

BROKER AGREEMENT

This Broker Agreement (this "Agreement") is entered into as of the ___th day of _____, 2017, by and between Iron Oak Home Loans, Inc., a California corporation, whose address for purposes of this Agreement is 9260 Alcosta Boulevard, Building C, Suite 16, San Ramon, California, 94853 ("Iron Oak"), and _____, whose address for purposes of this Agreement is _____ ("Mortgage Broker"). Iron Oak and Mortgage Broker may be individually referred to herein as the "Party" or collectively as the "Parties."

RECITALS

A. Iron Oak is licensed by the California Bureau of Real Estate and holds License Number 01299684 and NMLS Endorsement Number 356760. For the purposes of this Agreement, Iron Oak is acting in the capacity of a lender.

B. Mortgage Broker is licensed by the California Bureau of Real Estate and holds License Number CA BRE _____ and NMLS Endorsement Number _____.

C. For the purposes of this Agreement, Iron Oak will accept Loan Application Packages for consumer purpose loans secured by single-family or multi-family residential dwelling located in the State of California.

D. Mortgage Broker is a licensed Mortgage Loan Originator engaged in the business of soliciting mortgage loan applications from consumers for submission to lenders for funding consideration.

E. Iron Oak is in the business of accepting Loan Application Packages for consumer purpose loans from mortgage brokers.

F. The Parties desire to enter into this Agreement to establish a nonexclusive relationship whereby Mortgage Broker will submit consumer purpose Loan Application Packages to Iron Oak. If the Loan Application Packages meet Iron Oak's approval and funding requirements, Iron Oak will close and fund the Loan.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is acknowledged, the Parties agree as follows:

1. Definitions.

"Approval" or "approve" means the act of Iron Oak issuing a Conditional Loan Approval regarding Consumer's credit application.

"Consumer" shall mean an applicant for a consumer purpose mortgage loan and/or a borrower on a closed loan.

"Consumer Purpose Loan" shall mean a mortgage loan for personal, family, or household purposes.

"Counter-offer" means the act of denying an Application based on the loan terms (for example, the interest rate, length of maturity, collateral, amount of downpayment) originally applied for and offering the same Consumer a loan based on other terms.

“Decline” means the application package submitted by Mortgage Broker to Iron Oak to review for formal consideration has been declined due to Broker’s non-compliance with Federal Real Estate Settlement Procedures and/or Truth in Lending Acts, the TILA-RESPA Integrated Disclosure Rule (“TRID”), California Real Estate Law or any other applicable consumer regulation(s) and/or laws(s).

“Denial” or “denied” means the act of Iron Oak communicating to Consumer that an Application has been denied after formal consideration based on the Consumer’s data.

“Loan Application Package(s)” shall mean the documentation necessary for Iron Oak to determine Consumer’s eligibility for a Loan and compliance with Iron Oak’s Underwriting Guidelines, including but not limited to: completed FNMA 1003 credit application; credit report(s); verification(s) of income, assets and liabilities; verification(s) of employment; verification of rent, if applicable; and appraisal report(s) performed by an independent, licensed appraiser that sets forth the fair market value of the collateral property.

“Mortgage Loan Originator” (“MLO”) means a licensed individual who takes a residential mortgage loan application or offers or negotiates terms of a residential mortgage loan for compensation or gain. The MLO must have a valid mortgage broker license issued by the California Bureau of Real Estate; and, an endorsement to that license issued by the Nationwide Mortgage Licensing System (NMLS Unique Identifier) identifying that individual as a licensed mortgage loan originator.

“Underwriting Guidelines” shall mean Iron Oak’s requirements for analyzing and assessing the Consumer’s credit risk, capacity to repay the Loan on its terms, and the mortgage loan collateral. At a minimum, Iron Oak will determine and confirm the Consumer’s ability to repay using the criteria set forth in the Truth in Lending Act and Regulation Z, as summarized in Exhibit A.

2. Loan Submission and Processing.

2.1 Mortgage Broker may, from time to time and in its own discretion, submit a Loan Application Package to Iron Oak for review and consideration by Iron Oak. With regard to all Loan Application Packages submitted to Iron Oak by Mortgage Broker, Mortgage Broker covenants and agrees that Mortgage Broker is familiar with, and shall comply with, all applicable State of California Real Estate laws and regulations and federal consumer protection laws and regulations. If Iron Oak, in its sole and absolute discretion, determines the Loan Application Package does not comply with state or federal law, Iron Oak may decline the Loan Application Package.

2.2 After submission of an Application by Mortgage Broker to Iron Oak, Iron Oak may review the Application, and in its own discretion, approve or deny it, make the Consumer a counter-offer, or decline the Loan Application Package. If the Application is approved and all conditions of the approval, as contained in a Conditional Approval have been accepted by Consumer and performed, Iron Oak shall fund a loan to a Consumer as approved. If a counter-offer is made and all conditions of the counter-offer, as contained in a Conditional Approval, have been accepted by Consumer and performed, Iron Oak shall fund a loan to Consumer as approved.

2.3 Mortgage Broker shall not represent to any person, including Consumer, that Iron Oak has approved or will approve, or that Iron Oak has issued or will issue a commitment to fund any Loan Application Package.

2.4 All information and documentation to be utilized in connection with such Loan Application Packages and Loans, including credit applications, verification requests, State of California and federal disclosures, promissory notes, security documents, deeds of trust and mortgages, shall be on forms which comply with all applicable State of California and federal laws and regulations, Iron Oak’s underwriting guidelines and this Agreement.

2.5 Hold Harmless & Indemnity. Until Mortgage Broker makes a submission of a

complete Application on behalf of an Applicant, Iron Oak is under no duty or obligation to that Applicant whatsoever, whether under statute, administrative regulation or common law, and Mortgage Broker shall hold harmless and further indemnify, protect, and defend Iron Oak from any Claim of an Applicant arising from any act or omission of Mortgage Broker concerning any Application submitted to Lender. Mortgage Broker warrants unto Iron Oak that Mortgage Broker will inform every Applicant, from whom a complete Application is taken and submitted to Iron Oak, that Iron Oak (1) may in its own discretion deny a submitted Application and (2) is under no duty or obligation to fund a loan to Applicant unless a Conditional Approval has been issued by Iron Oak, all of its conditions (including escrow instructions) have been fulfilled, and the Applicant has accepted the Conditional Approval in a timely manner.

3. Loan Approval Criteria. Iron Oak may, in its sole and absolute discretion, at any time change, amend or modify its lending programs and loan approval criteria.

4. Agency of Mortgage Broker. Mortgage Broker agrees and covenants that as to each Consumer for whom a Loan Application Package is submitted to Iron Oak, Mortgage Broker: (i) has contractually agreed with the Consumer to act as the Consumer's authorized agent to negotiate a Loan; (ii) the contractual agreement includes the Consumer's payment of appropriate compensation to Mortgage Broker for the services performed by Mortgage Broker on the Consumer's behalf; and (iii) Mortgage Broker shall act as the Consumer's agent for all purposes of the transactions contemplated by this Agreement. As Consumer's agent, Mortgage Broker has a fiduciary duty to Consumer.

Mortgage Broker further acknowledges that it has a fiduciary duty to Iron Oak (i) to use its best efforts to assure that the submitted loan is eligible for funding by Iron Oak and, (ii) to disclose all relevant facts and circumstances relating to Applicant and the Property securing the Mortgage Loan.

5. Review and Underwriting of Loan Application Package by Iron Oak. Upon receipt of a completed Loan Application Package from Mortgage Broker, Iron Oak, in its sole discretion, may underwrite and approve/deny such Loan Application Package on the basis of Iron Oak's then current underwriting criteria.

5.1 Nothing in this Agreement constitutes any representation or commitment by Iron Oak that Iron Oak will approve any Consumer's credit application or extend credit to any Consumer. Iron Oak's determination as to the creditworthiness of any Consumer, including the terms and conditions of a Loan, shall be final and conclusive.

5.2 Without limiting its rights, Iron Oak shall have the right, in its sole discretion, to approve the terms proposed in a Loan Application Package for a Loan, the creditworthiness of the Consumer and the adequacy of the security for a Loan.

5.3 All information contained in a Loan Application Package shall be subject to Iron Oak's independent verification. Iron Oak's independent verification or lack thereof of any Loan Application Package shall not reduce, waive, or otherwise modify any of Iron Oak's rights or remedies provided hereunder.

6. Disposition of Loan Application.

6.1 Incomplete Application. Within 30 days of receipt of a credit application that is incomplete regarding matters that a Consumer can complete, Iron Oak may either deliver a 'Notice of Incomplete Application and Request for Additional Information' or an adverse action notice (giving as the reason for denial, "incomplete application") to the Consumer.

6.2 Counteroffer. If Iron Oak delivers a 'Notice of Action Taken, Statement of Reasons and Counteroffer' to Consumer; and, if Consumer does not expressly accept the counteroffer terms, the credit application is deemed denied.

6.3 Denied Application. Within 30 days after receipt of a complete application, if Iron Oak, in its sole and absolute discretion, denies the application, Iron Oak shall deliver a Notice of Action Taken and Statement of Reasons to the Consumer.

6.4 Funding. If Iron Oak, in its sole discretion, approves a Loan Application Package, Iron Oak shall issue a conditional approval setting forth the conditions upon which Iron Oak will fund the subject Loan, along with the expiration date of the approval (the "Conditional Approval"). Iron Oak shall have no obligation to fund a Loan prior to fulfillment of all funding conditions contained in the Conditional Approval. Iron Oak may, in its sole discretion, extend the expiration date of the Conditional Approval.

6.4.1 Iron Oak shall not be obligated to fund any Loan that does not, in Iron Oak's sole discretion, comply with the related Conditional Approval or Iron Oak's applicable guidelines or underwriting criteria.

6.4.2 All Loans shall close in Iron Oak's name with funds provided by Iron Oak. Mortgage Broker's sole and exclusive rights to compensation pursuant to this Agreement are set forth in Section 7.2 of this Agreement.

7. Loan Origination Services and Compensation.

7.1 Broker Duties. Mortgage Broker will, at Mortgage Broker's sole cost and expense, prepare, process and submit Loan Application Packages to Iron Oak for funding consideration, and facilitate the closing of Loan Application Packages approved for funding by Iron Oak. Mortgage Broker's services and facilities shall include, but are not limited to those services and facilities required by the Iron Oak Requirements, as amended from time to time by Iron Oak, in its sole discretion. The specified loan origination services and facilities performed by Mortgage Broker pursuant to this Section 7.1 shall be referred to in this Agreement as the "Loan Services." Mortgage Broker's Loan Services shall include, but not be limited to, the following:

- 7.1.1** Taking information from the Consumer and assisting the Consumer in the completion of a FNMA 1003 credit application;
- 7.1.2** Performing a preliminary analysis of the Consumer's income and debt and pre-qualifying the Consumer to determine the Consumer's maximum loan amount;
- 7.1.3** Educating the Consumer in the home buying and financing process, advising the Consumer about the different types of mortgage loan products available, and demonstrating how closing costs and monthly payments could vary under each product;
- 7.1.4** Obtaining a Certification and Authorization from Consumer;
- 7.1.5** Collecting financial information (tax returns, bank statements) and other related documents necessary to complete the Loan Application Package;
- 7.1.6** Initiating/ordering verification(s) of employment (VOE) and verification(s) of deposit (VOD),
- 7.1.7** Initiating/ordering requests for mortgage and other loan verifications;
- 7.1.8** Initiating/ordering preliminary report of title,
- 7.1.9** Initiating/ordering appraisals, and any other reports and/or inspections required;
- 7.1.10** Initiating/ordering a flood zone determination;

- 7.1.11 Within three business days of receipt of a complete Loan Application, prepare and deliver to Consumer the Mortgage Loan Disclosure Statement, the Loan Estimate, ECOA Appraisal Report Disclosure, the List of HUD-Approved Homeowners Counseling Organizations, and all other disclosures as required by State and federal laws and regulations;
- 7.1.12 Maintain contact with all parties, advise of status, and obtain and deliver necessary documents and/or information to Iron Oak, as required;
- 7.1.13 Review and assess information and documentation provided by Consumer to ensure the Loan Application Package complies with State and federal law and Iron Oak Requirements.
- 7.1.14 Take any and all other necessary steps to assist with the closing of the loan.

7.2 Mortgage Broker Compensation from Consumer. Mortgage Broker shall be entitled to negotiate with and receive from the Consumer, payable at the time of closing of a Loan, a reasonable broker's fee for its services. The broker's fee shall be for services actually performed for the Consumer and in an amount that is reasonably related to the value of the services actually performed on behalf of the Consumer and that is typical in Mortgage Broker's market area for the type and amount of the mortgage loan applied for. Mortgage Broker shall disclose the fee, if any, which it charges to any Consumer(s) in writing on the Mortgage Loan Disclosure Statement and Loan Estimate, and in accordance with all other applicable disclosure and other legal requirements. Iron Oak will cause such broker's fee to be disclosed on the Closing Disclosure and final settlement statement, and to be collected at closing and remitted to Mortgage Broker.

MORTGAGE BROKER ACKNOWLEDGES AND AGREES THAT IRON OAK IS NOT LIABLE OR RESPONSIBLE TO MORTGAGE BROKER FOR THE PAYMENT OF ANY CONSIDERATION FOR ANY OF THE SERVICES PROVIDED BY MORTGAGE BROKER. MORTGAGE BROKER'S SOLE CONSIDERATION SHALL BE THE BROKER'S FEE AGREED TO IN WRITING BETWEEN MORTGAGE BROKER AND CONSUMER.

7.3 No Referral Fees. Mortgage Broker acknowledges and agrees that there is no agreement between Mortgage Broker and any other person or entity for the payment of any referral fee, rebate, bonus, kickback, or other thing of value; and, no payment of such referral fee, rebate, bonus, kickback, or other thing of value has been or will be made.

7.4 Consumer's Rescission of Loan After Funding. In the event Iron Oak receives notice that any Consumer has exercised his or her right of rescission after Iron Oak has disbursed any loan proceeds, Iron Oak shall review such rescission request and shall, in its sole and absolute discretion, determine if the rescission is for a valid stated reason. If Iron Oak makes a determination that the rescission is valid, Mortgage Broker shall promptly return to Iron Oak all amounts collected by Mortgage Broker from Consumer in connection with the Loan, regardless of whether such amounts were disbursed by Mortgage Broker to third parties for services performed on Consumer's behalf. For the purposes of this section, "promptly" shall mean Mortgage Broker's tender of funds to Iron Oak within thirty (30) calendar days of Iron Oak's delivery of written notice that Consumer has tendered a valid rescission request.

8. Mortgage Broker's General Representations, Warranties, and Covenants. As an inducement to Iron Oak to enter into this Agreement and to consummate the transactions covered by this Agreement, Mortgage Broker represents, warrants and covenants to Iron Oak, on behalf of itself and its officers, directors, employees, representatives and agents, that as of: (a) the date and time any Loan Application Package is submitted to Iron Oak; (b) the date and time a Loan is funded and closed; (c) throughout the time such Loan remains outstanding; and (d) any other date and time as indicated or

as the context of this Agreement may require:

8.1 Organization, Standing and Authority. Mortgage Broker is duly organized, validly existing, and in good standing under the Laws of the state governing its creation, and is qualified and authorized to do business in the State of California. If an entity, Mortgage Broker has and shall have the corporate power and authority necessary to execute, deliver and perform its obligations under this Agreement and to consummate the transactions contemplated hereby. This Agreement is duly authorized, executed and delivered by Mortgage Broker and constitutes a valid and binding obligation of Mortgage Broker, including its officers, directors, employees, representatives, and agents, enforceable in accordance with its terms. No consent, approval, authorization or order of any court or governmental agency or body is required for the execution, delivery, and performance by Mortgage Broker of, or compliance by Mortgage Broker with, this Agreement or the consummation of the transactions contemplated by this Agreement or, if required, such consent, approval or authorization has been obtained. Mortgage Broker's compliance with the terms and conditions of this Agreement will not violate any provisions of its charter documents, if any, any instrument relating to the conduct of its business, or any other agreement, law, or regulation to which it may be a party or under which it may be governed.

8.2 All Licenses and Authorizations. Mortgage Broker has complied, and shall continue to comply, with all federal, State of California, and local laws requiring business permits, certificates and licenses required to carry out the services to be performed under this Agreement, including all licenses necessary to conduct the residential mortgage brokerage business contemplated by this Agreement. Mortgage Broker is licensed, registered, qualified and in good standing in the State of California. Mortgage Broker will notify Iron Oak immediately upon the suspension, revocation, expiration or other termination of any licenses, registrations, or qualifications, or of the taking of any formal or informal administrative or judicial action by any such regulatory or supervisory agency against Mortgage Broker that could adversely affect Mortgage Broker's licenses, registrations, and qualifications.

8.3 Absence of Claims. Except as previously disclosed by Mortgage Broker to Iron Oak in a writing to be attached to this Agreement, there are no actions, claims, suits, litigation, or other proceedings pending or to the knowledge of Mortgage Broker threatened, against Mortgage Broker or its current or former officers, directors, shareholders, employees, representatives, and agents, with respect to loans brokered by Mortgage Broker, including allegations of fraud by another lender. Furthermore, Mortgage Broker is not subject to or bound by any outstanding orders, judgments, or decrees of any court or governmental entity which, in the aggregate, would have a material adverse effect on Mortgage Broker's authority to enter into this Agreement or ability to perform pursuant to the terms of this Agreement.

8.4 Accurate Information and Duty to Correct. Mortgage Broker has not made, and will not make, any representations, warranties, or written statements to Iron Oak at any time in connection with Loan Application Packages provided to Iron Oak pursuant to this Agreement, or make any untrue statement of material fact or any omission of material fact.

8.5 Maintenance of Loan Records. Mortgage Broker shall prepare and maintain complete and accurate records of all loans originated by Mortgage Broker and submitted to Iron Oak pursuant to this Agreement.

8.6 Independent Contractor. It is understood and agreed, and it is the intention of the parties hereto, that Mortgage Broker is an independent contractor, and not an employee, agent, joint venturer, partner or any other relation of that nature for any purpose whatsoever. Neither of the parties to this Agreement, nor any of their respective employees, agents, or other representatives, shall be construed to be the agent, employee, or representative of the other party. Neither party shall have the

authority to bind the other party nor shall a party be responsible for the acts or omissions of the other party, unless otherwise stated in this Agreement. Mortgage Broker is expressly prohibited from using Lender's name in any advertising.

9. Mortgage Broker's Representations, Warranties and Covenants Concerning Loan Application Packages and Loans. As an additional inducement to Iron Oak to enter into this Agreement and to consummate the transactions covered by this Agreement, Mortgage Broker represents, warrants and covenants to Iron Oak, on behalf of itself and its officers, directors, employees, representatives and agents, that as of: (a) the date and time any Loan Application Package is submitted to Iron Oak; (b) the date and time a Loan is funded and closed; (c) throughout the time such Loan remains outstanding; and (d) any other date and time as indicated or as the context of this Agreement may require:

9.1 Truthfulness of Information Provided. Mortgage Broker shall immediately disclose to Iron Oak any and all facts, information, and documentation that Mortgage Broker knows, suspects or has notice of that could affect, or has affected, the eligibility, validity, collectability, collateral value, security, or enforceability of any Loan Application Package submitted by Mortgage Broker for review and consideration by Iron Oak. All information submitted by Mortgage Broker to Iron Oak, including all information contained in the loan application, and any written materials and financial statements submitted therewith, are represented, and warranted to be true, correct, currently valid, and genuine. Mortgage Broker further represents and warrants that each document furnished to Iron Oak is complete and accurate, contains no misleading information, has been properly prepared and executed with copies deliverable required by law, all signatures and initials therein are authorized and genuine and that Mortgage Broker has no adverse information or documentation concerning a Consumer which has not been communicated to Iron Oak.

9.2 Compliance with Real Estate, Mortgage Lending, and Consumer Protection Laws. In connection with its solicitation, processing, and submission of a Loan Application Package pursuant to this Agreement, Mortgage Broker and every other person or entity involved in the Loan transaction covenant and agree that they have and will comply fully and in a timely manner with all applicable State and federal laws and regulations affecting mortgage lending including, but not limited to, the following:

- a. California Real Estate Law as set forth in the California Business and Professions and Financial Codes and the Commissioner of Real Estate's Regulations;
- b. Federal Truth in Lending Act and Regulation Z, 12 C.F.R. 1026;
- c. Real Estate Settlement Procedures Act and Regulation X, 12 C.F.R. 1024;
- d. Equal Credit Opportunity Act and Regulation B, 12 C.F.R. 1002;
- e. The Secure and Fair Enforcement for Mortgage Licensing Act of 2008 (SAFE Act);
- f. Fair Housing Act (Title VIII of Civil Rights Act of 1968, as amended);
- g. Homeowners Protection Act;
- h. Fair and Accurate Credit Transactions Act of 2003 (FACT Act);
- i. USA Patriot Act of 2001;
- j. Any other federal or state consumer protection law or regulation;
- k. All appraisal laws and regulations.

Mortgage Broker shall hold harmless and indemnify, protect, and defend Iron Oak from any claim

arising from any breach of this warranty by Mortgage Broker.

9.3 Compliance with Financial Information Privacy Laws. In connection with its solicitation, processing, and submission of a Loan Application Package pursuant to this Agreement, Mortgage Broker and every other person or entity involved in the Loan transaction covenant and agree that they have and will comply fully with the California Financial Information Privacy Act, the Federal Gramm-Leach-Bliley Act and all implementing regulations.

9.4 No Undisclosed Additional Fees. Mortgage Broker shall not accept any compensation from the Consumer that would duplicate payment for the performance of the Loan Services. Mortgage Broker shall fully disclose and explain all fees to Consumer in writing and Consumer has agreed, in writing, to all fees received or to be received by Mortgage Broker. The fees charged and received by Mortgage Broker are reasonably related to the reasonable value of the services rendered by Mortgage Broker in connection with the Loan Application Package and the Loan. Furthermore, Mortgage Broker has not agreed with any other person or entity for the payment of any referral fee, rebate, bonus, kickback or other payment, and no payment of such referral fee, rebate, bonus, kickback, or other payment has been or will be made to any person, including, but not limited to, Mortgage Broker.

9.5 No Claims Relating to Services Provided by Mortgage Broker to Consumer. Mortgage Broker covenants that all services performed by Mortgage Broker were performed pursuant to accepted and customary industry standards and to the full satisfaction of Consumer. Mortgage Broker is not aware of any dispute or claim by any Consumer that all such services were not fully and satisfactorily performed. No Consumer has any claim or defense against the Mortgage Broker, and its officers, directors, employees, representatives, and agents, by reason of any act or omission of Broker, and its officers, directors, employees, representatives, and agents, arising out or related in any manner or way to a Loan Application Package, a Loan, or a Loan transaction.

9.6 Vendors. In connection with any and all Loan Application Packages submitted to Iron Oak, Mortgage Broker shall only use real estate appraisers, credit reporting agencies or other settlement service providers or vendors that are properly licensed and comply in all respects with all applicable State of California and federal laws.

10. Mortgage Broker's Indemnification. Mortgage Broker hereby indemnifies and holds Iron Oak, and its officers, directors, employees, shareholders, representatives, successors, assigns, agents and affiliates (collectively, the "Indemnitees"), harmless from and against, and shall reimburse the Indemnitees with respect to, any and all losses, damages, demands, claims, liabilities, costs and expenses, including reasonable attorneys' fees, whether or not a lawsuit is filed (collectively, "Losses"), of any nature or cause whatsoever, incurred by reason of or arising out of or in connection with: any investigation undertaken by Iron Oak with respect to any document included as part of a Loan Application Package; any breach of any representation, warranty or covenant contained in this Agreement; Mortgage Broker's failure to perform any of its obligations under this Agreement; or any claim by a Consumer resulting from Iron Oak's failure or refusal to fund a Loan. Mortgage Broker's obligation to fully indemnify the Indemnitees under this Agreement shall not be affected by Iron Oak taking any of the following actions with or without notice to Mortgage Broker: (i) liquidation, repayment, retirement, or sale or resale of any Loan; (ii) foreclosure of any Loan; or (iii) sale or resale of any real or personal property securing any Loan. For the purposes of this Agreement, including this Section 10, Mortgage Broker specifically covenants, represents and warrants that the knowledge and actions of Mortgage Broker's officers, directors, employees, representatives, and agents shall be imputed to, and be deemed the actions of, Mortgage Broker.

12. Disclosure of Information; Confidentiality. All documents, forms, publications, memoranda, correspondence, files, contracts, client lists, financial tables, records, procedures, sales aids,

techniques, processes, lending programs, the Iron Oak Requirements and all other material and information directly or indirectly given to or received by Mortgage Broker during the term of this Agreement that relate in any manner to any business or operation that Iron Oak is engaged in, or intends at any time to become engaged in, are and shall remain the proprietary and confidential property of Iron Oak. Upon the termination of this Agreement for any reason, Mortgage Broker shall promptly deliver to Iron Oak all such material and information. During and after the term of this Agreement, Mortgage Broker shall not disclose to any person any proprietary and/or confidential information relating to the business of Iron Oak.

13. Termination of Agreement. Iron Oak may terminate this Agreement at any time. In the event of such termination, this Agreement shall remain in full force and effect with respect to all of Mortgage Broker's outstanding obligations, representations, warranties, and covenants arising out of or relating to Loans subject to this Agreement. Unless expressly waived by Iron Oak in writing, the terms of this Agreement and all warranties and representations shall survive the funding of Loans and subsequent sale thereof, by Iron Oak, and shall not be affected by any investigation made by Iron Oak on its behalf.

14. General Provisions.

14.1 Right to Offset. Amounts owed by Mortgage Broker to Iron Oak under this Agreement may, at Iron Oak's option and in its sole discretion, be offset by Iron Oak against any payments then or thereafter owed by Iron Oak to Mortgage Broker.

14.2 Books and Records. Mortgage Broker shall maintain accurate books and records with respect to all Loan Application Packages. Iron Oak and its agents or representatives shall have the right to inspect Mortgage Broker's books and records during regular business hours and upon reasonable notice in order to confirm the accuracy of information supplied by Mortgage Broker to Iron Oak with respect to any Loan Application Packages and this Agreement and to confine Mortgage Broker's compliance with this Agreement.

14.3 Notices. All notices required hereunder shall be in writing, delivered to the address appearing on the signature page of this Agreement, as may be amended from time to time by written notice, and shall be deemed to have been given, made, and received only: (a) upon personal delivery to a Party; (b) one (1) business day after the date of deposit if delivered by a nationally recognized courier service offering guaranteed overnight delivery; or (c) five (5) business days after deposit in the United States first class mail, certified mail, postage prepaid, return receipt requested.

14.4 Reserved.

14.5 Attorney's Fees. If any legal action or other proceeding is brought for the enforcement of this Agreement, or because of an alleged dispute, breach, default, or misrepresentation in connection with any of the provisions of this Agreement, the prevailing Party shall be entitled to attorneys' fees and other costs incurred in that action or proceeding, whether or not a law suit is filed, in addition to any other relief to which it or they may be entitled.

14.6 Assignment. Mortgage Broker may not assign this Agreement or its duties herein, and any attempted assignment shall be void.

14.7 Entire Agreement; Amendment. This Agreement constitutes the entire understanding and agreement of the Parties hereto with respect to the subject matter hereof, and any other agreements, express or implied, entered into prior to this Agreement are null and void and of no force or effect. Iron Oak may amend the terms of this Agreement by delivering Mortgage Broker an amended Agreement in accordance with Section 14.3 of this Agreement. Such amendments shall be the Current Agreement and deemed accepted and incorporated into this Agreement if Mortgage Broker submits a Loan Application Package to Iron Oak subsequent to the date that the amended Agreement

is delivered to Mortgage Broker. Mortgage Broker may not supplement, modify, or amend this Agreement unless such supplement, modification or amendment is agreed to in writing by an authorized representative of Iron Oak.

14.8 Waivers or Remedies. Iron Oak's failure or delay to audit any Loan prior to funding and closing, or to exercise any right or remedy available under this Agreement or at law or equity, shall not act as a waiver of any other 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.

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

14.10 Further Assurances. Each Party shall perform any further acts and execute and deliver any documents that may be reasonably necessary to carry out the provisions of this Agreement.

14.11 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California, without consideration of choice of law principals.

14.12 Choice of Forum. Any judicial proceeding brought against any of the Parties hereto with respect to this Agreement shall be brought in any court of competent jurisdiction in Contra Costa County, California or in the Federal District Court for the Northern District of the State of California, irrespective of where such Party may be located at the time of such proceeding, and by execution and delivery of this Agreement, each of the Parties hereby consents to the exclusive jurisdiction of any such court and waives any defense or opposition to such jurisdiction.

14.14 No Third-Party Beneficiary. This Agreement is intended to facilitate the submission of Loan Application Packages by Mortgage Broker to Iron Oak, and no third-party beneficiary rights are intended or may be implied in any manner or form, including any rights or benefits with respect to a Consumer.

14.14 Release of Liability. Mortgage Broker releases Iron Oak, its subsidiaries and affiliates, and their present and future directors, officers, employees, attorneys, and agents, and successors and assigns from any and all claims, demands, actions, causes of action, suits, damages, attorneys' fees, costs and expenses of suit, liabilities and judgments of any kind ("Claim"), by reason of any act or omission relating to Iron Oak's use of Mortgage Broker's Loan Application Package or verification of any information contained therein. Mortgage Broker further indemnifies and agrees to defend and hold Iron Oak harmless with respect to any Claim made by any past, present, or future owner, officer, or employee of Mortgage Broker with respect to such use or verification.

IN WITNESS WHEREOF, the Parties have caused their duly authorized representatives to execute this Agreement as of the date first set forth above.

IRON OAK HOME LOANS, INC.,
A CALIFORNIA CORPORATION

By: _____
Name: Scott Liming
Title: Chief Executive Officer
Address: 9260 Alcosta Boulevard, Building C, Suite 16

San Ramon, California, 94853

“MORTGAGE BROKER”

Company Name: _____

Address: _____

By (signature): _____

Name: _____

Title: _____

License No.: _____

NMLS No.: _____

EXHIBIT “A”

IRON OAK HOME LOANS

MINIMUM ABILITY TO REPAY (“ATR”)

The Federal Truth in Lending Act’s ATR rule requires the creditor to make a reasonable, good-faith determination prior to loan closing that the consumer has a reasonable ability to repay the loan at time of loan approval and closing.

8 Underwriting Factors: Iron Oak’s ATR evaluation includes the following 8 underwriting factors:

- (1) The Consumer's current or reasonably expected income or assets that the Consumer will rely on to repay the loan (other than the value of the dwelling, including any real property attached to the dwelling, that secures the loan);
- (2) If the income determination relies on income from the Consumer's employment to determine repayment ability, the Consumer's current employment status;
- (3) The Consumer's monthly payment on the proposed loan (calculated using the greater of the introductory or the fully indexed rate for a variable or adjustable rate loan);
- (4) The Consumer's monthly payment(s) on any simultaneous loan(s) (i.e. piggy back second or home equity line of credit) that Iron Oak knows or has reason to know will be made;
- (5) The Consumer's monthly payment for all mortgage-related obligations (property taxes, hazard insurance, ground rent or lease payments, HOA dues or assessments, etc.);
- (6) The Consumer's current debt obligations (i.e. student loans, automobile loans, revolving debt, etc.), alimony, and child support. If two or more Consumers will be joint obligors on the Loan, the debt obligations of all co-Consumers will be considered;
- (7) The Consumer's monthly debt-to-income ratio or residual income using the total of all mortgage and non-mortgage obligations, as a ratio of gross monthly income;
- (8) The Consumer’s credit history including information about:
 - Number and age of credit lines
 - Payment history
 - Judgments
 - Collections
 - Bankruptcies
 - Nontraditional credit references such as rental payment history or utility payments.

Verification of income or assets: Iron Oak will verify the amounts of income or assets that it relies on to determine Consumer's ability to repay using third-party records that provide reasonably reliable evidence of the Consumer's income or assets. Reasonably reliable third party records include copies of tax returns filed with the IRS or state taxing authority; credit reports; auto loan, credit card, student loan or existing mortgage statements; court orders for alimony or child support; payroll statements; military leave and earnings statements; financial institution records; records obtained from the consumer’s employer; etc. Iron Oak may verify the Consumer's income using a tax-return transcript

issued by the Internal Revenue Service (IRS). Examples of other records Iron Oak may use to verify the Consumer's income or assets include:

- (1) Copies of tax returns the Consumer filed with the IRS or a State taxing authority;
- (2) IRS Form W-2s or similar IRS forms used for reporting wages or tax withholding;
- (3) Payroll statements, including military Leave and Earnings Statements;
- (4) Financial institution records;
- (5) Records from the Consumer's employer or a third party that obtained information from the employer;
- (6) Records from a federal, State, or local government agency stating the Consumer's income from benefits or entitlements;
- (7) Receipts from the Consumer's use of check cashing services; and
- (8) Receipts from the Consumer's use of a funds transfer service.