

LOAN OFFICER EMPLOYMENT AGREEMENT

THIS LOAN OFFICER EMPLOYMENT AGREEMENT (the “Agreement”) This Loan Officer Employment Agreement (“Agreement”) is entered into in Orange County, California by and between In Fidelity Lending Solutions, Inc. DBA Wholesale Mortgage Bankers (WMB), a California corporation (“Employer”) and _____ (“Loan Officer” or “LO”). Employer and LO are also referred to herein individually as “Party” and collectively as “the Parties.”

RECITALS

A. Employer is engaged in the business of residential mortgage banking and brokering for its California borrowers under the authority of a real estate broker license and a mortgage loan originator endorsement, issued by the California Department of Real Estate (CA-DRE License Number 01914566).

B. LO is a mortgage broker/salesperson licensed by the State of with endorsement, license number, NMLS number.

C. Employer desires to employ and act as NMLS Sponsor for LO on an at-will basis to act as its employee under Employer’s supervision primarily for the purpose of originating residential mortgage loans for Employer’s borrowers.

D. LO represents that he/she is duly licensed and endorsed to perform the activities described herein, and desires to act as Employer’s employee under Employer’s supervision primarily for the purpose of originating residential mortgage loans for Employer’s borrowers pursuant to the terms and conditions set forth herein.

In consideration of the mutual covenants, promises and conditions set forth below, Employer and LO agree as follows:

ARTICLE 1. NATURE OF EMPLOYMENT

1.1 Key Definitions.

“Creditor” means a mortgage banker that originates and closes a residential mortgage loan in its own name, using its own resources to fund the loan (i.e., bona fide warehouse line of credit).

“Lender” means a mortgage lender is a bank or company that provides home loans to borrowers.

“Loan Officer” means an individual who is employed by a creditor or mortgage broker to originate residential mortgage loans and whose compensation is based in whole or in part on whether any particular loan is originated. “Originate” means to perform the following functions of a Mortgage Loan Officer (Cal. Business & Professions Code s. 10166.1(b)): (a) solicit mortgage business from the general public; (b) prescreen a consumer for eligibility; (c) take a residential mortgage loan application directly from a consumer; or (d) offers or negotiate rates, terms and conditions of a residential mortgage loan with a consumer. The term includes producing managers who perform Mortgage Loan Officer functions. The term does not include wholesale account executives working solely with outside mortgage brokers.

“Loan Originator” means any of the following: (a) an individual or legal entity operating in the capacity of a mortgage broker, including when a brokerage firm brokers a loan to a wholesale lender or when a mortgage bank operates as a broker or table funds a transaction with a correspondent lender; and (b) a loan officer who is employed by a creditor or mortgage broker. “Loan Originator” does not mean the “creditor” in the residential mortgage loan transaction.

“Residential mortgage loan transaction” means a closed-end, consumer purpose loan that is secured by a dwelling.

“Solicits mortgage business” means through advertising or other means of communicating or providing information to the general public, including the use of business cards, stationery, brochures, signs, rate lists, or other promotional items, that the individual can or will perform any of the activities of a mortgage loan originator.

1.2 At-Will. All employment by Employer, including the employment of LO, is on an at-will basis. Among other things, this means that LO and Employer each have the right to terminate LO’s employment at any time, with or without advance notice, and with or without cause. All employees, including LO, may be demoted or disciplined and the terms of [their] employment may be altered at any time, with or without cause, at the discretion of Employer. Any positive comments or evaluations by Employer as to LO’s performance, whether oral or written, shall in no way contradict the Parties’ intent that LO’s employment and this Agreement are terminable at-will, nor shall any such comments or evaluations alter the at-will nature of LO’s employment with Employer. No one other than the President of Employer has the authority to alter this arrangement, to enter into an agreement for employment for a specified period of time, or to make any agreement contrary to Employer’s policy of at-will employment. Any such agreement must be in writing, must be signed by the President of Employer and by the affected employee, and must express a clear and unambiguous intent to alter the at-will nature of the employment relationship.

1.3 Employee Status. LO understands, acknowledges, certifies, warrants and represents that he/she is an outside sales employee for purposes of his/her affiliation with Company.

Pursuant to this designation, employees understands and agrees that he/she will spend at least ninety-five percent (95%) of his/her work time visiting clients in the field to sell Company’s loan products or driving to see said clients. Further, employee acknowledges, understands and agrees that use of a home or other office must be incidental to the main job of field sales and, as such, will not exceed five percent (5%) of employees work time. Said exempt status is consistent with and derived from the Fair Labor Standards Act (“FLSA”), Internal Revenue Service (“IRS”) and California Labor laws, rules and wage orders. LO understands and agrees that his/her compensation requires Company to withhold Federal, State and Local income taxes unless otherwise required by law or a governmental/administrative body.

Further, LO understands, acknowledges, certifies, warrants and represents that, pursuant to the employee status, LO may be required to work specified hours, at a specified location(s) and that he/she may be required to perform specific duties in the scope of his/her employment with Company.

Loan Officer represents and warrants that he/she is not bound by any contract, rule, law or regulation that would prohibit him/her from accepting employment with Fidelity Lending Solutions, Inc. DBA Wholesale Mortgage Bankers (WMB) or prohibit him/her from working for or operating a mortgage banking company anywhere within the United States.



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Further, LO understands, acknowledges, certifies, warrants and represents that, pursuant to the employee status is as a part-time agent and shall not work more than 30 hours per week without the written consent of Fidelity Lending Solutions, Inc. DBA Wholesale Mortgage Bankers (WMB).

In addition, Employee acknowledges, understands and accepts that, as an FHA approved lender, Fidelity Lending Solutions, Inc. DBA Wholesale Mortgage Bankers (WMB) is required to employ trained, competent personnel, who are under the direct supervision and control of Fidelity Lending Solutions, Inc. DBA Wholesale Mortgage Bankers (WMB), where the individuals are exclusively employed by Fidelity Lending Solutions, Inc. DBA Wholesale Mortgage Bankers (WMB), in the mortgage lending and real estate fields. As detailed in the Department of Housing and Urban Development Handbook 4060.1 sections 2-9G and 2-11D States that Fidelity Lending Solutions, Inc. DBA Wholesale Mortgage Bankers (WMB)'s mortgage staff cannot have other employment in mortgage lending, real estate, or a related field. During normal business hours, employees who are involved with the FHA transactions may conduct only the business of Fidelity Lending Solutions, Inc. DBA Wholesale Mortgage Bankers (WMB) either full or part time. Employee may have other employment, including self-employment. However, the outside employment may not be in the mortgage lending, real estate, or related fields. Refer to HUD Handbook 4060.1 REV-2, paragraphs 2-9D, F, and G.

ARTICLE 2. DUTIES OF LOAN OFFICER

2.1 Generally. LO shall originate residential mortgage loans exclusively on behalf of Employer's borrowers and perform such related duties as are customary in the residential mortgage loan origination business or as may be required by Employer from time to time. LO agrees that he/she shall use his/her best efforts to originate such loans in accordance with the policies, procedures and specifications of Employer. LO shall remain under the direct supervision and control of Employer at all times during his/her employment.

2.2 License/MLO Endorsement. LO warrants at all times during the term of his/her employment to maintain their DRE or DFPI issued real estate broker or salesperson license, as well as their NMLS endorsement, in good standing and at his/her own expense, at all times during the term of his/her employment. This includes meeting annual renewal and continuing education requirements. LO further agrees to immediately inform Employer of any change in his/her licensed or endorsed status. LO's failure to maintain such license and/or endorsement in good standing while employed by Employer, or his/her failure to immediately advise Employer of a change in his/her licensed or endorsed status, shall be cause for termination of LO's employment.

2.3 Compliance with Law. LO is familiar with and shall comply with Lender Policies, and all applicable federal, state and local laws, ordinances, rules, regulations, guidelines and other requirements pertaining to the mortgage banking industry, to the business of Employer, and to the origination, processing, underwriting, closing, or funding of mortgages, or other activities of Lender, including but not limited to the Equal Credit Opportunity Act, Gramm-Leach-Bliley Act, Truth in Lending Act, Real Estate Settlement Procedures Act, USA PATRIOT Act, Home Mortgage Disclosure Act, Federal Trade Commission Act, Telemarketing and Consumer Fraud and Abuse Prevention Act, Fair Credit Reporting Act, Fair Housing Act, Secure and Fair Enforcement for Mortgage Licensing Act of 2008 (the "**SAFE Act**"), Dodd-Frank Wall Street Reform and Consumer Protection Act and all related regulations to the foregoing Acts, and all similar federal, state and local laws, rules, regulations and requirements, federal and state telemarketing and do-not-call laws, rules and regulations, and all applicable guidelines and requirements of the Consumer Financial Protection Bureau ("**CFPB**"), United States Department of Housing and Urban Development ("**HUD**"), Department of Veterans Affairs ("**VA**"), Federal Home Loan Mortgage Corporation ("**FHLMC**" or "**Freddie Mac**"), Federal National Mortgage Association ("**FNMA**" or "**Fannie Mae**"), Government



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National Mortgage Association ("GNMA" or "Ginnie Mae"), United States Department of Agriculture ("USDA") and all other applicable agencies, investors and insurers (altogether, Lender Policies and all such applicable laws, rules, regulations, guidelines and other requirements are referred to herein as the "**Applicable Requirements**"), in each case as amended from time to time. LO agrees to develop and maintain LO's knowledge and understanding of all such Applicable Requirements. For purposes of emphasis, and without limitation of the foregoing, for the entire term of this Agreement, LO shall:

- (a) Not charge any consumer any fees in excess of that permitted under Applicable Requirements;
- (b) Be and remain in compliance with all applicable (i) federal licensing, registration, and training requirements, including without limitation those pursuant to the SAFE Act, (ii) state licensing, registration, and training requirements of each state where LO engages in loan origination activities, and (iii) the registration and compliance requirements of the Nationwide Mortgage Licensing System & Registry ("**NMLSR**");
- (c) Comply with the Regulation Z provisions on loan officer compensation, steering, and qualification (codified as 12 C.F.R. § 1026.36), as it may be amended from time to time; and
- (d) Immediately report to Employer any lawsuits, complaints, investigations, or other similar actions which involve LO's duties on behalf of Employer or which could potentially affect LO's registration or licensing status or ability to perform his or her job for Employer.

2.4 Fiduciary Duties. LO acknowledges that when Employer is a mortgage Employer in a residential mortgage loan transaction, Employer and LO owe fiduciary duties of care and loyalty to the borrower from inception. LO shall not make any representation, or perform any act, during the term of his/her employment with Employer which would constitute a breach of a fiduciary duty owed to a borrower including, without limitation, placing his/her economic interest ahead of the economic interest of a borrower.

2.5 Employer's Forms and Instructions. LO agrees to utilize all forms supplied by Employer which Employer determines, in its sole discretion, are necessary for the provision of the services to be performed by LO under this Agreement. LO further agrees to provide the services described herein in accordance with any manual and/or other training materials provided by Employer, and in accordance with any Employer advertising or promotional material then in effect.

2.6 Employer's Intranet Website. LO acknowledges that he/she has been given access to Employer's intranet website which provides details concerning Employer's Corporate Policies and Procedures, including its Red Flag Policy and Employer's Employee Handbook. LO understands and agrees to be bound by and comply with all of Employer's policies and procedures as set forth on Employer's intranet website, including all updates and revisions thereto which may, and likely will, occur from time to time. LO understands and agrees that it is LO's obligation, as a condition of continued employment to monitor Employer's intranet website on a regular basis to stay apprised of all updates and revisions thereto.

2.7 No Third Party Markups; No Pricing Concessions. LO acknowledges and agrees that he/she will not add a surcharge or mark-up to the cost of any third party settlement service when performing services under this Agreement. LO further acknowledges and agrees that he/she cannot offer any type of pricing concessions to borrowers, whether overages or underage's. LO must quote loan pricing directly from Employer's loan rate sheet.

2.8 Employer's Name. All loans originated by LO, and all activities performed by LO under this Agreement, shall be completed in the name of LO as Loan Officer of Employer's Loan Officer. LO shall include his/her DRE license number and NMLS endorsement number on all public documents, including business cards.



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2.9 Payments. All loan fees, commissions, and/or other income generated in connection with LO's loan origination activity shall be made payable to Employer. LO shall not accept compensation on residential mortgage loan transactions from any source other than Employer. Doing so constitutes grounds for immediate termination.

2.10 Documents. LO acknowledges that all documents received or prepared by LO pertaining to the business of Employer are, and shall remain, the sole property of Employer.

2.11 Third Party Fees. LO agrees to review the HUD-1 prior to the close of escrow on all loans he/she originates to confirm that payment of all third party fees including, without limitation, payment for any appraisal performed in connection with the loan, will be made through escrow. Pursuant to Section 2.10 above, LO is prohibited from retaining any portion of third party compensation or from receiving compensation in any form for the referral of settlement service business to third party providers.

2.12 Assistants. LO shall not hire, employ, compensate or utilize any licensed or unlicensed assistant without the prior written consent of Employer.

2.13 Private Money Loans. LO shall not originate any private money loans during the term of this Agreement without the prior written consent of Employer.

2.14 Article 7 Loans. LO shall not originate any mortgage loan in the amount of \$30,000 or less without the prior written consent of Employer.

2.15 Exclusive Employment. During the term of his/her employment, LO agrees that he/she shall not enter into a similar or other contract for services with any other mortgage broker, mortgage banker, competitor of Employer or other person or entity in the mortgage lending and/or real estate fields, nor shall LO perform any activity deemed a licensable real estate broker/salesperson activity or a Mortgage Loan Officer activity on behalf of any other person and/or entity while associated with Employer.

2.16 Location. Absent the prior written consent of Employer, LO agrees to perform the loan origination services contemplated under this Agreement only from his/her assigned licensed office location at (if LO is operating from a commercial location):

2650 E. Imperial Hwy., Suite 110, Brea, CA 92821

2.17 Reviews. LO shall be subject to ongoing reviews, as often as Employer deems necessary, by Employer of his/her performance and of the work he/she performs.

2.18 Government Loans. LO shall not originate government insured or guaranteed loans (such as FHA and/or VA) to be funded by a lender other than Employer. LO shall adhere to Employer's loan policies and procedures for soliciting Government Loan business and accepting credit applications for Government Loan products.

2.19 Higher-Priced Mortgage Loans. LO shall not originate a Higher-Priced Mortgage Loan, as that term is defined in the Truth in Lending Act, without the prior written consent of Employer. LO shall adhere to Employer's loan policies and procedures for soliciting HPML business and accepting credit applications for HPML loans.

2.20 High-Rate Mortgage Loans. LO shall not under any circumstances originate a High-Rate Mortgage Loan, as that term is defined in the Truth in Lending Act (Section 32).

2.21 Covered Loans. LO shall not originate under any circumstances a Consumer Loan, as that term is defined in California Financial Code Section 4970 et seq., (Cal 32).



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2.22 Anti-Steering Provisions. LO shall comply with Employer's anti-steering procedures and safe harbor disclosure requirements, as implemented pursuant to the terms of Reg. Z, and as may be in effect from time to time.

ARTICLE 3. DUTIES OF EMPLOYER

Employer shall at all times during the term of this Agreement remain responsible for the supervision and control of LO while he/she is performing licensed activities on behalf of Employer to the extent required by the Real Estate Law, or applicable federal and state law. Such responsibility shall include the establishment of policies, rules, procedures and systems to review, oversee, inspect and manage all aspects of mortgage loan origination activity to ensure compliance with the Real Estate Law and/or applicable state law. Employer shall establish a system for monitoring compliance with such policies, rules, procedures and systems. Employer may, in its sole discretion, utilize the services of an experienced salesperson to assist it in administering its supervisory obligations, but shall not relinquish overall responsibility for supervising the acts of LO.

ARTICLE 4. COMPENSATION

4.1 Compensation Plan. Employer as Creditor or as Broker Paid Exclusively by a Creditor. In connection with every creditor-paid residential mortgage loan transaction originated by LO during the term of his/her employment with Employer, LO shall be paid a fixed rate of ____% as compensation, expressed as a percentage of the principal amount funded, subject to Employer's right to establish a maximum or minimum amount of compensation in connection with each loan. Until modified by Employer, this pre-determined fixed rate of compensation shall be applied to every residential mortgage loan transaction originated by LO, regardless of loan type, terms or conditions, or creditor/investor. The final rate lock date on the loan shall dictate the compensation LO will earn for that loan, not the compensation level in effect on the date the loan closes.

4.2 Compensation Schedule. Compensation earned by the Employee for sales made or services rendered during a calendar month shall be payable on the 2nd of the following month, unless otherwise agreed in writing by both parties.

4.3 Compensation after Termination. Upon termination of this agreement for any reason, LO shall be paid any remaining money invested in the branch office, as well as any remaining balance in the branch account, including outstanding branch reserves, within 60 days after termination of this agreement; provided however, that Fidelity Lending Solutions, Inc. DBA Wholesale Mortgage Bankers (WMB) may retain an adequate amount to provide for any unpaid expenses or other liabilities. LO shall return to Company any funds distributed pursuant to this subparagraph, which are necessary to satisfy any expense or obligation for which provision is not otherwise made.

ARTICLE 5. AUTHORITY

5.1 Job Titles. LO understands and agrees, in connection with all communications with the public, to use only such titles and designations as Employer approves in advance. LO shall include his/her BRE license number and NMLS endorsement number on all public documents, including business cards.



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5.2 Authority. LO acknowledges and agrees that he/she has no right or authority to bind Employer to any agreement, contract or undertaking without the prior written approval of Employer. LO further acknowledges and agrees that all documents received or prepared by LO pertaining to the business of Employer are, and shall remain, the property of Employer. LO shall have no authority to: (i) pledge the credit of Employer or any of its employees; (ii) release or discharge any debt owing to Employer; or, (iii) sell, mortgage, transfer, hypothecate or otherwise dispose of any non-inventory assets of Employer.

ARTICLE 6. ADVERTISING AND TELEMARKETING

6.1 Advertising. LO shall not publish, or caused to be published, any advertisement in any medium related to the services contemplated under this Agreement without the prior, written consent of Employer. LO agrees that any advertising which is thereafter circulated or distributed by LO, or at the direction or instigation of LO, shall comply with all applicable federal, state and local advertising laws, and any regulations or ordinances related thereto.

6.2 Telemarketing. LO shall not engage in any telemarketing related to the services contemplated under this Agreement without the prior, written consent of Employer. LO agrees that any telemarketing which is thereafter performed by LO, or at the direction or instigation of LO, shall comply with all applicable federal, state and local telemarketing laws, and any regulations or ordinances related thereto.

ARTICLE 7. NON-COMPETITION

7.1 Best Efforts. LO shall at all times faithfully and industriously perform all services, acts and other things necessary to perform his/her obligations under this Agreement, using his/her best efforts consistent with good industry practices, the long- term best interests and reputation of Employer and the policies and procedures set by the management of Employer.

7.2 Confidential Information. LO acknowledges that Employer owns proprietary Confidential Information which constitutes a valuable, special and unique asset of Employer. This Confidential Information has been compiled and developed by Employer over time at considerable expense and effort, has not been divulged to third Parties, and is not known to Employer's competitors who could obtain economic value from such information if it were known. As used herein, the term "Confidential Information" includes all information and materials belonging to, used by, or in the possession of Employer relating to its products, processes, services, technology, inventions, patents, contracts, forms, records, data, processes, ideas, financial information, business strategies, pricing, marketing plans, customer lists, and trade secrets of every kind and character, but shall not include (i) information that was already within the public domain at the time the information was acquired by LO, or, (ii) information that subsequently becomes public through no act or omission of LO. LO agrees that all Confidential Information is and shall continue to be the exclusive property of Employer, whether or not prepared in whole or in part by LO and whether or not disclosed to or entrusted to LO's custody. LO shall not divulge or disclose Confidential Information to any person without the prior written consent of Employer. LO's obligation to preserve the secrecy of Confidential Information shall survive the termination of this Agreement. Upon termination of this Agreement, LO agrees to return to Employer all files, papers, and materials of any kind containing or relating to Confidential Information.



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7.3 Non-Solicitation of Borrowers. LO agrees that for a period of two (2) years following the termination of this Agreement, neither will directly or indirectly solicit loan origination business of any sort from any borrower, who obtained a loan arranged by the other, and/or the other's agents and/or affiliates, during the term of this Agreement. Notwithstanding the foregoing, LO shall be free to solicit loan origination business from borrowers for whom LO arranged loans during the term of this Agreement and from borrowers contained in LO's own database.

7.4 Prior Agreements. LO represents and covenants that he/she is not bound by any non-competition or non-solicitation agreement in effect with a prior employer, which would preclude, limit or in any manner restrict the performance of his/her duties under this Agreement. Without limiting the foregoing, LO expressly acknowledges and agrees that the performance of his/her duties under this Agreement will not violate the terms and conditions of any agreement with respect to the use, or misappropriation, of proprietary information or trade secrets.

ARTICLE 8. LOAN OFFICER'S DUTIES UPON TERMINATION

8.1 Loan Files. Upon termination of LO's employment for any reason, all loan files, whether pending or closed, shall remain with, or promptly be returned to, Employer. LO acknowledges and agrees that all such files are the sole and exclusive property of Employer.

8.2 Computers/Equipment. Immediately upon the termination of LO's employment for any reason, any and all computer hardware and other equipment loaned to LO by Employer shall be returned to Employer.

ARTICLE 9. NON-DISCRIMINATION POLICY

9.1 Non-Discrimination Policy. It is the policy of Employer to recruit, hire, train and promote employees without discriminating on the basis of race, national origin, religion, age, gender, sexual orientation, disability or veteran status. Employer will not tolerate any language or behavior which is discriminatory in intent or effect, or which could be construed as being discriminatory in intent or effect. If LO believes that he/she has been subjected to any discriminatory treatment on one of the foregoing bases, he/she is strongly encouraged to discuss said treatment immediately with an appropriate manager or owner of Employer. Thereafter, Employer will investigate the matter promptly and thoroughly and take appropriate action against the offending employee, up to and including termination.

9.2 Sexual Harassment Policy. It is the policy of Employer that every employee is entitled to work in an environment free from sexual harassment. Employer will not tolerate any language or behavior constituting, or which could be construed as constituting, sexual harassment in any form. If LO believes that he/she has been subjected to sexual harassment, he/she is strongly encouraged to discuss said treatment immediately with a Employer manager or owner of his/her choosing. Every claim of sexual harassment will be taken seriously and handled with discretion by Employer management. Employer will investigate all claims of sexual harassment promptly and thoroughly and take appropriate disciplinary action against the offending employee, up to and including termination.

ARTICLE 10. DISPUTE RESOLUTION

It is the intent of Employer and LO that every dispute, claim or controversy arising out of or relating to LO's employment with Employer including, without limitation, the termination of that employment, be resolved by binding arbitration. This includes, but is not limited to the determination of the scope or applicability of this agreement to arbitrate. Arbitration shall be conducted in Los Angeles, California, or at any other location agreed by Fidelity Lending Solutions, Inc. DBA Wholesale Mortgage Bankers (WMB), before a sole arbitrator, in accordance



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with the laws of the State of California for agreements made in and to be performed in California. The arbitration shall be administered by JAMS pursuant to its Employment Arbitration Rules and Procedures Judgment on the Award may be entered in any court having jurisdiction.

LO may require that Employer pay the costs associated with the initiation and maintenance of the arbitration to the extent such costs: 1) are in excess of the costs of bringing and maintaining an equivalent court action; and, 2) to the extent such costs exceed LO's ability to pay.

The provisions of this Article 11 may be enforced by any court having jurisdiction. NOTICE: By signing in the space below you are agreeing to have all disputes, claims or controversies by and between you and Employer, including all disputes, claims or controversies arising out of or relating to this Agreement, and/or arising out of or relating to your employment with Employer, including, without limitation, the termination of that employment, decided by neutral binding arbitration, and you are giving up any rights you might possess to have those matters litigated in a court or jury trial. If you refuse to submit to arbitration after agreeing to this provision, you may be compelled to arbitrate under federal or state law. Your agreement to this arbitration provision is voluntary.

ARTICLE 11. MISCELLANEOUS PROVISIONS

11.1 Effective Date. The Effective Date of this Agreement shall be the date on which it is signed by the Designated Officer of Employer.

11.2 Integration. This Agreement supersedes any and all other agreements, either oral or in writing, between Employer and LO with respect to LO's performance of loan origination services on behalf of Employer, and contains all the covenants and agreements between the Parties with respect to such services in any manner whatsoever.

11.3 Governing Law; Venue; Waiver of Jury Trial. To the maximum extent permitted under applicable law, this Agreement shall be governed by and construed in accordance with the substantive laws of Federal law and the laws of California, without regard to provisions related to choice of law or forum. Unless prohibited by applicable law, or otherwise agreed to by the Parties, the Parties expressly agree and consent that the courts of Orange County, California shall have exclusive jurisdiction over all actions arising from, out of, or with respect to this Agreement. **COMPANY AND EMPLOYEE EACH HEREBY ABSOLUTELY, IRREVOCABLY AND UNCONDITIONALLY WAIVE TRIAL BY JURY IN ANY LITIGATION, ACTION, CLAIM, SUIT OR PROCEEDING, AT LAW OR IN EQUITY, ARISING OUT OF, PERTAINING TO OR IN ANY WAY ASSOCIATED WITH THIS AGREEMENT, THE ACTIVITIES CONTEMPLATED HEREBY, THE RELATIONSHIP OF THE PARTIES HERETO AS COMPANY AND EMPLOYEE, OR THE ACTIONS OF THE PARTIES HERETO IN CONNECTION WITH ANY OF THE FOREGOING.**

11.4 Construction. In the event of an ambiguity or if a question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement. The Section headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

11.5 Waiver. A waiver of any of the terms and conditions hereof shall not be construed as a waiver of any other provision, nor shall any waiver constitute a continuing waiver or commit a Party to providing a waiver in the future.

11.6 Survival. The covenants, agreements, representations and warranties made herein shall survive the termination of this Agreement, unless the context clearly provides otherwise.

11.7 Successors and Assigns. Employer may assign its rights and duties hereunder provided that the assignee is the successor, by operation of law or otherwise, to the business of Employer. LO's rights and obligations under this Agreement shall not be assignable absent Employer's prior written consent, which Employer may withhold in

its sole and absolute discretion.

11.8 Severability. The invalidity or unenforceability of any term or provision contained in this Agreement shall not void or impair the remaining provisions hereof, which shall remain in full force and effect as if such invalid or unenforceable provision had never been contained herein

11.9 Counterparts. This Agreement may be executed in any number of counterparts, and each such counterpart shall be deemed an original instrument.

11.10 Consent to Investigation. By signature below, LO authorizes Employer or its designee to conduct a thorough background investigation of LO. This background investigation may include, without limitation, a criminal investigation, a credit application and telephone interviews with LO's references and previous employers or principals. LO understands and agrees that Employer or its designee may use personal information about LO, including without limitation, LO's date of birth and social security number in the conduct of any such investigation.

11.11 Signatures. The undersigned persons represent that they are authorized and have the legal capacity to enter into this Agreement.

11.12 Modifications, Alterations and Amendments. Employer reserves the right to modify, alter or amend this Agreement prospectively upon written notice to LO. Such modifications shall not affect commissions earned but not paid. LO's continued employment after written notice of the modification, alteration, or amendment shall constitute L O's acceptance of the modification, alteration, or amendment. No modification, alteration or amendment of this agreement is effective, however, unless it is in writing and/or email.

11.13 Cooperation. At all times during and after separation of employment, the Parties hereto shall cooperate in effecting an orderly transition of the business contemplated by this Agreement to avoid any interruption in the handling of the business contemplated by this Agreement.

11.14 Consultation. LO agrees and acknowledges that, prior to signing, Employer has granted LO sufficient time to review the Agreement, including allowing LO (in LO's sole discretion) to take the Agreement home for further study and review. Employer has encouraged LO to freely discuss the terms of this Agreement with any lawyer of LO's choosing prior to signing.

Employer

Signature

By: _____

Dated: _____

Loan Officer

Signature

By: _____

Dated: _____



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EXHIBIT A

COMPENSATION AND LOSS RECOVERY SCHEDULE

Employee shall earn commissions as follows:

Borrower Paid Compensation

1. Loan Origination Fee: To Be Determined
2. Loan discount points: Not allowed (must be used to buy down rate only)
3. Loan overages: None (must be a credit to borrower)

Loan Fee

Underwriting fees* will be assessed and Paid for by borrower (s) on all loans and loan officer understands and agrees. That these fees are set by Fidelity Lending Solutions, Inc. DBA Wholesale Mortgage Bankers (WMB) and loan officer shall not receive any part of these fee's as part of compensation per the federal compensation laws.

*Underwriting fees will vary depending on the program.

Reimbursement for Early Payoff Loans (Premium/Credit Recapture):

In the event that any Loan officer-originated loan is paid in full or is reduced in principal amount by at least 20% of original principal balance within 180 days of from the loan's first payment due date, whether by Borrower's sale of the real property, loan refinance, or otherwise, Loan officer shall promptly return the following to the Employer: (1) Any Borrower-Paid Compensation or Lender-Paid Compensation in the form of rebates or service release premiums or 1.75%, whichever is greater; (2) Any other pricing enhancements paid by Lender and/or credited to the Borrower's closing costs; (3) An additional administration fee of Nine Hundred Fifty Dollars (\$950); (4) Any Lender's attorney fees and costs to recover the above sums.

Reimbursement for Early Payment Defaults Loans (Loan officer's Reimbursement Obligations):

For any loan originated by Lender from a Loan Submission that can be sold to or insured by a government agency, department, or federally backed program, Loan officer shall reimburse any financial losses incurred by such a loan if any of the first four (4) scheduled monthly payments is ninety (90) days delinquent. For all other types of loans originated by Loan officer, Loan officer shall reimburse any financial losses incurred by such a loan. if any of the first four (4) scheduled monthly payments is thirty (30) days delinquent. Such delinquent loans shall be deemed in early payment default status and Loan officer shall have five (5) business days from receipt of Lender's notice to reimburse any financial losses incurred by said loans. For purposes of this section, a loan becomes "delinquent" when a scheduled monthly payment is not received by Lender or its assigns by the scheduled payment due date; an additional day of delinquency shall accrue for each consecutive day that the payment is not received by Lender or its assigns; however, any loan that is delinquent for a full calendar month shall be deemed thirty (30) days delinquent without regard for the number of days in that month. Loan officer shall not advance funds for or on behalf of any Borrower for any loan payment or otherwise make funds available to any Borrower to avoid or cure any default by Borrower.



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Furthermore, any payment for which Lender has deducted funds at the time of closing a loan originated by Loan officer is not and shall not be considered as the first payment due from Borrower after the loan closing date.

“LOAN OFFICER”

Signature

Print Name

Date



WHOLESALE MORTGAGE BANKERS

LOAN OFFICER EMPLOYMENT AGREEMENT

EXHIBIT B

LOAN FRAUD – ZERO TOLERANCE

Employer is responsible for the actions of those of its employees who are engaged in the business of originating residential mortgage loans on behalf of its borrowers. Notwithstanding this responsibility, however, LO acknowledges and agrees that he/she bears responsibility for the content and quality of each loan application taken and each loan originated by LO.

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

Some Types of Loan Fraud

1. Submission of inaccurate information, including false statements on loan application(s) and/or falsification of documents purporting to substantiate credit, employment, deposit and asset information, personal information including identity, ownership/non-ownership of real property, etc.
2. Forgery of partially or predominantly accurate information.
3. Incorrect statements regarding current occupancy or intent to maintain minimum continuing occupancy as stated in the security instrument.
4. Lack of due diligence by Employer/LO/interviewer/processor, including failure to obtain all information required by the application and/or failure to request information as necessitated by borrower's response to other questions.
5. Unquestioned acceptance of information or documentation, which is known, should be known, or should be suspected to be inaccurate. For example:
 - a. Simultaneous or consecutive processing of multiple owner-occupied loans from one applicant supplying different information on each application.
 - b. Allowing an applicant or interested third party to assist with the processing of the loan.
6. Non-disclosure of relevant information.
7. Excessive fees or charges not disclosed.

Consequences

1. The effects of loan fraud are costly to all parties involved. Fraudulent loans cannot be sold in the secondary market and, if sold, may require that Employer purchase those loans. Fraudulent loans damage the reputation of Employer with lenders, investors and mortgage insurance providers, and expose Employer to considerable risk of liability.
2. The price paid by those who participate in loan fraud is even more costly. The following is a list of a few of the potential consequences that may be incurred.

Potential Consequences to LO and/or Employer

1. Criminal prosecution.
2. Loss of professional license.
3. Loss of Employer access and/or investor relationships due to exchange of information between Employer and mortgage insurance companies including submission of information to investors (e.g., FHLMC and FHMA).
4. Civil action by applicant/borrower or other parties to the transaction.
5. Loss of approval status.
6. Employment termination.

Potential Consequences to Borrower

1. Acceleration of debt. The FNMA/FHLMC Mortgage/Deed of Trust in effect at any given time, as well as the Mortgage/Deeds of Trust of other institutional investors, provide substantially as follows: "Borrower shall also be in default if borrower, during the loan application process, gave materially false or inaccurate information or statements to Employer or failed to provide Employer with any material information in connection with the loan evidenced by the note, including, but not limited to, representations concerning borrower's occupancy of the property as a principle residence."
2. Note: A foreclosure action may not allow the borrower the benefit of reinstatement in order to cure the default. The borrower may be required to pay off the loan in full prior to the sale date of the real property security.
3. Criminal prosecution.
4. Civil action by Broker/Banker.
5. Civil action by other parties to the transaction, such as the seller or real estate agent.
6. Adverse effects on credit history.

I HAVE READ AND UNDERSTAND EMPLOYER'S POLICY REGARDING LOAN FRAUD, AS SET FORTH ABOVE ON THIS EXHIBIT "B" AND AGREE NOT TO ENGAGE IN ANY SUCH CONDUCT AT ANY TIME WHILE EMPLOYED BY EMPLOYER.

"LOAN OFFICER"

Signature

Print Name

Dated: _____