

Home Savings of America - Wholesale Lending Division
Addendum to New Broker Application – Agreement

- 1) **No Obligation.** Lender is under no obligation to accept any application or to grant any loan for which application is made, and Lender will have no liability to Broker for any refusal to make a loan applied for or for any delay in processing of a loan application. The contents of all loan packages submitted to Lender immediately shall become the property of the lender.
- 2) **Loan Processing.** Each loan package must meet all of the Lender's requirements and applicable law and regulation, including but not limited to an original Application, completed in detail and signed and dated, as well as any such requirements posted on the Lender's broker website.
- 3) **Broker's Representations and Warranties.** Broker represents and warrants to Lender as follows:
 - a) Broker is duly organized validly existing and in good standing under the laws of the state of its incorporation or organization, possesses all necessary licenses issued by the applicable regulatory authority to engage in the activities contemplated by this Agreement and is qualified and/or licensed as a broker as is necessary to transact business in each state where property securing a loan is located.
 - b) Broker will comply with all applicable laws, rules and regulations, including but not limited to the Fair Housing Act, the Equal Credit Opportunity Act, the Truth in Lending Act and the Federal Reserve Regulations Z there under, the Real Estate Settlement Procedures Act (RESPA), the rules and regulations of all state and federal agencies and the Federal Bank Bribery Act.
 - c) No statement or representation made or document submitted to the Lender is untrue, inaccurate, incomplete or misleading in any respect whatsoever, and Broker will immediately report to Lender any known or believed to be false, inaccurate, altered, or forged statement, representation or document which may come to its attention.
 - d) All documents furnished to Lender have been prepared and executed and copies delivered as required by law and are completed, signed and initialed and all signatures and initials are authorized and genuine.
 - e) Broker has no adverse information concerning any Applicant which has not communicated to Lender.
 - f) Signature Fraud Policy: Any Documents, including disclosures and Form 1003 bearing signatures other than the actual signature of the named borrower or borrower's designated POA as evidenced by recorded Power of Attorney, is illegal. If discovered during our pre-funding or post-closing document review, we will immediately terminate the relationship with those brokers who submit such false documentation and report or seek legal action as necessary.

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- g) Broker and Brokers employee are licensed in accordance with applicable laws and registered in the Nationwide Mortgage Licensing System (NMLS) Registry. Broker warrants that NMLS registrations are accurate and current.
- 4) **Compensation Arrangements and Anti-steering:** Broker will comply with the requirements in Regulation Z §226.25 and §226.36 including but not limited to:
- a) Broker and lender will enter into a compensation agreement/schedule defining lender paid compensation to be paid to the broker per Regulation Z. This schedule can be revised from time to time at the Lender's sole option.
 - b) Broker will request compensation from Lender in accordance with the current Broker/Lender compensation agreement that is not based any prohibited loan terms or conditions per Regulation Z.
 - c) Broker will not request or accept compensation from any other party when Broker requests or receives compensation from Lender per Regulation Z.
 - d) Broker's payments to loan originators employed by Broker will comply with all applicable laws and regulations including but not limited to the Regulation Z.
 - e) Broker will not steer or direct a consumer to consummate a loan transaction in order to receive greater compensation per Regulation Z. Broker will provide loan transaction options to the consumer in writing in compliance with the anti-steering requirements of Regulation Z prior to delivering a loan to Lender.
 - f) Upon request of Lender, Broker will provide Lender with documents, within five (5) business days, evidencing Broker's compliance with Regulation Z.
- 5) **Survival of Representations and Warranties.** All representations and warranties give herein by Broker shall survive termination of this Agreement, as well as any loan closing, approval, or denial.
- 6) **Indemnification.** Broker agrees to indemnify, hold harmless and defend Lender, its agents, servants, directors, officers, employees, successors, assigns, and its affiliates (the "Indemnified Parties") from and against any and all losses, claims, demands, damages, expenses or costs which in any way arise out of or relate to any alleged act or omission or Broker or any of its directors, officers, employees, or agents, whether in connection with an Application, a loan or this Agreement. Broker's indemnification obligations shall include reasonable attorney's fees incurred by any Indemnified Party, with or without suit, in defending against any and all claims by any third parties, including without limitation, Applicants and governmental agencies.
- 7) **Reimbursement of Consumers upon Rescission.** Broker shall promptly reimburse Applicant for all fees and costs incurred by Applicant in applying for or obtaining a loan (other than fees paid to and retained by lender), including, without limitation, any appraisal fees, credit report charges, title and escrow charges, Broker fees and

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points and other fees and charges for which Applicant is entitled to reimbursement as a result of Broker's violation of laws or regulations which give Applicant the right to exercise its right to rescind or to cancel a Loan for any reason, including without limitation, under the provisions of Regulation Z. Broker shall provide a copy of the reimbursement check and the accounting information related thereto to lender. In the event Broker fails to reimburse Applicant for such fees within three (3) business days of receipt of notice to do so, whether notice is received from Applicant, Lender or otherwise, Lender may, but not need, reimburse such amounts directly and Broker shall immediately reimburse Lender for such amounts.

- 8) **Agreement of Non-Solicitation.** Broker agrees that it will not solicit the prepayment of any loan originated under this Agreement and will not for compensation or otherwise, prepare or disseminate any list of borrowers arising from applications submitted to Home Savings of America.
- 9) **Early Payoffs.** In the event that Broker causes any loans originated hereunder to be paid off within 6 (six) months of the funding date due to a refinance loan arranged by Broker, an agent of Broker or a contractor of Broker, Broker agrees that it shall reimburse Home Savings for the total loss incurred due to the early payoff of the loan.
- 10) **Term.** This Agreement shall commence on the date first above written and shall continue until terminated by either party. This Agreement may be terminated immediately by either party for any reason upon delivery of written notice.
- 11) **Confidentiality.** Broker shall not, during the term or after the termination of this Agreement, use the Broker's own advantage or the advantage of any other person or entity any confidential information (whether about the Lender or any other person or entity) gained for or from the files of Lender. Broker agrees that while the breach of this paragraph may cause Lender monetary damages (which Lender may recover as provable by law), said breach will also cause great and irreparable injury for which there would be no adequate legal remedy to Lender. Therefore, Broker agrees that Lender shall, in addition to any other relief to which Lender may be entitled, be entitled to injunctive relief to prevent any breach or threatened breach of this paragraph by Broker.
- 12) **Nonassignable Agreement.** Broker's rights and duties under this Agreement may not be transferred or assigned to any person without the prior written consent of Lender, which may be withheld at its sole and absolute discretion.
- 13) **Governing Law; Modifications.** This Agreement is deemed to have been executed within the state where Broker is located whose laws shall control its interpretation and enforcement notwithstanding any conflicts of law principles. This Agreement may not be modified unless the modification is in writing and signed by both parties. This Agreement shall constitute the entire Agreement between parties.

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- 14) **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 connections with any provisions of this Agreement, the prevailing party or parties shall be entitled to reasonable attorney's fees and other costs incurred in the action or proceeding, in addition to any other relief to which it or they may be entitled.
- 15) **Entire Agreement.** This Agreement supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the subject matter hereto.

Signature: _____

By: _____

Title: _____

Date: _____