



Broker Agreement

THIS AGREEMENT is made on _____ (Date), between MAE Capital Mortgage INC, a California Corporation (MAE Capital Mortgage INC, dba. MAE Capital Real Estate and Loan referred to as (Company) and _____ (BROKER) a _____ (Sole Proprietor, Corporation, or LLC, etc.) under the laws of the state of _____, here after to referred to as BROKER.

Company hereby engages the services of BROKER as a Real Estate BROKER originating Private Money Loans for MAE CAPITAL MORTGAGE INC dba MAE Capital Real Estate and Loan, under the following terms and conditions:

1. **BROKER/Loan Officer General Responsibilities:** BROKER shall comply with all laws and regulations imposed upon BROKER selling Real Estate and soliciting loans in the State of California and the Federal Guidelines. BROKER shall maintain their own licensing under the California Bureau of Real Estate and if BROKER holds a National Mortgage Licensing System (NMLS) endorsement BROKER will maintain annual education requirements to keep such licensing current and active. If at any time licensing become revoked, expired, suspended or any restriction to licensing or endorsement BROKER will not be able to act as BROKER and will not be able to receive commissions until which time licensing issues have been made whole again.
2. **Independent Contractor:** BROKER is an independent contractor, and is not an employee, nor a partner of MAE CAPITAL MORTGAGE INC dba MAE Capital Real Estate and Loan.
3. **Authority:** BROKER authority is limited to actions or functions within the company for which BROKER holds the appropriate licensing for. With regards to Loan Origination the decision whether or not to make a loan and as to the terms and conditions of any loan made shall be at the sole discretion of MAE CAPITAL MORTGAGE INC. BROKER shall have no authority to commit or bind MAE CAPITAL MORTGAGE INC whatsoever in a loan transaction or Real Estate Transaction authority is that of the Broker. BROKER that is engaged in Real Estate Sales as well as Loan Origination shall fully disclose this relationship to clients. Real Estate Sales BROKERS will maintain their own costs and fees to belong to the California Association of Realtors (CAR) and the National Association of Realtors (NAR). Real Estate BROKERS will follow internal procedure for listing properties as well as selling properties and provide the disclosures company/Broker requests to be present in their files.
4. **Services:** . BROKER shall: Deliver Private money loans to MAE Capital Mortgage Inc. (Company) at Broker's sole expense and Broker understands that Company may arrange loans with other institutions or companies and Company's sources are protected by the Non-Circumvention Agreement attached hereto. . It is BROKER's sole responsibility to disclose all fees that Broker is to receive on transaction(s) and deliver such disclosures to Company and to borrower. It is understood by BROKER that if the California Mortgage Loan Disclosure Statement (MLDS) is not signed by borrower disclosing BROKER Fees and Points charged, BROKER is not eligible to receive any commission as put forth by the California Bureau of Real Estate. Further BROKER is responsible for delivering to Company:
 - a. All pertinent data on the property;
 - b. Obtain a written and signed loan application.
 - c. All written disclosures required by law or regulation and submit to Company written evidence of the delivery of such disclosures.
 - d. Broker shall maintain his/her Non-Circumvention Agreement terms and conditions at all times.
 - d. Upon completion of transaction no commissions will be disbursed until broker has a complete file with all required disclosures.
6. **Commissions:** Company shall pay BROKER for services rendered hereunder a commission as established from time to time by Company for its BROKERS. (See Schedule Attached). Commission for independent contractors will be paid when money has been received by Company in full from the consummation of the transaction and the file has been audited by Company. BROKER will submit a commission request form to Company if commissions were paid directly to company. In Order for BROKER TO BE PAID the following must occur:

- a. Broker Must have submitted a completed Broker package herein signed by BROKER and COMPANY
 - b. BROKER must have disclosed to client his/her compensation on the MLDS form.
 - c. BROKER's fees must be disclosed on the final HUD or Closing statement aside from points or fees Company is making.
 - d. BROKER should be paid directly from the close of escrow, in the event the escrow pays company the full commission amount with BROKER's compensation Company will pay Broker the Disclosed and collected fees
 - e. BROKER understands that Company cannot and will not pay BROKER any undisclosed Points or Fees, outside of the escrow transaction.
 - f. BROKER's loan file may be audited on a spot basis to maintain integrity of disclosures and Real Estate Law.
7. **Facilities, Equipment and Expenses:** BROKER will be required to use documents designated by Company in obtaining and processing loan application. BROKER will be responsible for their own advertising expenses as well as their own automobile and insurances associated with vehicle used for business. BROKER will make sure their auto insurance covers normal business operations and covers company from liability as well. BROKER will not be an employee nor will BROKER have access to Company proprietary information. BROKER to maintain it's own Errors and Omissions Insurance policies.
8. **Information Technology:** BROKER understands that all Information technology items such as web sites and pages therein are the sole property of MAE Capital Mortgage Inc. (Company) and may not be used copied or otherwise used for BROKER's own gain Any IT items that BROKER may be using that Company has no knowledge of will be at the sole liability of BROKER and BROKER will hold MAE Capital Mortgage INC Harmless from any losses litigation, integrity of Data, virus, spamming programs, ect.. It is further acknowledged by BROKER that any illegal activity with any IT items under the control or not of Company will be the at the sole liability of BROKER and BROKER will Hold MAE CAPITAL MORTGAGE INC and dba. MAE Capital Real Estate and Loan harmless from any such activity. BROKER will not disclose, sell, or promote Company's intellectual property under any circumstances. If BROKER violates this, they will liable for all legal expenses as well as any loss of Company income due to their breach of this contract.
9. **Benefits:** BROKER to maintain their own Benefit programs. Company will have no authority over BROKER's private business.
10. **Non - Competition:** BROKER shall not use Company intellectual property at any time after termination of this agreement or During Agreement. Proprietary marketing programs or materials, websites, or any combination thereof shall not be used after termination. Refer to terms in Non-Circumvention Agreement attached hereto.
11. **Gifts and Gratuities:** BROKER shall not accept compensation, gifts, gratuities or payment of any sort from any person other than Company with respect to any loan or other business of Company, and shall report immediately to Company any such offer of compensation, gift, gratuity or other payment not otherwise disclosed on the MLDS or the HUD. Nor shall BROKER offer such gifts or gratuities in any form to any potential client in exchange for their business or future business. BROKER to hold Company harmless from any such activities and BROKER understands they are completely independent of MAE Capital Mortgage Inc. (Company).
- 13 **Termination:** This Agreement and the relationship between the parties may be terminated at any time with or without cause by either party. Termination shall be effective upon written notice by either party to the other. BROKER shall receive commissions for loans which are approved in writing by MAE CAPITAL MORTGAGE INC prior to any termination and recorded within sixty (60) days after the termination. Real Estate commissions will be paid in accordance with current Real Estate Law
14. **Notice:** Any notice required or permitted to be given under this Agreement shall be sufficient if in writing and delivered personally, or sent by United States Mail, postage prepaid, and addressed as follows:

To BROKER

To MAE CAPITAL MORTGAGE INC dba MAE Capital Real Estate and Loan

MAE Capital Mortgage INC
ATTN: Gregg Mower
4940 Pacific Street
Rocklin, CA 95677

Notice sent BY mail shall be deemed received 48 hours after posting.

13. **Integration:** This writing is the entire agreement between the parties concerning its subject matter. It supersedes all prior discussions, understandings and writings, and may be changed only by a document executed by BROKER and by an authorized officer of MAE CAPITAL MORTGAGE INC dba MAE Capital Real Estate and Loan.
14. **Assignment:** This Agreement may not be assigned by either party without the consent of each other.
15. **Interpretation:** Headings are for convenience only, and not part of this Agreement. Whenever the context requires, the masculine includes the feminine or the neuter gender, the plural the singular and the singular plural.
16. **Legal:** BROKER is legally and financial responsible for any misrepresentations, fraud, or loss on a loan as a result of their actions or their subordinate's (i.e. other loan originators or Real Estate BROKERS). Furthermore, any legal actions resulting from BROKER's actions or their subordinate's is/are the financial and legal responsibility of the BROKER and BROKER will hold the Company, MAE CAPITAL MORTGAGE INC dba MAE Capital Real Estate and Loan Harmless from any such occurrences. By signing this document Loan BROKER agrees and fully understands the ramifications of signing this document. This is a legally binding document between _____ BROKER and MAE CAPITAL MORTGAGE INC dba MAE Capital Real Estate and Loan.
17. **Governing Law.** This Agreement shall be construed in accordance with and governed by the laws of the State of California and Company and BROKER agree to submit to the jurisdiction of California courts sitting in the County of Placer.

18. **General Reference and waiver of Jury Trial**

- a. If a dispute arises out of, or relates to this Agreement, the dispute shall be decided by general reference procedures pursuant to California Code of Civil Procedure Section 638. The general reference shall be commenced by a request or a motion filed with the clerk or presiding judge of the Superior Court of the County of Placer in California, with a copy served on the other party, pursuant to Code of Civil Procedure Section 638. Any such request or motion shall include a copy of this Agreement. Except to the extent modified herein, the reference shall be conducted in accordance with California law including, but not limited to, the California Code of Civil Procedure and California Evidence Code, California Business and Professions Code, and California Real Estate Law. Any general reference shall be commenced within the period specified by the applicable statute of limitation for the claim(s) made. All general reference proceedings hereunder shall, unless all parties thereto otherwise agree in writing, be conducted in a mutually agreeable location in the County of Placer, State of California.
- b. Subject to an award of fees and costs to the prevailing party in the general reference, each party shall pay one-half of the expenses of the general reference at the rate set by the Court pursuant to Code of Civil Procedure Sections 645.1 and 1023. The referee(s) shall not have the right to convene a jury to be the trier of fact of any controversy hereunder. BOTH PARTIES HEREBY WAIVE A JURY TRIAL IN CONNECTION WITH ANY DISPUTE ARISING OUT OF THIS AGREEMENT.
- c. No reference arising out of or relating to this Agreement shall include, by consolidation, joinder with or in any other manner, an additional person or entity not a part to this Agreement except by written consent containing a specific reference to this Agreement by both parties hereto unless ordered by a court of competent jurisdiction. Consent to a reference involving an additional person or entity shall not constitute consent to a reference of any claim, dispute or other matter in question not described in the written consent or with a person or entity not named or described therein.

Loan BROKER Date

MAE Capital Mortgage INC .

Pay will be based on the following scale:

For A paper Commission in Percentage of total Commission
BROKER will be entitled to a referral fee only of 25% of the total Commission received by MAE Capital Mortgage Inc., such fee cannot relate to interest rate and points. All referral fees in order to be dispersed must done through escrow and disclosed on the HUD and on Both BROKER's MLDS and Companies MLDS. If this is not done a referral fee cannot be offered or paid to BROKER pursuant to California Real Estate Law and the regulations of the Commissioner of the California Bureau of Real Estate.

1% of the loan amount will be the commission paid upon receipt of funds from investor. Merchant Loan Sales BROKER has the authority to contract with referral sources to receive a referral fee up to 1%.

Based on cumulative Loan amount resetting every quarter;
For every \$250,000 in cumulative loan amounts there will be a \$2,000 bonus on top of regular pay of 1% of the loan amount for closed loans.

Commission will be a percentage of the total commission. The BROKER needs to hold a BRE license but is not required to have NMLS if they are doing no Qualified Mortgage Business.

Commissions paid to BROKER will be negotiated in the beginning of transaction and must be fully Disclosed on BROKER's MLDS as well as MAE Capital Mortgage Inc.'s MLDS form.

If allowed by Lender/Investor **BROKER** will add their transactions fees to the total fees charged by all parties involved in arranging such loan including and not limited to MAE Capital Mortgage Inc and or it's investor's, lenders or other funding sources. All Fees Charged must be approved before the close of escrow and fully disclosed by governing law.

Dispersant of fees, points, or other Compensation paid to BROKER will be done though escrow and will not be issued from Company's Commissions that is not disclosed to borrower and all parties to the transaction through the HUD and the CA MLDS form.

BROKER