

WHOLESALE BROKER APPLICATION PACKAGE

Required Application Items

Please complete all fields and sign/date all pages where applicable. Failure to do so will result in delays.

<input type="checkbox"/> Completed, signed dated Wholesale Broker Application
<input type="checkbox"/> Completed, unaltered, signed and dated Wholesale Broker Agreement
<input type="checkbox"/> Completed LOS Access List
<input type="checkbox"/> Completed Contact Information List
<input type="checkbox"/> Completed, signed and dated Compensation Policy and Agreement
<input type="checkbox"/> Completed, signed and dated Lender Paid Compensation Agreement
<input type="checkbox"/> Completed, signed and dated Broker's Compliance Attestation
<input type="checkbox"/> Completed, signed and dated W-9 Request for Taxpayer ID # and Certification
<input type="checkbox"/> Completed, signed and dated VA Broker Sponsorship Agreement and Check (if applicable) (click this link)
Additional Required Documents (not included in this BFF packet)
<input type="checkbox"/> Financials (Balance Sheet and P&L) for full last year, as well as most recent quarter
<input type="checkbox"/> Articles of Incorporation for Corporation or Organization for LLC (if applicable)
<input type="checkbox"/> E&O Policy (if applicable)

If you have any further questions about documentation or the processing of your application, please be sure to contact your Account Executive.

Please return the completed application package and additional required documents via email to brokerapproval@bffws.com





BFF
 BROKERS FIRST FUNDING
 WHOLESALE BROKER APPLICATION

Account Executive	
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Application Information

The applicant named below is applying for approval as a Mortgage Broker with FlexPoint, Inc. dba Brokers First Funding (BFF).

Legal Name of Company	Company DBA (if applicable)
Company NMLS ID Number	Company Main Phone
Company Street Address	Company City, State and Zip
Broker of Record Name	Broker of Record Email Address
Main Contact (if different from above)	Main Contact Email (if different from above)
Company Tax ID Number/EIN	Company Date of Formation
Entity Type	VA Sponsorship ID (if applicable)

Disclosure / Due Diligence

Please read the following statements and indicate YES or NO for each. If any answer is YES, please include a detailed letter of explanation with your Broker Application Package. Sign below to certify truthfulness.

Has Company, its Principals, or Officers...	Yes	No
1. Within the last three (3) years, has the Applicant, its owners, its broker(s) of record or any of its employees(i) had any formal complaints filed against them with 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, (iii) had an order entered against them by a federal or state mortgage banking/broker regulatory authority or (iv) been denied, suspended or had a registration or license revoked by a federal or state mortgage banking/broker regulatory authority?	<input type="checkbox"/>	<input type="checkbox"/>
2. Has your company ever had unfavorable findings with regard to brokerage or mortgage operations or servicing activities included in any audit, examination or report by FHA, VA, Fannie Mae, Freddie Mac or any regulatory, supervisory, or investigating agency?	<input type="checkbox"/>	<input type="checkbox"/>
3. Has your company ever had unfavorable findings with regard to brokerage or mortgage operations or servicing activities included in any audit, examination or report by FHA, VA, Fannie Mae, Freddie Mac or any regulatory, supervisory, or investigating agency?	<input type="checkbox"/>	<input type="checkbox"/>
4. Has any owner, partner, officer, director, employee, or loan officer been affiliated with any company/business that was suspended by FHA, VA, Fannie Mae, or Freddie Mac and/or subject to any voluntary or involuntary bankruptcy proceedings?	<input type="checkbox"/>	<input type="checkbox"/>
5. Has the Applicant ever been suspended from brokering loans to another lender	<input type="checkbox"/>	<input type="checkbox"/>





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WHOLESALE BROKER APPLICATION

or had its approval status revoked by another lender?		
6. Has any owner, partner, officer, director, employee, or loan officer of your company ever been found guilty of a felonious criminal offense?	<input type="checkbox"/>	<input type="checkbox"/>
7. Is there any pending litigation involving the company or any of its owners, partners, shareholders, directors, officers, employees, or loan officers?	<input type="checkbox"/>	<input type="checkbox"/>
8. Has your company ever been denied, suspended, or disqualified by any MI companies?	<input type="checkbox"/>	<input type="checkbox"/>
9. Does Applicant have a due diligence process in place to ensure compliance with “high-cost” and “predatory lending” statutes for all applicable federal, state and, if necessary, local laws?	<input type="checkbox"/>	<input type="checkbox"/>
a. If Yes, please indicate a due diligence method		
b. If No, please indicate a reason.		
10. Have you been required to repurchase a loan(s) from lenders or investors in the past 12-months?	<input type="checkbox"/>	<input type="checkbox"/>
11. Has the company adopted a policy for verifying potential employees against the following industry exclusionary lists: GSA Excluded Parties List, HUD’s LDP List, FHFA’s Suspended Counterparty List and state specific debarment lists (e.g., CA, GA).	<input type="checkbox"/>	<input type="checkbox"/>
12. Has the company adopted a policy for the regular training of all employees in federal and state regulatory compliance including but not limited to the processing, tracking and resolution of client and employee complaints?	<input type="checkbox"/>	<input type="checkbox"/>





1. **PARTIES**

This Broker Agreement (hereinafter referred to as “Agreement”), is entered into this _____ day of _____, 20_____, with FlexPoint, Inc., dba Brokers First Funding (BFF), a California Corporation with its principal offices located at 250 East Baker Street, Suite 200, Costa Mesa, CA 92626 (hereinafter referred to as “BFF”), its predecessors, successors, assignors, and subsidiaries, and:

Table with 2 columns: Field Name, Value. Fields include Full Legal Name of Broker, Entity Type, State of Formation, Address, City, State and Zip.

(hereinafter referred to as “Broker”). BFF and Broker are also referred to herein individually as “Party” and collectively as “Parties.”

2. **SUBJECT MATTER OF AGREEMENT**

BFF is a mortgage company engaged in the business of, among other things, receiving loan application packages from mortgage brokers, such as Broker for funding consideration. The purpose of this Agreement is to set forth the Parties’ rights and obligations with respect to such loan application packages as Broker may from time to time submit to BFF for funding consideration.

3. **INTEGRATED AGREEMENT**

This Agreement, including any and all other materials that are incorporated into this Agreement by reference, as set forth below, is intended to and does set forth the entire understanding between the Parties with regard to the subject matter of this Agreement, and it replaces and supersedes all other prior or contemporaneous agreements or understandings between the Parties, whether written or oral, with regard to said subject matter. Except as expressly provided otherwise elsewhere in this Agreement, no amendments, supplements, addenda or waivers of any term or provision of this Agreement shall be valid or have any force or effect whatsoever unless set forth in writing, which is signed by an authorized representative of each of the Parties to this Agreement.

4. **NONEXCLUSIVE AGREEMENT**

Nothing contained herein shall obligate Broker to submit all the loan application packages in creates or generates to BFF, nor shall BFF be obligated to approve and/or fund any loan application package submitted to it by Broker, it being expressly understood by and between BFF and Broker that this is a nonexclusive Agreement.

5. **INDEPENDENT CONTRACT RELATIONSHIP**

Nothing contained herein shall constitute a partnership or joint venture between or among BFF and Broker. The Parties hereby expressly agree and acknowledge that, with regard to the subject matter of this Agreement, they are, and at all times shall be, governed by this Agreement, operating as independent contractors. Broker shall at no time and under no circumstances represent or hold itself out to any third party, either expressly or impliedly, as an agent or employee of BFF. Broker shall at no time make use of any trade or service mark or logo of BFF without express and specific written consent of BFF. Broker has



no authority, either expressly or impliedly, under this Agreement or otherwise, to enter into any contract or agreement with any third party by or on behalf of BFF.

6. GOVERNING LAW

This Agreement shall be governed by and construed under the laws of the State of California.

7. DUTIES OF BFF

7.1. Underwriting of registered loan applications: BFF or its agent shall underwrite every Application registered pursuant to this Agreement. BFF shall have no obligation to approve or close a Mortgage Loan which in its sole discretion does not meet BFF's Underwriting requirements. In making its determination, BFF expressly disclaims any conclusions Broker may draw as to the general quality or acceptability of the related Application. BFF retains sole and absolute discretion to reject any Application that does not comply with the terms and conditions of this Agreement or the Guidelines, or for any reason whatsoever (except any reason prohibited by law), and to set the terms and conditions of any approval of an Application. BFF shall notify Broker of the disposition of an Application as set forth in the Guidelines. Broker may not represent that BFF has approved or will approve any Application until BFF informs Broker in writing that it has done so. If BFF declines any Application, it will comply with regulations that require sending an Adverse Action Letter to the applicant. BFF will have no obligation or liability to Broker for any mortgage loan that is not closed by BFF nor for any delays in the processing of any Application.

7.2. Closing of Mortgage Loans: BFF shall proceed to the closing of the Mortgage Loan under the terms and conditions of its approval. BFF shall prepare the closing package and close the Mortgage Loan in its name and with its own funds. Notwithstanding the foregoing, if separately agreed to in a Correspondent Agreement signed by the parties, BFF may authorize Broker (a) to prepare the closing package for BFF's review, and/or (b) to close the Mortgage Loan in Broker's name.

7.3. Reporting untrue or Misleading Statements and Fraud: BFF will report any untrue statements or misrepresentations submitted by the Broker or related to any Mortgage Loan Document to the appropriate law enforcement agencies and regulators as per state and federal requirements. Mortgage fraud is a felony in many states and BFF will comply with reporting requirements and will cooperate in any bona fide investigations. Reporting includes any suspicious activity that would qualify for reporting to the Financial Crimes and Enforcement Network (FinCen). BFF will also report fraud and misrepresentation to the Mortgage Asset Research Institute (MARI). Whether the Broker has knowledge of untrue and misleading statements is not relevant to the reporting requirements of BFF.

8. AGREEMENTS, REPRESENTATION, AND COVENANTS OF BROKER

In consideration for the Agreement of BFF to receive from Broker and consider for funding such loan application packages as Broker may from time to time submit to BFF, Broker hereby agrees, represents, and covenants, as the case may be, as follows:

- 8.1. Each such loan application package that Broker submits to BFF on behalf of the potential borrower(s) for whom Broker is working shall be completed and submitted to BFF at the sole and exclusive expense of Broker and/or the potential borrower(s) on whose behalf Broker is working.
- 8.2. Each such submission of a loan application package to BFF by Broker shall be made under such programs, procedures, and fee schedules as BFF may from time to time establish, in its sole and exclusive discretion.
- 8.3. At the time of submission of each such loan application package, Broker shall have properly prepared, and shall then furnish to BFF in the form required, such items or documents as BFF may require, and shall thereafter provide any additional documentation requested by BFF including without limitation such information and/or documentation as BFF may require in order to comply with such laws and/or regulations as may be applicable to BFF and/or the loan application package and or BFF's consideration thereof for funding.
- 8.4. Broker shall furnish BFF with such information and/or documentation as may be required, and shall provide BFF with such information and/or documentation as BFF may request, which BFF may, in its sole and exclusive discretion, determine that it requires in order for it to ensure to its satisfaction that each such loan application package Broker has submitted to BFF will, if the loan applied for is funded, result in a loan that will be saleable by BFF in the secondary market for such loans.
- 8.5. The contents of each such loan application package submitted to BFF shall become the property of BFF immediately upon submission, and all information contained therein is, but is not required by this Agreement to be, subject to independent verification by BFF.
- 8.6. Broker has not made any false, misleading, or incomplete statements or omissions to BFF in connection with Broker's application for approval by BFF of with respect to each such loan application package submitted to BFF under the terms of this Agreement, or omitted to state a fact required to be stated therein of necessary to make the information and statements made therein not misleading.
- 8.7. Broker neither has nor is aware of any adverse information and/or documentation concerning any potential borrower(s) on whose behalf it submits a loan application package to BFF that it has not communicated to BFF, and all documents and instruments prepared or submitted by Broker, either with the loan application package s originally submitted or as it may have been supplemented by Broker, either in response to BFF's request(s), if any, for additional information and/or documentation, or otherwise, are valid and genuine in every respect.
- 8.8. Broker neither has nor is aware of any adverse information and/or documentation concerning any potential borrower(s) on whose behalf it submits a loan application package to BFF that it has not communicated to BFF, and all documents and instruments prepared or submitted by Broker, either with the loan application package s originally submitted or as it may have been supplemented by Broker, either in response to BFF's request(s), if any, for additional information and/or documentation, or otherwise, are valid and genuine in every respect.
- 8.9. Broker will make such investigations and inquiries necessary to verify the truthfulness and completeness of all information provided in each such loan application package submitted to BFF, including without limitation, information relating to the creditworthiness of the potential borrower(s) and the value of the real property securing the loan being applied for by the potential borrower(s), and with regard to each such loan application package submitted to BFF hereunder, and all information contained herein, all such information is true, accurate and complete as of

the date the loan application is submitted to BFF for funding consideration and on the date the loan closes and funds, and Broker has not omitted any material information either from the loan application package as originally submitted or as it may have been supplemented by Broker, either in response(s) to BFF request(s), if any, for additional information and/or documentation, or otherwise.

- 8.10. If at any time during the period between the original submission of a loan application package and the closing and funding of the loan applied for Broker, learns or has reason to believe that any of the information or documentation submitted by Broker either with the loan application package as originally submitted or as it may have been supplemented by Broker, either in response(s) to BFF request(s), if any, for additional information and/or documentation, or otherwise, of if any of Broker's representations and/or not genuine, Broker shall immediately give written notice thereof to BFF.
- 8.11. Broker has fully disclosed to BFF in writing, and agrees to fully disclose to BFF in writing on an ongoing basis throughout the term of this Agreement, the existence of any and all past or present claims, actions, lawsuits, legal or administrative proceedings, arbitrations, and dispute resolution proceedings or any kind of nature, regardless of whether they are or were civil, criminal, quasi-criminal, administrative, or otherwise, as well as all unfiled claims, including without limitation repurchase requests or indemnification or "make whole" claims, by any licensing or law enforcement authority or by any other lenders against Broker or any of Broker's salespersons, employees, partners, associates, shareholders or members, whether presently or formerly associated with Broker.
- 8.12. All salespersons and employees of Broker, and all other persons associated with Broker who will provide services in conjunction with the submission of each loan application package submitted to BFF under the terms of this Agreement have, in so doing, acted in compliance with the requirements applicable to Broker under this section of the Agreement with regard to teach such submission of a loan application package to BFF and Broker shall bear full responsibility for any instance of noncompliance with the terms of this section of the Agreement by any such person.
- 8.13. Broker is now, and at all times during this Agreement shall be and remain, duly licensed under the laws of the state(s) in which Broker does business, in possession of all necessary licenses, endorsements, permits, and/or certifications to originate and close mortgage loans secured by deeds of trust or mortgages encumbering dwellings or other real property in such state(s), and has the legal authority to engage in the activities contemplated by this Agreement, and all persons employed by or associated with Broker to carry on the business contemplated under this Agreement shall at all times hereunder either be able to validly do so or shall have their own valid and duly issued license(s), endorsements, permits and certifications to do so.
- 8.14. Broker hereby expressly authorizes BFF, at all times during the term of this Agreement, to obtain and review, at such times and on such occasions as BFF may in its sole discretion deem necessary or appropriate, credit reports for Broker as well as for those of Broker's principals who are signatories to this Agreement in order that BFF may assess on an ongoing basis the continuation of the business relationship between Broker and BFF pursuant to this Agreement and its terms.
- 8.15. If Broker is other than a sole proprietorship, Broker is, and throughout the term of this Agreement will remain, duly organized and existing as a corporation, limited liability company, partnership or another form of business organization in good standing under the laws of the jurisdiction in which



Broker was formed and organized and Broker has and will continue to have the requisite power and authority to enter into and perform the terms for this Agreement.

- 8.16. Broker shall at all times during the term of this Agreement comply with all applicable federal, state, and local laws, regulations and rules regarding the processing and origination of residential mortgage loans, including but not limited to: Equal Credit Opportunity Act (ECOA), and Regulation B.; Real Estate Settlement Procedures Act (RESPA), and Regulation X; Truth in Lending Act (TILA), and Regulation Z; Homeownership and Equal Opportunity Protection Act (HOEPA); Fair Housing Act; Fair Credit Reporting Act; Federal Consumer Credit Protection Act; Gramm-Leach- Bliley Act; California Civil Code; California Housing Financial Discrimination Act; Flood Disaster Protection Act; Patriot Act; Appraiser Independence Rules (and pertinent sections of Regulation Z regarding appraiser independence); Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, including but not limited to the Unfair, Deceptive, and Abusive Acts and Practices Act; and any and all state and federal fair lending regulations.
- 8.17. Broker understands and agrees that BFF may report information about any loan application package that BFF believes may contain misrepresentations and/or irregularities to the applicable regulatory agency and to any mortgage industry background database, including without limitation databases operated by Mortgage Asset Research Institute (MARI), such as the Mortgage Industry Data Exchange (MIDEX). Broker agrees that it and its employees may be named as the originating entity or loan officer(s) on any such loan, Broker acknowledges the importance of BFF's right and necessity to disclose such information, and without limiting any other release provisions in this Agreement, on behalf of itself and its directors, agents, employees, successors, and assigns from any and all limitation reasonable legal and accounting fees and expenses, arising from the reporting or use by any database subscriber of any information submitted by BFF with regard to Broker and its employees to any mortgage industry background database, including without limitation MIDEX.
- 8.18. No obligation of Broker under the terms of this Agreement may be assigned or delegated by Broker to any third party without the express written consent of BFF.
- 8.19. Broker maintains an effective Quality Control Program and Compliance Management System (collectively, its CMS) designed to prevent violations of federal consumer financial law, and associated consumer harm. Broker shall make available, upon the request of BFF: (a) copies of Broker's written policies, procedures, internal controls and training materials relative to Broker's employees and/or agents that have consumer contact and/or any consumer compliance responsibilities in connection with residential mortgage loan origination; and (b) permit BFF access, during normal business hours, to the offices of Broker in order for BFF to make appropriate on-site reviews, as necessary to confirm the propriety and effectiveness of Broker's CMS, including an examination of Broker's internal controls and procedures that are designed to protect against a violation of federal consumer financial law and/or consumer harm.

Broker agrees to report to BFF, within three (3) days: (a) any consumer complaint which in any way involves any of the services contemplated by this Agreement or a loan application submitted to BFF for funding consideration; (b) any consumer complaint that involves federal consumer financial law, whether or not related to the service contemplated in this Agreement ; (c) any legal or regulatory action that alleges a violation of federal consumer financial law; and/or (d) any changes in senior management, it is expressly understood and agreed that the terms of this



Section 8.19 are a material condition and inducement to BFF to enter into this Agreement. It is further understood and agreed that any failure of Broker to fully perform, in whole or in part, any of the terms of this Section 8.19 shall constitute a material breach of this Agreement and the grounds for its immediate termination.

9. HELOC

The Broker's HELOC Brochure Delivery Timing Obligation

The broker carries an independent and immediate obligation regarding the HELOC Brochure different from Flexpoint's obligation, and a summary of those broker obligations are below:

- In-person or electronic application: When the broker provides the application to the consumer directly, the broker must deliver the HELOC Brochure at that same moment, there is no grace period for the broker in this channel.
- Telephone application: When the application is taken by telephone, the broker has three (3) business days from receipt of the application to deliver the brochure.

10. TERM AND TERMINATION

The term of this Agreement shall be infinite and shall commence with the effective date as provided in Section 19.0 of this Agreement. BFF reserves the right to terminate this Agreement at any time, and for any reason, which termination shall be effective upon notification to Broker by an authorized representative of BFF.

11. INDEMNIFICATION

- 11.1. Broker shall indemnify and hold BFF harmless from and against any and all loss, claim, damage, liability, and cost sustained or incurred by BFF, including all costs and reasonable attorney's fees and costs, arising out of or based upon the inaccuracy or breach of any warranty or representation made by Broker in this Agreement, the breach by Broker of any obligation or covenant to be performed by Broker under this Agreement, or any claim by a Mortgage Loan applicant arising out of a failure or refusal to fund a Mortgage Loan. In the event of any claim against BFF or Broker by a Mortgage Loan applicant, BFF shall have the exclusive right to determine the conduct and defense of such legal proceeding or investigation with such Mortgage Loan applicant, including without limitation the right to compromise, settle, defend or continue any such action. BFF shall have the right but shall be under no obligation to assume the legal defense of Broker, and Broker shall pay BFF its reasonable share of legal costs and expenses.
- 11.2. Broker agrees to repurchase from BFF any Mortgage Loan made pursuant to this Agreement, upon the terms and conditions set forth herein, in the event Broker has breached any of the terms of this Agreement, Broker shall effectuate the purchase of any Mortgage Loan required to be repurchased pursuant to this Agreement within ten (10) days after Broker's receipt of a written demand for repurchase from BFF. The repurchase price for any Mortgage Loan that Broker is required to purchase hereunder shall be an amount equal to the sum of (a) the then unpaid principal balance of the Mortgage Loan; (b) accrued interest through the date of purchase; (c) all unreimbursed advances and extraordinary costs and expenses incurred by BFF with regard to such Mortgage Loan during the life of the Mortgage Loan; (d) all other costs and expenses

incurred by BFF, including penalties incurred by BFF from any investor or servicer for reasonable attorney's fees incurred in connection with the purchase; and (e) any fees paid by BFF, including but not limited to all fees and costs paid to Broker and/or other parties for goods and services rendered in connection with the origination and closing of such Mortgage Loan. Upon purchase of any Mortgage Loan by Broker, BFF shall endorse the Note and shall assign the Mortgage in recordable form to Broker, without representations and warranties, whether express or implied and without recourse to BFF.

12. EARLY PAYOFF AND DEFAULT POLICY

- 12.1. During the term of this Agreement, BFF shall maintain an Early Payoff and Default Policy (EPO/EPD Policy) with regard to loan application packages BFF receives from Broker.
- 12.2. If Borrower prepays a Mortgage Loan in full within six (6) months of the first payment due date for any reason, Broker shall pay to BFF an indemnification amount equal to all compensation paid to Broker on the loan transaction from any source. Throughout the term of this Agreement, BFF will monitor the frequency of any such EPO activity on loans submitted by Broker and should BFF determine, in its sole and exclusive discretion, as a result of such monitoring, that the frequency of EPO activity on loans submitted by Broker are deemed excessive, such a finding shall be deemed a valid basis for a declaration of default of this Agreement on the part of the Broker and justification for immediate termination of this Agreement.

In the event the Borrower of a Mortgage Loan originated by Broker shall be deemed an EPD, Broker agrees to pay to BFF an amount equal to all compensation paid to Broker on the loan transaction from any source. A loan is deemed to be an EPD if any of the first six (6) payments due under the mortgage Note become more than thirty (30) days contractually past due.

- 12.3. BFF will issue to Broker a billing statement detailing any applications of the EPO/EPD Policy and the amount required to be reimbursed to BFF. Payment to BFF in full of any reimbursement amount owed by Broker under the EPO/EPD Policy will be required within thirty (30) days of Broker's receipt of a billing statement reflecting a reimbursement amount due to BFF. BFF may, in its sole discretion, and without prior notice or demand to Broker, take an offset against any monies due for any reason from BFF to Broker for any reimbursement amount due from broker to BFF as a result of any application of the EPO/EPD Policy, and any such offset taken by BFF shall not under any circumstances constitute or be deemed to be an accord and satisfaction Non-waiver of Remedies, Right to Offset. BFF is not required to demand repurchase or indemnification within any particular period of time. Any delay or passage of time before making such demand shall not constitute a waiver by BFF and nothing contained in this provision shall limit BFF's right to any remedy, legal or equitable; all such legal and equitable remedies, including those provided for herein, being in addition to and not in lieu of any other remedy. BFF may, in its sole discretion, and without prior notice or demand to Broker, take an offset against any monies due for any reason from BFF to Broker for any reimbursement amount due from Broker to BFF as a result of any EPD, EPO, or indemnification and any such offset taken by BFF shall not, under any circumstances, constitute or be deemed to be an accord and satisfaction of any such outstanding amount or matter unless and until BFF confirms such accord and satisfaction in writing.



12.4. BFF may, in its sole and exclusive discretion, implement such additional policies and procedures in the future as may be necessary or appropriate to further address early payoff issues.

13. WAIVERS OF REMEDIES

BFF’s failure or delay to audit any loan prior to funding and closing, or BFF’s failure to or delay in giving notice to Broker of any material loan application or documentation discrepancy discovered after funding or BFF’s failure or delay to exercise any right or remedy available under this Agreement or at law or equity, shall not act as a waiver of any right or remedy, nor shall any single or partial exercise of any right preclude any other or further exercise thereof. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the Party making the waiver. All remedies shall be cumulative and nonexclusive.

14. MATERIAL INCORPORATED BY REFERENCE

The Parties hereby incorporate into this Agreement by this reference each and all of the terms and provisions of the following documents, copies of which are appended hereto: Fair Lending Acknowledgment; Fraud Policy Disclosure; Broker’s Commitment to Responsible Lending.

15. JURISDICTION AND VENUE

The Parties hereby and expressly agree and consent that jurisdiction and venue for any dispute arising out of this Agreement shall be in the Superior Court of the State of California in the County of Orange, or in the Orange County Division of the United States District Court for the Central District of California.

16. NOTICES

All demands, notices, and communications delivered to a Party hereunder shall be in writing (which may be delivered by electronic transmission to the email addresses set forth below) and shall be deemed delivered only when received by the Party to which it is sent. Any such demand, notice, or communication not delivered via electronic transmission shall be delivered by a recognized private courier service or deposited with the United States Postal Service, certified mail, postage prepaid, return receipt requested, addressed as follows, unless such address is changed by written notice hereunder.

16.1. If to Broker

Full Legal Name of Broker			
Attention			
Address			
City, State and Zip			
Email		Phone	

16.2. If to BFF

Full Legal Name of Broker	FlexPoint, Inc. dba Brokers First Funding		
Attention	Compliance		
Address	250 East Baker Street, Suite 200		
City, State and Zip	Costa Mesa, CA 92626		
Email	compliance@flexpointinc.com		





17. ATTORNEY FEES

In any action or proceeding arising out of the Agreement, the prevailing party therein shall be entitled to an award of its reasonable attorney's fees as an item of costs.

18. SEVERABILITY

If any provision of this Agreement is held invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force and effect.

19. EXECUTION OF AGREEMENT

This Agreement shall be of no force and effect unless and until it is executed by both Parties hereto.

20. EFFECTIVE DATE OF AGREEMENT

The effective date of this Agreement shall be the date of its execution by the last of the Parties to execute it.

I have read, understand, and agree to all the above terms and conditions of the Broker Agreement.

Broker of Record / Owner Signature
x
Print Name:
Date:





Please provide information for all active Mortgage Loan Originators (MLOs) including Broker of Record. In addition, please provide contact information for additional personnel that need access to BFF's portal. Attach a separate sheet if necessary.

MLO Name	Email	NMLS ID	Cell

ADDITIONAL CONTACT PERSONNEL (Processors, admins, etc.)

Name	Email	Cell	Role (LP, Admin)





COMPENSATION POLICY AND AGREEMENT

This Compensation Policy and Agreement (hereinafter referred to as "Agreement"), is entered into this _____ day of _____, 20 _____, with FlexPoint, Inc., dba Brokers First Funding (BFF), a California Corporation with its principal offices located at 250 East Baker Street, Suite 200, Costa Mesa, CA 92626 (hereinafter referred to as "BFF"), its predecessors, successors, assignors, and subsidiaries, and:

Full Legal Name of Broker	
Entity Type	
State of Formation	
Address	
City, State and Zip	

(hereinafter referred to as "Broker"). BFF and Broker are also referred to herein individually as "Party" and collectively as "Parties."

WHEREAS, the terms and conditions of this Agreement shall apply to all Covered Transactions:

WHEREAS, it is understood by Broker that it is the policy of BFF to comply fully with the Compensation Rule, which means, among other things, that BFF will not pay Compensation to a Loan Originator based on the terms of a Covered Transaction, or a proxy for a term, nor BFF pay Compensation to a Broker if it has received Compensation from the borrower; and,

WHEREAS, Broker will be given a plan to execute that will outline the Compensation terms allowable under the terms of this Agreement (the "Compensation Plan"). The Compensation Plan is attached as exhibit A.

NOW, THEREFORE, in consideration of the promises and mutual agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Broker agrees as follows:

1. **Scope:** Broker will prepare, and submit to BFF for funding consideration, completed loan application packages in connection with Covered Transactions. Nothing in this Agreement will create an obligation on the part of BFF to accept or approve a loan application package as presented. Broker agrees that all Compensation will be paid only on closed and funded Covered Transactions, and that it will be compensated according to the terms of this Agreement then in effect.
2. **Definitions:**
 - 2.1. **Compensation:** The term "Compensation" shall mean salaries, commissions, and any financial or similar incentive, and will include, but not be limited to, annual or periodic bonuses and awards of merchandise, services, trips or similar prizes.
 - 2.2. **Compensation Plan:** The lender paid broker compensation plan that Broker is required to sign that will be issued and updated on a regular basis.
 - 2.3. **Compensation Rule:** The Final Rule on Loan Originator Compensation. effective January 1, 2014, set forth in Regulation Z at 12 CFR § 1 026.36.
 - 2.4. **Covered Transaction:** A "Covered Transaction" shall refer to a closed-end consumer credit transaction secured by a dwelling, including closed-end reverse mortgage transactions.
 - 2.5. **Loan Originator:** The term "Loan Originator" shall have the meaning set forth in Regulation Z at 12 CFR § 1026.36(0) and shall include, but not be limited to, any person who, in expectation of direct





or indirect compensation or other monetary gain, takes an application for a Covered Loan, or offers, arranges or assists a consumer in obtaining or applying to obtain a Covered Loan.

2.6. **Steering:** The term "Steering" shall have the meaning used in Regulation Z at 12 CFR § 1026.36(e) and shall include, but not be limited to, advising, counseling, or otherwise influencing a consumer to accept a particular Covered Transaction.

3. **Representation and Warranties:**

3.1. **Compensation:** Broker represents and warrants that it will comply at all times with the Compensation Rule. Without limiting the foregoing, for each loan application package submitted to BFF for funding consideration, Broker represents and warrants that all Compensation will be paid by one source, in accordance with the Compensation Rule, meaning that Broker will be paid either by the borrower or BFF. Broker represents and warrants that it did not and shall not receive Compensation based on the terms of a Covered Transaction.

3.2. **Steering:** The Broker represents and warrants that it did not steer the borrower to consummate a transaction that was not in the interest of the borrower.

3.3. **Policies and Procedures:** The Broker represents and warrants that it has implemented appropriate written policies and procedures designed to ensure compliance with all aspects of the Compensation Rule and any revisions to the policies and procedures shall be done in compliance with the Compensation Rule. Broker agrees to make its policies and procedures available to BFF upon request.

4. **Record Retention:** Broker shall retain all documentation including, without limitation, all records sufficient to evidence all compensation it receives from a creditor, a consumer or other person, regarding a Covered Transaction between itself and BFF for a period of not less than three (3) years after the date of its receipt of Compensation, or longer if required by applicable state law.

5. **Annual Attestation of Compliance:** As part of the recertification process with BFF, Broker shall provide BFF with a written attestation of its compliance with all aspects of the Compensation Rule.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed:

Broker of Record / Owner Signature
x
Print Name:
Date:





LENDER PAID COMPENSATION PLAN

FlexPoint, Inc., dba Brokers First Funding (BFF) requires brokers to select a Broker Compensation Plan (“Compensation Plan”) based on the plan selections offered below. The Compensation Plan selection will apply to all broker locations approved with Company and is binding for all loans locked by Company during the applicable period.

For new brokers, the selection Compensation Plan will start immediately upon account creation and will remain in effect until a new Compensation Plan is submitted. Changes to the Compensation Plan are only effective the following business day from the signature date and only apply to new loan files after change is effective. Only one (1) Compensation Plan change every thirty (30) days is allowed. Immediately effective changes are not allowed.

Please note that flat fees may only be applied to Compensation Plans of 2.250% or less. If you do not select a Compensation Plan or your choice is not available, the Compensation Plan will be set to the default of 2% with no flat fee, or floor.

1. Compensation Plan Percentage:

- | | | | | | |
|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| <input type="checkbox"/> 1.000% | <input type="checkbox"/> 1.125% | <input type="checkbox"/> 1.250% | <input type="checkbox"/> 1.375% | <input type="checkbox"/> 1.500% | <input type="checkbox"/> 1.625% |
| <input type="checkbox"/> 1.750% | <input type="checkbox"/> 1.875% | <input type="checkbox"/> 2.000% | <input type="checkbox"/> 2.125% | <input type="checkbox"/> 2.250% | <input type="checkbox"/> 2.375% |
| <input type="checkbox"/> 2.500% | <input type="checkbox"/> 2.625% | <input type="checkbox"/> 2.750% | | | |

If you want to be paid a flat fee in addition to the compensation plan percentage selected in item #1, please complete item #2.

2. Flat Fee Amount:

- None \$500 \$750

If you want a floor to your compensation in addition to item #1 and/or #2, please complete item #3.

3. Floor:

- None \$1,000 \$2,000

I understand that any compensation changes will apply to any and all loans with the earlier of Lock Date or Application Date or after the Effective Date listed below.

I understand that broker compensation shall be inclusive of all fees paid to broker including, but not limited to, origination, processing, administration, application, and documentation fees.

I understand that compensation earned and paid in connection with a mortgage loan transaction will only be paid through the transaction (whether borrower or lender paid compensation, or yield spread premium (YSP)) and Broker will not charge borrowers any fees or accept any form of compensation or anything of value from any party outside of the mortgage loan transaction.

I understand and agree that I will retain records of all loan origination compensation for a period of five (5) years and make such records available to BFF upon request.

Broker of Record / Owner Signature
x
Print Name:
Date:





Whereas **BROKER COMPANY NAME** (“Broker”) is applying, as a third-party originator (TPO), to submit originated and processed loans to FlexPoint Inc., dba Brokers First Funding (“BFF”) for underwriting and funding, the parties agree to the following:

Consumer Complaints Standards:

BFF places a high premium on consumer satisfaction. All approved brokers are required to maintain a consumer complaints policy and procedure to adequately address all consumer complaints in a timely manner. By signing below, you acknowledge that you have understood and agree to adhere to the consumer complaints standards described above.

Compliance Attestation Form:

On behalf of the brokerage company indicated on the signature page below (the “Company”), I certify that the Company has implemented an Anti-Money Laundering Program compliant with FinCEN’s Anti-Money Laundering Program and Suspicious Activity Report Filing Requirements for residential mortgage lenders, brokers, and originators and that said program contains:

- Policies, procedures, and internal controls, based upon an assessment of money laundering and terrorist financing risks associated with the mortgage broker’s products and services that will reasonably prevent, detect, and report potential money laundering and other suspicious activity.
- Appointment of an AML Compliance Officer to administer the policy who is knowledgeable with Anti-Money Laundering and Suspicious Activity Report requirements
- A requirement for educating and training appropriate staff, either internally or by a third-party
- Independent testing, either by a third-party or internally, but not by the AML Compliance Officer, to monitor and maintain an adequate AML program
- A requirement to report suspicious activity to FinCEN within 30 days of discovery
- All appropriate employees of the Company must have received AML-SAR training.

By signing below, I declare that I am duly authorized to execute this attestation on behalf of the Company and that the above is true and accurate to the best of my knowledge.

Econsent for eCommunications and Esignatures Agreement:

This eConsent for eCommunications and eSignatures Agreement (“Agreement”) is made and entered into as of the date executed below and FlexPoint, Inc. dba Broker First Funding a California corporation having its principal place of business 250 East Baker Street, Suite 200, Costa Mesa, CA 92626 (the “BFF”) and the brokerage company indicated on the signature page below (the “Broker”) (individually, the “Party” and collectively, the “Parties”).

WHEREAS, BFF and Broker contemplate entering into a business relationship that may involve electronic communications and Parties seek to provide the appropriate authorizations and parameters for such electronic communications.

NOW THEREFORE, the Parties hereto agree as follows:

1. **Email Communications:** Broker acknowledges and agrees to electronic communications by BFF and to not hold BFF liable for any loss, claim, damage, or similar arising whatsoever in relation to email or electronic communications. If Broker wishes to rescind this electronic communications authorization, Broker will provide a written notice to BFF as indicated in 8: Notices.
2. **Email Advertisements:** As per California’s SB 186, companies that wish to send unsolicited advertisements within California or to email addresses to persons within the state of California must obtain the express written authorization to do so from the recipients before sending emails to them. In compliance with SB 186, by signing this form you duly consent to receive advertisement and communication via email from BFF. Consent is explicitly given for any email address supplied to BFF by Broker. This consent may be revoked at any time by calling the





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toll-free number provided on the advertisement email, by sending an “unsubscribe” email to BFF or providing a written notice BFF as indicated in 8: Notices.

3. **Consent to other Electronic Communications:** Broker acknowledges and agrees that by engaging with BFF via electronic means, Broker is providing explicit authorization to BFF to provide all responses and documentation including, without limitation, disclosures, agreements, contracts, notices, amendments, modifications, statements, receipts, advertisements, and transaction instruments to Broker via electronic means. All responses and documentation provided via electronic means will be legally binding as if they were provided by written means unless an applicable law explicitly limits the legal effect. Broker agrees that all responses and documentation received via electronic means are valid and thus require no verification of validity. Further, Broker agrees to not hold BFF liable for any loss, claim, damage, or similar arising whatsoever in relation to responses and documentation provided via electronic means.
4. **Liability for Loss or Erroneous Data:** The Broker and BFF will individually bear the liabilities and/or risk associated with any error or loss of data, information, transactions, and other losses which may be a result of computer system or third-party vendor failures. Furthermore, both the Broker and BFF are individually responsible for their own information security systems.
5. **Electronic Signatures:** Broker agrees and consents that the use of a keypad, mouse, or other device and/or method to click and/or select an item, button, icon, or similar action while using any electronic service provided by BFF or a BFF third-party vendor will constitute Broker’s electronic signature. An electronic signature is legally binding as if an actual signature in writing. By providing an electronic signature, Broker affirms that no additional validation of electronic signature is necessary, and that the absence of such validation will have no impact on the enforceability of the electronic signature.
6. **Amendments:** This Agreement may be amended from time to time via notice to Broker within thirty (30) calendar days in advance of the effective date of the amendment unless the amendment is otherwise a requirement implemented by law. Notice of amendment to Broker shall be delivered by written or electronic means at the discretion of BFF. Amendment agreement is deemed to have been received if Broker continues to transact business with BFF and does not inform BFF via written notice of disagreement to amendment.
7. **Applicable Law:** This Agreement shall be governed and interpreted under the laws of the state of California and applicable federal laws. By signing below (either via wet or electronic signature) Broker makes the following representations and warranties to BFF:
 - Broker has read the eConsent for eCommunications and Signatures Agreement in full and understood the terms.
 - Broker agrees to abide by all terms and conditions of the Agreement.
 - Individual signing on behalf of Broker is a duly authorized representative of Broker with the full power and authority to execute the Agreement and bind Broker to the Agreement terms.
 - Broker signature affirms consent and agreement until said agreement is otherwise revoked by written notice to BFF
8. **Notices:** All written notices should be sent to: FlexPoint, Inc., ATTN: Compliance, 250 East Baker Street, Suite 200, Costa Mesa, CA 92626

ESignature Attestation:

This form attests to the electronic signature validity on all documents submitted to BFF that are electronically signed, penned, marked, and similarly electronically executed. I duly agree and consent that the use of a keypad, mouse, or other device and/or method to click and/or select an item, button, icon, or similar action while using any electronic service provided by BFF or a BFF third-party vendor will constitute my electronic signature. An electronic signature is legally binding as if an actual signature in writing. By providing an electronic signature, I affirm that no additional validation of electronic signature is necessary, and that the absence of such validation will have no impact on the enforceability of the electronic signature.



Fair Lending Standards:

BFF is committed to the fair and equal treatment of all customers. An approved broker is expected to adhere to the Fair Lending Policy of BFF.

The BFF management and employees are committed to the practices of fair lending as per ECOA, the Fair Housing Act, and other applicable fair lending laws. BFF acknowledges the severe impact of overt discrimination, disparate treatment, and disparate impact. As such it is BFF's policy to ensure that all credit products are available to all applicants who meet the credit criteria in a fair and consistent manner within the confines of safe and sound business practices.

BFF strives to ensure that no discrimination occurs in any part of lending transactions based on the following: Race, Color, Religion, National Origin, Sex, Marital Status, Familial Status, Military Status, Sexual Orientation, Age, provided the applicant has the capacity and is of an age meeting the underwriting requirements for age, Disability, Receipt of public assistance income, whether a person has exercised any right under the Consumer, Protection Act (this includes the Truth in Lending Act) or Any other basis prohibited by law.

The following is BFF's Fair Lending Policy statement:

- BFF is fully committed to the principle that all credit decisions should be made without regard to the items listed above and the fulfillment of lending to applicants who meet the lending standards while maintaining prudent credit discipline and sound business practices.
- BFF recognizes affirmative steps must be taken to ensure that this principle is applied consistently and continuously throughout all aspects of our credit operation including, but not limited to, product design, sales and marketing, underwriting, training, performance evaluation, and servicing practices.
- All employees of BFF must strictly comply with fair lending requirements.
- BFF monitors its operation and achievements on a regular basis to ensure procedures are followed and BFF objectives are met. BFF will continue to make evolve its operations as the industry standards change in order to effectively meet our commitment to fair lending.
- BFF requires loan terms, rates, and fees to be consistent with applicant qualification, the applicant's ability to repay the obligation, and the applicant's net tangible benefit from the loan transaction.

By signing below, you acknowledge that you have understood and agree to adhere to the fair lending standards described above.

Hiring Standards:

As an approved broker of BFF a hiring policy and procedures are required to be maintained. The hiring policy and procedure must include the checking of all employees and management against the U.S. General Services Administration (GSA) Excluded Parties List, the HUD limited Denial of Participation List (LDP), and the Federal Finance Agency (FHFA) Suspended Counterparty Program (SCP) list.

By signing below, you acknowledge that you have understood, agree to adhere to, and comply with the hiring standards described above

Loan Fraud Zero Tolerance:

All approved brokers ("Broker") are responsible for any and all actions of their employees or licensees. The Broker is responsible for the content and quality of each application taken and each loan submitted to FlexPoint, Inc. DBA Broker First Funding ("BFF").

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

Types of Loan Fraud - Loan fraud includes, without limitation:



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1. Submission of inaccurate information, including false statements on loan application(s) and falsification of documents purporting to substantiate credit, employment, deposit and asset information, personal information including identity, ownership/nonownership 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.
4. Lack of due diligence by Broker/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 that is known, should be known, or should be suspected to be inaccurate.
6. Simultaneous or consecutive processing of multiple owner-occupied loans from one applicant supplying different information on each application.
7. Allowing applicant or interested third party to "assist with the processing of the loan."
8. Broker's non-disclosure of relevant information.

Impact of Loan Fraud - The effects of Loan Fraud are costly to all parties involved. BFF stands behind the quality of its loan production and stands to suffer reputational and monetary damages when fraudulent loans cannot be sold into the secondary market and, if sold, require repurchase.

Further, the risks and consequences of loan fraud extend to the various parties of the transaction.

Consequences of Loan Fraud - The following is a list of some of the potential consequences (without limitation) that may be incurred by mortgage brokers, borrowers, and BFFs.

1. Criminal prosecution
2. Loss of licenses
3. Loss of BFF access due to exchange of information between BFFs, mortgage insurance companies including submission of information to investors (Freddie Mac/Fannie Mae), police agencies, and the State Licensing Agencies
4. Loss of governmental or quasi-governmental agency approval
5. Civil action by BFF
6. Civil action by applicant/borrower or other parties to the transaction
7. Loss of approval status with BFF
8. Employment termination or loss of professional credentials
9. Loan default / acceleration of the mortgage loan as per the Deed of Trust covenant on false, misleading, inaccurate information and/or statements
10. Adverse effects of a mortgage foreclosure

By signing below, you acknowledge that you have read the foregoing and understand BFF's position on Loan Fraud.

I have read, understand, and agree to all the above and understand BFF's position on all items listed.

Broker of Record / Owner Signature
x
Print Name:
Date:

