement, each party hereby consents to the exclusive jurisdiction of the state and federal courts located in the County of Alameda, State of California.
- 8.7 Notices.** Except where telephonic instructions or notices are authorized herein to be given, all notices, demands, instructions and other communications required or permitted to be given to or made upon any party hereto shall be in writing and mailed (registered or certified mail, return receipt requested, postage prepaid), sent by commercial overnight delivery (charges prepaid), or sent by email (and confirmed by return email), or personally delivered, addressed to the respective party at the address or facsimile number set forth below:

To Bank: Fremont Bank
2580 Shea Center Dr.
Livermore, CA 94551
Attn.: Wholesale Broker Approval Department
Email: brokermanagement@fremontbank.com

To Broker: _____

Attention To: _____

Street Address: _____

City, State, ZIP: _____

Email: _____

Notices delivered personally shall be effective upon delivery. Notices transmitted by email shall be effective when transmitted. Notices delivered by registered or certified mail or overnight delivery shall be effective on the date set forth on the delivery receipt, or the third business day after mailing, whichever is earlier. Each party shall provide written notice to the other of a change in its address, telephone number, email address or facsimile number.

- 8.8 Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

Notwithstanding the foregoing, Broker may not transfer or assign any of its obligations, rights or interests under this Agreement without the prior written consent of Bank, and any attempted or purported assignment without such consent shall be null and void.

- 8.9 Severability.** If any term, clause or provision of this Agreement shall be deemed invalid or unenforceable for any reason, the remainder of this Agreement shall remain valid and enforceable in accordance with its terms. The invalidity or unenforceability of any term, clause or provision in one jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.
- 8.10 Waiver.** No waiver of any provision of this Agreement or of the rights and obligations of the parties shall be effective unless in writing and signed by an authorized representative of the party waiving compliance. Any such waiver shall be effective only in the specific instance and for the specific purpose stated in such writing.
- 8.11 Attorneys' Fees.** If any claim, legal action or any arbitration or other proceeding is brought for the enforcement of this Agreement or because of an alleged dispute, breach, default or misrepresentation in connection with any of the provisions of this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees, including the allocable costs of in-house counsel, and other costs incurred in that claim, action or proceeding, in addition to any other relief to which such party may be entitled.
- 8.12 Cooperation.** The parties hereto each agree to use commercially reasonable efforts to cooperate fully with each other to perform all their duties hereunder and effectuate the purposes and intents of this Agreement; such cooperation shall include, but shall not be limited to, the correction of errors that may have arisen in connection with the origination of any Loan and provision of any and all information that may be requested regarding any of the Loans underwritten pursuant to this Agreement.
- 8.13 Entire Agreement.** This Agreement is the final and exclusive statement of all agreements and understandings between the parties with respect to the subject matter described herein and all oral and written correspondence relating to the subject matter hereof, and any previous agreements entered into between Broker and Bank regarding the same subject matter are superseded by this Agreement. No change, modification or alteration of this Agreement shall be effective unless in writing and signed by both parties.
- 8.14 Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one instrument. Facsimile signatures shall be deemed valid and binding to the same extent as the original.
- 8.15 Sharing Information Related to Broker.** Broker acknowledges and agrees that Bank may share any information it obtains, from Broker or otherwise, in connection with Bank's review and approval of Broker including, without limitation, any financial

reports with respect to Broker or any Application or Loan submitted to Bank, with any of its subsidiaries or affiliates. Broker authorizes Bank to release to First American Mortgage Solutions, including Third Party Review (TPR) and Interthinx® FraudGuard®, Comergence Compliance or any other third party, any and all information that may be required for the purpose of the initial broker/correspondent approval and periodic reviews of approved status.

8.16 Changes, Updates and Amendments to Agreement. From time to time, and upon at least thirty (30) days prior notice to Broker (unless a shorter notice period is mandated by regulatory action), Bank may change, update, and add to or amend the terms and conditions of this Agreement. Broker will be bound by such changes upon the effective date of the notice without further need for acknowledgement or signature by Broker.

ARTICLE 9 – REGULATORY COMPLIANCE

9.1 Communications with Broker. Broker acknowledges and agrees that Bank may communicate with Broker and provide Broker with information related to this Agreement or otherwise by any means legally permissible, including, without limitation, telephone, electronic mail and facsimile. To the extent Bank is required by applicable law to obtain Broker's prior consent to receive such communications from Bank via any such means, Broker hereby grants Bank such prior consent and Bank shall not be required to obtain any additional consents from Broker. By way of example but not limitation, Broker consents and agrees that Bank may provide Broker with Loan pricing information and other information related to Bank's loan programs to the postal or electronic email address provided by Broker under the heading "Notices" on Article 8.7 of this Agreement or any other postal or electronic email address or facsimile or telephone number that Broker may provide to Bank for such purpose and that Bank shall not be required to obtain any additional consents from Broker.

9.2 Examination and Oversight by Regulators. Broker agrees that the services provided by Broker to Bank under this Agreement may be subject to regulatory examination and oversight, including, without limitation, examination and oversight by the Federal Deposit Insurance Corporation ("FDIC") and the Consumer Financial Protection Bureau ("CFPB"). Broker shall comply with all regulatory requirements of Bank and Broker shall grant regulatory agencies, including, but not limited to the FDIC and the CFPB the right to audit the books and records of Broker during the term of this Agreement and for a period of two (2) years thereafter, in order to monitor or verify Broker's performance under and compliance with the terms of this Agreement.

9.3 Fair Lending.

(a) Broker agrees to: (i) operate in accordance with the letter and spirit of all state and federal fair lending laws and regulations (including the Fair Housing Act and Equal Credit Opportunity Act) (and, per Section 1.13 above, Bank's policies and procedures respecting fair lending); (ii) implement policies and procedures, and train its principals, employees, affiliates, agents and sub-

contractors (collectively, "Related Parties") about fair lending practices and the above laws and regulations; (iii) monitor Applications for fair lending performance in conformity with the above laws and regulations; (iv) submit evidence of compliance with paragraphs (i) through (iii) preceding upon Bank's request; (v) be subject to fair lending monitoring by Bank on an annual basis or more often if Bank reasonably deems it necessary; (vi) advise Bank immediately upon ascertaining any violation of the above laws by Broker or any Related Party; and (vii) if Bank's review of Broker discloses any statistically significant Broker fee disparities, or other disparities as to the cost of credit, that positively correlate with a prohibited basis or bases under the fair lending laws, provide Bank with non-discriminatory reasons for those disparities and immediately take any corrective action specified by Bank.

- (b) Broker will also comply with the following provisions of the FDIC's Fair Housing regulation: nondiscriminatory advertising; display of the equal housing lender or equal opportunity poster; recordkeeping requirements; and maintaining the HMDA-LAR if Broker is otherwise subject to HMDA and Regulation C. Broker further agrees that it will not include any human models in any advertising that indicate that indicate or may reasonably be taken to indicate any discriminatory preferences.

9.4 Privacy. Broker shall not, without Bank's prior written consent, disclose any non-public information about any Applicant or any other consumer ("Nonpublic Personal Information") to any third party without Bank's and the Applicant's express prior written consent or as otherwise permitted under applicable law. Broker acknowledges the high priority Bank places upon the privacy of its consumers and customers. Without limiting the foregoing, Broker shall comply with any applicable privacy standards or procedures promulgated by Bank from time to time, including any requirements under Title V of the Gramm-Leach-Bliley Act, 15 USC 6801(b) ("GLB Act"), or other privacy laws or regulations.

9.5 Information Security. As regards Nonpublic Personal Information, Broker represents and warrants that:

- (a) It has implemented appropriate measures designed to meet the objectives of Section 501(b) of the GLB Act and of the Interagency Guidelines Establishing Information Security Standards issued by the federal banking agencies under Section 501(b) ("Information Security Guidelines").
- (b) It has implemented a comprehensive written information security program for Nonpublic Personal Information that includes administrative, technical and physical safeguards appropriate to the size and complexity of Broker and the nature of its activities.
- (c) Its information security program is designed to: (i) ensure the security and confidentiality of Nonpublic Personal Information; (ii) protect against anticipated threats or hazards to the security or integrity of Nonpublic Personal Information; and (iii) protect against any unauthorized access to or

use of Nonpublic Personal Information that could result in substantial harm or inconvenience to the related consumer.

- (d) It has implemented appropriate measures to properly dispose of any Consumer Information that it maintains or possesses in connection with any Application or Loan, in accordance with Section 628 of the Fair Credit Reporting Act (FCRA) and the Information Security Guidelines. If Broker cannot properly dispose of any Consumer Information, Broker must notify Bank and provide the Bank with the Consumer Information for proper disposal at Broker's expense.

As used in this Section 9.5(d), "Consumer Information" means any record about an individual or compilation of such records, whether in paper, electronic, or other form, that is a consumer report or is derived from a consumer report, as further defined in the Information Security Guidelines.

9.6 Anti-steering Compliance. In connection with any Application, Broker and any employee or sub-contractor of Broker (collectively, "Broker Party") shall not "steer" a consumer to consummate a Loan based on the fact that any Broker Party will receive greater compensation from the creditor in that Loan than in other transactions Broker Party offered or could have offered to the consumer, unless the consummated transaction is in the consumer's interest.

- (a) **Permissible Transactions.** Broker will present the consumer with loan options that meet the conditions in paragraph (b) below for each type of Loan (fixed-rate or variable-rate) in which the consumer expressed an interest.
- (b) **Loan Options.** Broker must obtain loan options from a significant number of the creditors with which Broker regularly does business and, for each type of transaction in which the consumer expressed an interest (fixed or variable), Broker must present the consumer with loan options that include:
 - (i) The Loan with the lowest interest rate;
 - (ii) The Loan with the lowest interest rate without negative amortization, a prepayment penalty, interest-only payments, a balloon payment in the first seven years of the life of the Loan, a demand feature, shared equity, or shared appreciation; and
 - (iii) The Loan with the lowest total dollar amount for origination points or fees and discount points.
- (c) Broker must have a good faith belief that the options presented to the consumer pursuant to paragraph (b) above are Loans for which the consumer likely qualifies.
- (d) For each type of transaction, if Broker presents to the consumer more than three options, Broker must highlight the Loans that satisfy the criteria specified in paragraph (b) above.

- (e) Broker shall provide written documentation, including copies of any disclosures of the Loan options given to the Borrower and evidence the Borrower selected the Loan made available by Bank, reasonably satisfactory to Bank evidencing Broker's compliance with this Section 9.6 as part of the Mortgage Application Package Broker submitted to Bank on each Application.
- (f) This Section 9.6 is intended to support compliance with the anti-steering rules in 12 CFR Section 1026.36(e) of Regulation Z and shall be interpreted consistently with the regulation as interpreted or amended from time to time by the CFPB. Nonetheless, compliance with the anti-steering rules is the sole responsibility of Broker.

9.7 Anti-money laundering ("AML") and Suspicious Activity Report ("SAR") filing program. If Broker is a bank or other depository institution, Broker agrees to comply with all AML and SAR requirements applicable to it with respect to the Applications and Loans submitted to Bank under this Agreement.

If Broker is not a depository institution, Broker shall have adopted an AML program and file SARs as required by the regulations of the Financial Crimes Enforcement Network ("FinCEN" and "FinCEN Rules"), as may be amended from time to time. In particular Broker shall comply with the FinCEN Rules at 31 CFR Part 1029--Loan or Finance Companies, as applicable to a "residential mortgage lender or originator" ("RMLO"), as defined at 31 CFR Section 1010.100(III). Broker acknowledges that its activities under this Agreement come within the definition of a "residential mortgage originator" under the FinCEN Rules.

- (a) **AML Program.** Prior to accepting Applications, Broker shall have adopted an AML program. Without limiting the foregoing Broker's AML program shall include the following:
 - (i) Policies, procedures and internal controls based upon the RMLO's assessment of money laundering and terrorist financing risks associated with products and services offered or provided by the RMLO;
 - (ii) Designate a compliance officer responsible for ensuring that the AML program: (A) is implemented effectively, including monitoring compliance by the RMLO's agents and brokers with obligations under the program; (B) is updated as necessary; and (C) provides for on-going training of appropriate personnel; and
 - (iii) Provide for independent testing, including testing to determine compliance of the RMLO's agents and brokers with obligations under the program. The program must be approved by the RMLO's senior management and a copy must be made available to FinCEN or Bank upon request.
- (b) Broker shall file SARs with FinCEN as required by 31 CFR Section 1029.320. Where permitted or required by FinCEN Rules such filing may be in electronic

form. Broker shall keep all SARs strictly confidential and shall not copy or show them to Bank or any other third party unless expressly permitted by the FinCEN Rules.

9.8 Loan Originator Qualification Requirements. Broker covenants to meet the loan originator qualification requirements under Regulation Z 12 CFR Section 1026.36(f), as applicable, including the following:

- (a) **Registered or Licensed.** When required by applicable state or federal law, Broker will be registered and licensed in accordance with those laws, including the Secure and Fair Enforcement for Mortgage Licensing Act of 2008 (SAFE Act, 12 U.S.C. 5102 *et seq.*), its implementing regulations (12 CFR Part 1007 or Part 1008), and state SAFE Act implementing laws (collectively, “SAFE Act Laws”). Furthermore, Broker will ensure that each individual loan originator who works for the Broker is licensed or registered to the extent the individual is required to be licensed or registered under the SAFE Act Laws before the individual acts as a loan originator in a consumer credit transaction secured by a dwelling.
- (b) **Requirements for legal existence and foreign qualification.** Broker will comply with all applicable state law requirements for legal existence and foreign qualification.
- (c) **Non-licensed Loan Originator Employees.** For each of its individual loan originator employees who is not required to be, and is not, licensed as a loan originator under the SAFE Act Laws, Broker will:
 - (i) Obtain for any individual whom the Broker hired on or after January 1, 2014 (or whom the Broker hired before this date but for whom there were no applicable statutory or regulatory background standards in effect at the time of hire or before January 1, 2014, used to screen the individual (a “Pre-Rule Non-Screened Employee”) and for any individual regardless of when hired who, based on reliable information known to the Broker, likely does not meet the standards under paragraph (ii) below (“Designated Employee”), before the individual acts as a loan originator in a consumer credit transaction secured by a dwelling:
 - (A) A criminal background check through the NMLS or, in the case of an individual loan originator who is not a registered loan originator under the NMLS, a criminal background check from a law enforcement agency or commercial service;
 - (B) A credit report from a consumer reporting agency described in section 603(p) of the Fair Credit Reporting Act (15 U.S.C. 1681a(p)) secured, where applicable, in compliance with the requirements of section 604(b) of the Fair Credit Reporting Act, 15 U.S.C. 1681b(b); and

- (C) Information from the NMLS about any administrative, civil, or criminal findings by any government jurisdiction or, in the case of an individual loan originator who is not a registered loan originator under the NMLS, such information from the individual loan originator;
- (ii) Determine on the basis of the information obtained pursuant to paragraph (i) above and any other information reasonably available to the Broker, for any individual whom the Broker hired on or after January 1, 2014, any Pre-Rule Non-Screened Employee, and any Designated Employee, before the individual acts as a loan originator in a consumer credit transaction secured by a dwelling, that the individual loan originator:
 - (A) Has not been convicted of, or pleaded guilty or nolo contendere to, a felony in a domestic or military court during the preceding seven-year period or, in the case of a felony involving an act of fraud, dishonesty, a breach of trust, or money laundering, at any time;
 - (B) Has demonstrated financial responsibility, character, and general fitness such as to warrant a determination that the individual loan originator will operate honestly, fairly, and efficiently; and
- (iii) Provide periodic training covering federal and state law requirements that apply to the individual loan originator's loan origination activities.

9.9 NMLS Identification Number Disclosure. Broker agrees to disclose:

- (a) Its NMLS unique identifier as well as the individual loan originator's with primary responsibility for the Application and Loan on the Application, Loan Estimate (if Broker provides the Loan Estimate directly to the consumer), the Note, the Mortgage, all as required by Regulation Z 12 CFR Section 1026.36(g);
- (b) Its NMLS unique identifier on all advertisements, business cards, websites or any other medium used in connection with soliciting or processing an Application, even if not required by state or federal law or regulation; and
- (c) Its loan originator employees' NMLS unique identifier on any medium that provides the loan originator's contact information or otherwise identifies the loan originator and is used in connection with soliciting or processing an Application, even if not required by state or federal law or regulation.

9.10 Compliance. Upon request by Bank, Broker will provide to Bank evidence reasonably satisfactory to Bank to allow Bank to confirm that Broker has satisfied its obligations as required under this Article 9. Without limitation, this may include

Bank training records, review of audits, summaries of test results, and other equivalent evaluations of Broker.

IN WITNESS WHEREOF, Broker and Bank have caused this Broker Agreement to be executed as of the day and year written below.

BROKER:

Signature:

Name:

Title:

Date:

BANK:

FREMONT BANK

Signature:

Name:

Title:

Date:
