



THIRD PARTY ORINATION (“TPO”) BROKER APPLICATION CONSUMER & BUSINESS PURPOSE LOANS

NO ALTERATIONS, MODIFICATIONS OR AMENDMENTS TO THIS APPLICATION ARE ACCEPTED

Please complete the following items for timely processing of your application:

- TPO Company Description
- TPO Disclosures
- Non-Tolerance Disclosure regarding Mortgage Fraud
- TPO Broker Agreement
- NMLS ID
- Company Contact List
- Entity formation and authority documents for TPO Company (if requested)
- DBA supporting documentation (if any)
- Good Standing Certificate for TPO Company issued by state of organization within last 60 days (if requested). Not required if entity was formed within the past 10 months.
- Broker AML/BSA Attestation Form signed by all Owners/Principals

Please submit these items, fully completed, to: TPO@ardri.ai

Should you have any questions please contact your ARDRI Wholesale Account Executive (“AE”): If you are not currently assigned or do not have an established relationship with an ARDRI AE please call 855.855.8598 and ask to speak to one of our dedicated in-house AEs.

YOUR ARDRI ACCOUNT EXECUTIVE IS:

PART 1 - TPO Company Description

Company Type (check that which applies)

<input type="checkbox"/> Mortgage Broker	<input type="checkbox"/> Mortgage Banker	<input type="checkbox"/> Commercial Bank
<input type="checkbox"/> Credit Union	<input type="checkbox"/> State Chartered Savings	<input type="checkbox"/> Federally Chartered Savings
<input type="checkbox"/> Other:		

Entity Structure Description (check that which applies)

<input type="checkbox"/> Corporation	<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Limited Liability Company
<input type="checkbox"/> General Partnership	<input type="checkbox"/> Limited Partnership	<input type="checkbox"/> Limited Liability Partnership
<input type="checkbox"/> Other:		

Company Information

TPO Company Name:			
TPO Corporate Address:			
City:	State:	Zip:	Main Phone:
TPO Company Mailing Address: (if different from corporate address)			
TPO Company Web Site Address:			
Contact information for Oversight of TPO Application: (Name / Title / Phone / Email)			
TPO Company Corporate Phone:		E-mail:	
Organization Date:			
State of Organization/Incorporation: _____		Company NMLS # _____ (this will be your broker id#)	
Owner(s)	Percentage of Ownership		

3rd Party Processor Used (if applicable): _____

TPO Company Description (Continued)

List all DBA(s) (*if applicable*) – attach copies of any dba/fictitious business name filings and state licenses to this application.

Name	State(s)	dba filing current? (y/n)

OFFICERS

CEO	Phone:	E-mail:
President	Phone:	E-mail:
COO	Phone:	E-mail:
CFO	Phone:	E-mail:
Loan Production	Phone:	E-mail:
Operations	Phone:	E-mail:
Secondary Marketing	Phone:	E-mail:
Quality Control	Phone:	E-mail:
Vendor Relations Manager	Phone:	E-mail:

THIRD PARTY PROCESSING COMPANY (*if applicable*):

Name	Street Address	City	State	Zip code
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GENERAL CERTIFICATIONS:

The undersigned declares that, to the best of his/her knowledge, the statements set forth herein are true. ARDRI (and its subsidiaries and/or affiliates) is hereby authorized to obtain verification of any information provided herein.

1. Officer Signature: _____ Date: _____

Officer Name: _____

Officer Title: _____

2. Officer Signature: _____ Date: _____

Officer Name: _____

Officer Title: _____

Part 2 - TPO Company Disclosures

1. Has your company ever been suspended from selling or servicing mortgages by an investor?

Yes No If yes, please provide explanation:

2. Has your company and/or principals or corporate officers been named as a defendant in a lawsuit for alleged fraud or misrepresentation?

Yes No If yes, please provide explanation:

3. Has your company ever (previously or currently) been named in any litigation or administrative proceeding?

Yes No If yes, please provide explanation:

4. Has your company and/or principals or corporate officers been named as a defendant in a criminal proceeding, complaint or have a conviction for fraud or misrepresentation in connection with real estate activity?

Yes No If yes, please provide explanation:

5. Has your company and/or principals or corporate officers filed for protection from creditors under any provision of the bankruptcy code within the past seven years?

Yes No If yes, please provide explanation:

6. Has your company and/or principals or corporate officers ever had a real estate or other professional license suspended or revoked, or received any other disciplinary action from a regulatory agency?

Yes No If yes, please provide explanation:

7. Has any lender enforced, or attempted to enforce, the Hold Harmless or Repurchase clause of their correspondent or broker agreement with your company and/or any principals or corporate officers?

Yes No If yes, please provide explanation:

For the purpose of inducing lenders to provide financing for customers of the undersigned, I (we) certify the above information to be true and correct. The undersigned declares that the foregoing information and all accompanying information are true to the best of his/her knowledge and belief.

TPO Company Officer Signature

TPO Company Officer – Print Name

Date

PART 3 – NON-TOLERANCE DISCLOSURE
REGARDING MORTGAGE FRAUD

TPO Company is responsible for the actions of its Employees, licensees, contractors and designees. The TPO Company is responsible for the content and quality of each application taken and each loan submitted to ARDRI, LLC (“ARDRI”). Submission of a loan application knowingly or negligently containing false information is a crime punishable by law and grounds for immediate termination of TPO company approval.

TYPES OF LOAN FRAUD

1. Submission of inaccurate information including false or purposely misleading statements on loan applications through the addition, alteration or omission of information.
2. Falsification, alteration or forgery of documents including, but not limited to, credit, employment and income documentation, deposit or asset information, personal information including identity, ownership / non-ownership of real property.
3. Incorrect statements regarding loan applicant(s) current occupancy or intent thereof to maintain minimum continuing occupancy as stated on the Security Instrument.
4. Lack of due diligence by TPO, MLO, its representatives, agents and/or processors including failure to obtain all information required by ARDRI and/or this application.
5. Unquestioned acceptance of information or documentation that is known, should have been known or should be suspected to be inaccurate.
6. Broker’s non-disclosure of relevant information.

CONSEQUENCES OF LOAN FRAUD

1. Criminal prosecution
2. Loss of license(s) and/or civil penalties by regulatory agency
3. Civil action and penalties by ARDRI or other parties to the transaction
4. Immediate loss of approval to do business with ARDRI.
5. ARDRI reporting of any instances of fraud to CFPB and applicable state or federal regulatory agencies I have read the foregoing and fully understand ARDRI’s position on Loan Fraud and the non-tolerance thereof. Neither TPO Company nor any party acting on its behalf will knowingly and/or willfully engage in any pattern or practice that results in the origination of a fraudulent loan to ARDRI.

Signature of TPO Broker Date

Signature of Principal TPO Officer Date

Printed Name & Title of TPO Broker

Printed Name & Title of Principal Officer

PART 4
TPO BROKER AGREEMENT

THIS AGREEMENT (the “Agreement”) is entered into as of this _____ day of _____, 20__ by and between **ARDRI, LLC, its successors and/or assigns (“ARDRI”)**, a California corporation, having its principal office at 27001 Agoura Road #100, Calabasas, CA 91301, and _____ (“Broker”), a _____, having its principal office at _____.

RECITALS

WHEREAS Broker and ARDRI wish to establish a non-exclusive relationship, whereby Broker will be allowed to submit loans to ARDRI on behalf of Broker’s customers (“Borrowers”) for possible funding of the requested loans.

WHEREAS ARDRI is a mortgage lender that originates and funds residential customer and business purpose mortgage loans as well as commercial loans (“Loans”) for sale to investors in the secondary market;

WHEREAS Broker assists perspective borrowers in locating mortgage lenders to finance the purchase and refinance of residential or commercial property;

WHEREAS Broker assists prospective borrowers in completing and processing loan applications, and evaluates such applications for consideration and review by various mortgage lenders;

WHEREAS ARDRI desires to consider making consumer and business purpose loans secured by mortgages to such prospective borrowers in accordance with established terms and conditions.

WHEREAS ARDRI and Broker each desire to enter into this Agreement in order to clarify the terms of their relationship and set for the terms and conditions of their understandings.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration the receipt, sufficiency, and adequacy of which are hereby acknowledged, the parties hereby agree as follows:

AGREEMENT

Section 1. Definitions.

Unless otherwise defined herein, the capitalization terms used herein shall have the meanings set forth ARDRI’s underwriting guidelines or Rate Sheets (as hereinafter defined).

Section 2. Rate Sheets.

ARDRI has provided to Broker and Broker has reviewed the corresponding rate sheet for each loan product offered by ARDRI (individually “Rate Sheet” and collectively, the “Rate Sheets”). The Rate Sheets are incorporated herein by reference in their entirety, and Broker understands and agrees that ARDRI has the right, but not the obligation, to amend, alter, modify, supplement, revise or otherwise change the Rate Sheets at any time, from time to time, in its sole discretion without prior notice to or requiring the consent of Broker. The Rate Sheets are the property of ARDRI, and the Broker’s possession thereof is only at the permission of ARDRI for the purpose of the business contemplated in this Agreement. ARDRI will provide the Broker with updated Rate Sheets upon any changes thereto, and such new document shall become immediately effective and binding on Broker. ARDRI shall be the final arbiter of the meaning or interpretation of the Rate Sheets, in its sole discretion. However, in the event of any conflict between the Rate Sheets and this Agreement, this Agreement shall control.

Section 3. General Broker Responsibilities:

Broker will, at Broker’s sole expense:

- (a) Submit to ARDRI completed loan packages (“Loan Packages”) for prospective Borrowers under such programs, procedures, and fee schedules as ARDRI may periodically establish; and
- (b) Furnish ARDRI with all of the prospective Borrower’s credit, financial and other information as ARDRI may require;

- (c) Provide such information as ARDRI may reasonably request;
- (d) Perform such other services as ARDRI shall require, in order to close transactions pertaining to individual Loans; and
- (e) Perform all duties required of an originator under applicable law such that if any tasks are delegated to a third party, such tasks are administrative in nature and are not those legally required of Broker.

Section 4. Loan Approval.

Approval of a Loan shall be at ARDRI's sole and absolute discretion. Broker agrees that it shall not represent to any prospective Borrower that ARDRI has approved or will approve any request for a Loan unless and until such time as ARDRI has given Broker written notification that it may notify the subject Borrower(s) of approval of their Loan. All closings of Loans shall be in the name of ARDRI, or its designee.

Section 5. Eligible Loans; Pricing.

- (a) **ARDRI's Loan Programs and Products:** ARDRI will accept only those loan applications which conform to the Loan Programs and Products then offered by ARDRI ("Loan Applications" or "Eligible Loan Applications"). Broker acknowledges that ARDRI reserves the right to alter, add, or delete Loan Programs and Products from time to time by amending the Guidelines, and Broker accepts responsibility for knowing which Loan Programs and Products are offered by ARDRI at any given time. The Broker shall be responsible for assuring that each Eligible Loan Application submitted to ARDRI complies with all of the terms and conditions of ARDRI's Rate Sheets.
- (b) **Eligible Loan Pricing:** ARDRI shall make available to Broker, on a periodic basis and in a secure location, rate, and pricing information applicable to its Loan Programs and Products. Such rate and pricing information as contained therein is subject to change without notice. The Broker shall comply with the Rate Sheets concerning interest rates which apply to the particular Loan Programs and Products then offered by ARDRI.

Section 6. Duties of Broker.

- (a) **Taking of Loan Applications:** Broker shall take Loan Applications (i) in its own name, (ii) through its employees or duly authorized contractors and/or agents. All Loan Applications must have been originated and processed by Broker. Broker shall not secondarily submit third party originations under this Agreement.
- (b) **Registration; Application:** Broker shall submit for each Eligible Loan Application registered with ARDRI, the application signed by the prospective borrowers and such credit, financial and other information as set forth in the Rate Sheets and / or as may be required by law or by ARDRI's submission requirements. Loan Applications submitted by Broker shall be considered registered upon receipt by Broker or written or electronic registration confirmation from ARDRI. Broker shall assist ARDRI in obtaining any additional information needed by ARDRI or to otherwise facilitate the closing of the loan transaction.
- (c) **Export of Data Feed and Document Images:** Broker shall electronically export to ARDRI such loan information data and loan documentation as set forth in the Rate Sheets, as stipulated by a conditional loan approval or by way of instructions by an ARDRI underwriter or account manager and as reasonably required by ARDRI.
- (d) **Performance of Broker Services:** In addition to taking the information from prospective borrowers and filling out the Loan Applications. Broker shall perform services including but not limited to all of the following services:
 - (i) Comply with all applicable local, state, and federal laws, including but not limited to the Dodd Frank ACT, TRID, Real Estate Settlement Procedures Act, The Equal Credit Opportunity Act, the Truth in Lending Act, the Fair Credit Reporting Act, predatory lending, usury, consumer credit laws, and any other government regulatory requirements relevant to brokerage of real property secured loan applications in each jurisdiction where the real property securing the promissory note is located;

- (ii) In lieu of ARDRI, provide disclosures (Truth in Lending Statement, Good Faith Estimate, Loan Estimate, Closing Disclosures, others required by law or prudent lending practices) to prospective borrowers within time periods required for all consumer loans;
 - (iii) Analyze the prospective borrower's income and debt after verifying same and prequalifying the prospective borrower to determine the maximum Eligible Loan that the prospective borrower can afford; educate the prospective borrower in the home buying and financing process, advise the borrower about the different types of loan products available, and demonstrate how closing costs and monthly payments would vary under each product;
 - (iv) Collect financial information (tax returns, bank statements) and other related documents that are part of the application process and verify and review the same for completeness and accuracy;
 - (v) Initiate / order VOEs (verifications of employment) and VODs (verifications of deposits), and verify and review the same for completeness and accuracy;
 - (vi) Initiate / order request for mortgage and other loan verifications;
 - (vii) Initiate / order appraisals (in accordance with ARDRI policies);
 - (viii) Initiate / order inspections or engineering reports;
 - (ix) Assist prospective borrowers in understanding and clearing credit problems; and
 - (x) Maintain regular contact with prospective borrowers, real estate Agents, and ARDRI, between application and closing to apprise them of the status of the application and to gather any additional information as needed.
- (e) Texas Home Equity Loans BROKER Certification
- (i) The Broker certifies that with respect to all the Texas 50(a)(6) mortgages delivered to ARDRI:
 - All Texas Section 50(a)(6) mortgages were (or will be) originated pursuant to written processes and procedures that comply with the provisions of the Texas Constitution applicable to mortgage loans authorized by Section 50(a)(6), Article XVI of the Texas Constitution, as amended from time to time.
 - The BROKER has in place a specific process for the receipt, handling, and monitoring of notices from borrowers that BROKER failed to comply with the provisions of the law applicable to Texas Section 50(a) (6) mortgages. Such process must be adequate to ensure that the BROKER will correct the failure to comply by one of the authorized means no later than the 60th day after the date the BROKER is notified of the failure to comply by the borrower.
 - An attorney familiar with the provisions of Section 50(a)(6), Article XVI of the Texas Constitution was consulted (or will be consulted prior to origination of the Texas Section 50(a)(6) mortgages) in connection with the development and implementation of the processes and procedures used for the origination of the Texas Section 50(a)(6) mortgages.
 - To ensure ongoing compliance with the law applicable to mortgage loans authorized by Section 50(a) (6), Article XVI of the Texas Constitution, the processes and procedures used for the origination of the Texas Section 50(a)(6) mortgages will be reviewed by the BROKER regularly and will be updated and revised, as appropriate pursuant to clarifications of the law, on a regular and continual basis.
 - The BROKER certifies that it is lawfully authorized to make loans described by Section 50(a)(6), Article XVI, of the Texas Constitution.
 - The matters certified herein are representations and warranties of the BROKER given to ARDRI in connection with each Texas Section 50(a)(6) mortgage.

Section 7. Duties of ARDRI.

- a) Underwriting of Loan Applications: ARDRI shall be solely responsible for underwriting all Loan Applications provided by Broker. ARDRI shall have no obligation to approve or close a loan which in its sole discretion does not meet ARDRI's underwriting requirements. In making its determination, ARDRI

expressly disclaims any inference Broker may draw as to the general quality or acceptability of the Loan Application. ARDRI retains sole and absolute discretion to reject any Loan Application which does not comply with the terms and conditions of this Agreement, the Rate Sheets or its underwriting standards, or for any reason whatsoever (except as prohibited by law), and to set the terms and conditions of any approval of a Loan Application. ARDRI shall notify the Broker of ARDRI's disposition of a Loan Application.

- b) Closing of Loan Applications: Loan Applications will close in the name of ARDRI. In the absence of any changes occurring or arising after its approval, ARDRI, or its agents, shall promptly proceed to the closing of each approved Loan Application in accordance with the terms and conditions of its approval. ARDRI shall prepare the closing package and close the Loan Application in its name. Unless otherwise agreed, ARDRI, or its agents, shall contact, and arrange with borrower and all other necessary parties, each loan closing. ARDRI, or its agents, shall promptly advise broker as each loan closes and will promptly advise Broker of any issues that may delay a loan closing. ARDRI shall be responsible for customer service and support with respect to requests for such Loans after they are closed.

Section 8. Compensation.

ARDRI will convey to the settlement agent, after its review and approval, Broker's instructions to remit to Broker at closing all qualified expenses and compensation for services provided to borrowers and / or ARDRI.

Section 9. Privacy of Nonpublic Personal Information.

All capitalized terms used in this Section 9 and not otherwise defined shall have the meaning set forth in the federal "Privacy of Consumer Financial Information" regulation, as amended from time to time (the "Privacy Regulation"), issued pursuant to Section 504 of the Gramm-Leach-Bliley Act (15 U.S.C. 6801 et seq.). Both parties acknowledge that the Privacy Regulation governs disclosures of nonpublic personal information about consumers.

- (a) Nonpublic Personal Information Security: Both parties hereby represent and warrant as follows with respect to any nonpublic personal information released to it by the other party: (i) the receiving party controls access to the network on which any such nonpublic personal information is stored, through the compliance with and utilization of its information security measures which restrict access; and (ii) the receiving party shall comply with its respective information security measures.
- (b) Use of Nonpublic Personal Information: Both parties hereby agree that they shall: (i) comply with the terms and provisions of the Privacy Regulation, including, without limitation, the provisions regarding the sharing of nonpublic personal information; (ii) not disclose or use any nonpublic personal information that it obtains from the other party except to carry out the purpose for which such nonpublic personal information was provided, or as otherwise permitted by the Privacy Regulation and other applicable laws; (iii) comply with its respective information security standards; (iv) not make any changes to its security measures that would increase the risk of unauthorized access.
- (c) Return of Nonpublic Personal Information: Remedy. At any time, upon the other party's request, either party shall return all nonpublic personal information provided by the other party in such party's possession except to the extent retention is legally required. Both parties agree that money damages would not be a sufficient remedy for any breach of this Section 7 and that the non-breaching party shall be entitled to seek injunctive or other equitable relief to remedy or prevent any breach or threatening breach of this Section 7. Such remedy shall not be the exclusive remedy for any breach of this Section 7, but shall be in addition to all other rights and remedies available at law or in equity.

Section 10. Representations, Warranties, and Covenants of Broker.

As an inducement to ARDRI to enter into this Agreement and to perform its duties hereunder, Broker represents, warrants, and covenants to ARDRI, as of (i) the date of this Agreement, (ii) the time any Loan package is submitted to ARDRI, (iii) the time any Loan is funded and the transaction closed, and (iv) after Loan closing, the following:

- (a) Due Organization; Good Standing: Broker is duly organized, validly existing and in good standing (in the case of a corporation or limited liability company) under the laws of the state governing its creation and existence, and broker is qualified and in good standing in the states where the mortgaged properties in each Eligible Loan Application are located, if the laws of such states require licensing or qualification in order to conduct business of the type conducted by Broker.

- (b) Authority and Capacity: Broker has full power, authority, and capacity to enter into this Agreement, and to perform its obligations hereunder. The execution and delivery of this Agreement, and the consummation of the transactions contemplated hereby have been duly and validly authorized by all requisite action. This Agreement constitutes a valid and legally binding Agreement of Broker enforceable in accordance with its terms.
- (c) No Conflicts: The execution, delivery and performance of this Agreement by Broker, its compliance with the terms hereof and consummation of the transactions contemplated hereby, will not violate, conflict with, result in a breach of, give rise to any right of termination, cancellation or acceleration under, constitute a default under, be prohibited by or require any additional approval under its articles of incorporation (in the case of a corporation), bylaws, partnership agreement or other applicable organizational documents or any instrument or agreement to which it is a party or by which it is bound, or any applicable federal, state, county, local, or foreign law, or any judicial or administrative decree, order, ruling or regulation, applicable to it.
- (d) Compliance with Laws: Broker has complied, and shall comply, both in the conduct of its business generally, and in its origination of each Loan Application, with all applicable laws, including, without limitation, the Equal Credit Opportunity Act and Regulation B, including without limitation its requirements relating to nondiscrimination; the Truth in Lending Act and Regulation Z; the Real Estate Settlement Procedures Act, and Regulation X; Gramm-Leach-Bliley Act and the Privacy Regulation; and state laws and regulations governing mortgage lending and mortgage brokerage. Broker represents and warrants that it and each member of its staff is properly licensed in all jurisdictions where required for the origination of loans as provided for in this Agreement and agrees to maintain all applicable licenses and approvals in good standing during the term of this Agreement. The Broker shall maintain, available for ARDRI's inspection, evidence of compliance with all such requirements.
- (e) The Broker has complied with all applicable state and federal laws with respect to its activities as a broker and has not delegated its duties to any third party such that Broker ceases to comply with the minimum standards of a broker required by law.
- (f) No Loan Application or other Mortgage File document contains false or misrepresented information or fails to disclose material facts necessary to make the statements contained therein not misleading.
- (g) Notice of Threatening Actions: Broker has not been issued any Administrative order, cease and desist decree or been the subject of any regulatory action nor is there any reasonable basis therefore. Broker shall immediately advise ARDRI in writing of any inquiry or pending or threatening action, by way of a proceeding or otherwise, to revoke or limit any license, permit, authorization or approval issued or granted by any federal, state or local government or quasigovernmental body, or any agency or instrumentality thereof, necessary for Broker or any staff member to conduct its business, or to impose any penalty or other disciplinary sanction in connection therewith, or any other sanction that would materially affect Broker's business. In addition, in the event Broker receives any letter, notice, or other writing from any regulatory agency with respect to any Eligible Loan Application registered with ARDRI, Broker shall advise ARDRI immediately of such notice and deliver a copy of the notice to ARDRI.
- (h) SAFE Act: If Applicable, Broker attest to the fact they are in full compliance with the SAFE Act, including but not limited to, appropriate licensing and /or registration of individuals acting as Mortgage Loan Originators ("MLOs"), further ARDRI contains a copy of Broker internal SAFE Act plan.
- (i) Litigation: Except as previously disclosed in writing to and acknowledged in writing by ARDRI, neither broker nor any of its staff members are party to (i) any litigation as a defendant involving fraud, misrepresentations, violation of any state or federal lending laws or regulatory compliance, or (ii) any negative investor or regulatory findings through audits, examinations, or mortgage guaranty insurance investigations.
- (j) No Untrue or Misleading Statements: No representation, warranty, or written statement made by Broker to ARDRI in this Agreement or in any Eligible Loan Application, schedule, exhibit, written statement, or document furnished to ARDRI in connection with the transactions contemplated hereby contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact necessary to make the statements contained herein or therein not misleading.
- (k) Business Information: Broker shall furnish ARDRI and its representatives with any necessary information

and data concerning the affairs of Broker, as ARDRI may reasonably request, including without limitation information regarding the status of its licenses, permits, authorizations, and approvals necessary for the conduct of its business as well as copies of such documents.

- (l) Ability to Perform: Broker represents that it employs or will employ a sufficient number of knowledgeable, capable, and trained individuals to perform the services required by this Agreement.
- (m) Absence of Claims: Except as disclosed in writing by Broker to ARDRI prior to the closing of any Loan, there is not pending or, to the best of Broker's knowledge, threatened any suit, action, arbitration, or legal, administrative, or other proceeding or governmental investigation (including an allegation of fraud by another lender) against Broker or its current or former owners, agents, or employees, which could have a materially adverse effect on the Broker's business, assets, financial condition, or reputation.

Section 11. Representations, Warranties and Covenants as to Loan Applications.

As further inducement to ARDRI to enter into this Agreement and to perform its obligations here under, Broker represents warrants and covenants to ARDRI as to each Loan Application submitted to ARDRI as follows:

- (a) Compliance with Laws: As of the date each Loan Application is funded by ARDRI, all of Broker's activities in connection with the Eligible Loan Application will comply with all applicable federal, state, county, local, and foreign laws.
- (b) Compliance with ARDRI Policies and Rate Sheets: The activities of Broker with respect to each Loan Application will comply in all respects with the underwriting guidelines, Rate Sheets and this Agreement. Each Loan Application was originated by Broker and not by a third party. All Mortgage File documents and all Loan Applications, and information and documentation submitted by Broker in connection with such applications, have been prepared and / or completed in accordance with the Rate Sheets and Agreement and all information provided by each of borrower and Broker in such Mortgage File documents, Loan Applications, or other documents and / or provided to any mortgage insurer is true and correct in all respects and does not fail to disclose any facts which could be material or which would make such information misleading.
- (c) Factual Disclosure: With regard to all Loan Applications submitted to ARDRI hereunder, all facts relating to any Eligible Loan Application transaction which are known or should be known to Broker in the exercise of its prudent judgment which may adversely affect the value of the Mortgaged Property, the credit, character or capacity of the borrower, the validity of the Mortgage, or any other aspect of the transaction have been disclosed in writing to ARDRI. The Mortgaged Property has not been damaged by fire, flood, or other causes since the date of performance of the appraisal.
- (d) No Loan Application or other Mortgage File document contains false or misrepresented information or failing to disclose material facts necessary to make the statements contained therein not misleading.
- (e) Occupancy: The occupancy of the Mortgaged Property is as represented to ARDRI by the Mortgagor and / or Broker, and the Broker has no reason to believe that such representation of the Mortgagor and / or Broker is no longer true.
- (f) Mortgage Insurance Payments: No Loan Application has a mortgage insurance policy that requires the Broker or any other party except mortgagor to pay premiums on such policy.
- (g) Appraisal: If Broker is submitting a Loan Application with an Appraisal the appraisal report and the appraiser both satisfy the requirements of Fannie Mae and any applicable requirement of Title XI of the Federal Institutions Reform, Recovery, and Enforcement Act of 1989 and the regulations promulgated there under, all in effect on the date the Loan Application is submitted to ARDRI. The appraisal report with respect to the Mortgaged Property was signed prior to the approval of the Loan Application by a qualified appraiser, duly appointed by the loan originator, who had no interest, direct or indirect, in the Mortgaged Property or in any loan made on the security thereof, and whose compensation is not affected by the approval or disapproval of such application.
- (h) Serviceman's Civil Relief Act: The Mortgagor has not notified the Broker and the Broker has no knowledge of any relief requested or allowed to the Mortgagor under the Serviceman's Civil Relief Act, as amended.

- (i) Predatory Lending: In the case of a consumer loan on a borrower principal residence does not submit a loan that does not provide the borrower with a “net tangible benefit” as maybe defined under any applicable state, federal, or local law.
- (j) Broker Compensation: Unless disclosed to ARDRI in writing before the funding of any mortgage loan, Broker shall not receive any direct or indirect payment from any person other than the applicant with respect to the mortgage loan, including, without limitation, a payment involving escrow, appraisal or sale, and, unless fully disclosed to ARDRI, Broker (and Broker’s agents, employees, officers, and directors) shall have no direct or indirect ownership in any property intended as security for the mortgage loan being reviewed by ARDRI for purposes of purchase.

Section 12. Responsibility for Fraud or Negligence.

Broker shall not submit any Loan Application or other Mortgage File document containing false or misrepresented information or failing to disclose material facts necessary to make the statements contained therein not misleading. Broker shall be responsible for all actions taken in the course of its performance of its obligations under this Agreement, whether performed by Broker, its employees or licensees. Broker acknowledges its understanding that ARDRI disclaims any duty to investigate, verify, authenticate, or confirm any information contained in any Eligible Loan Application or Mortgage File document. The parties have agreed to the allocation of duties and responsibilities set forth herein and ARDRI shall at all times be entitled to rely on the Broker’s full, complete and faithful performance of its duties and responsibilities hereunder.

Section 13. Breach of Broker Representations and Warranties; Loss Reimbursement and Repurchase.

- (a) Events of Purchase/Repurchase: Broker shall, in the case of Loans closed in ARDRI’s name, purchase or repurchase or reimburse ARDRI for any Loan upon the following:
 - a. Material Breach / Fraud. A material breach by Broker that adversely affects the value of such Loan, or of any covenant, condition, term, obligation, representation, or warranty related to such Loan contained in this Agreement or the Rate Sheets, or in such Loan Application, any Mortgage File document or in any written statement or certificate furnished by Broker pursuant to this Agreement, underwriting guidelines, or the Rate Sheets, including, without limitation, those arising from Broker’s fraud or negligence in the origination or processing of such Loan Application.
 - b. Early Payment Default. A payment default by Borrower in any of the first three (3) full regular monthly payments pursuant to the Loan Documents.
- (b) Purchase / Repurchase: ARDRI shall send notice to the Broker of any demand for purchase or repurchase of a Loan pursuant to subsection (a) above within ninety (90) days of the discovery of any event causing such demand for purchase or repurchase. Broker shall have the shorter of (i) thirty (30) days from date of receipt of such notice from ARDRI, or (ii) three (3) days prior to any cure period given to ARDRI by the Loan investor (if applicable), to cure any material breach in all respects (in the sole judgment of ARDRI). If such breach is not cured in ARDRI’s sole judgment, or if the breach is not capable of being cured, the purchase shall be affected within ten (10) business days of receipt of written demand by ARDRI. The purchase or repurchase price shall be equal to the outstanding principal balance owing on the date of purchase; plus all fees paid, including ARDRI’s legal fees in connection with the Loan and/or the repurchase; any compensation paid by ARDRI to Broker; any Lender Credits paid by ARDRI to Borrower; plus any advances made by ARDRI for taxes, insurance, foreclosure expense, or any other related expense; plus interest that has accrued but not been paid up to and including the date the purchase or repurchase funds are received by ARDRI. At the time of purchase or repurchase, ARDRI will arrange for the reassignment of the purchased or repurchased Loan to Broker.
- (c) Loss and Expense Reimbursement in Lieu of Repurchase: Notwithstanding the foregoing, and in lieu of requiring repurchase, ARDRI may, at its sole discretion, permit broker to reimburse ARDRI for any loss and / or expenses incurred by ARDRI as a consequence of the occurrence of an event requiring repurchase. The determination by ARDRI of the nature and amount of such losses and / or expenses shall be final, conclusive, and binding. Broker shall remit to ARDRI the funds necessary to satisfy its obligations hereunder within ten (10) business days from demand of such funds by ARDRI.
- (d) Early Payoff. The Broker shall be required to reimburse ARDRI any Lender Paid Compensation to Broker and/or any Lender Credits paid to Borrower in the event there is early payoff of a Loan, in whole

or in part, within the first six (6) payments as defined by the Note or as further defined in the Lender Paid Addendum. The determination by ARDRI of the nature and amount of such losses and/or expenses shall be final, conclusive, and binding. The broker shall remit to ARDRI the funds necessary to satisfy its obligations hereunder within ten (10) business days from demand of such funds by ARDRI.

Section 14. Indemnification.

- (a) Non- Waiver of Remedies: Nothing contained in this Section 14 shall limit ARDRI's rights to any remedy, legal or equitable, all such legal and equitable remedies, including those provided for herein, being in addition to and not in lieu of any other remedy.
- (b) Broker Indemnification: Broker shall indemnify, defend, and hold ARDRI and its officers, directors, employees, agents, affiliates and subsidiaries harmless against and in respect of, and shall reimburse ARDRI for any and all losses, liabilities, claims, damages, costs including without limitation attorneys' fees and costs, and actions suffered or incurred by ARDRI which arise out of, result from or relate to:
 - (i) Material breach by Broker of any covenant, condition, term, obligation, representation, or warranty contained (i) in this Agreement or the Guide, or (ii) in any Eligible Loan Application, Mortgage File document or in any written statement or certificate furnished by Broker pursuant to this Agreement or the Guide, including, without limitation, those arising from Broker's fraud or negligence in the origination or processing of Loan Applications; or
 - (ii) Any material act or omission of Broker or any employee or agent of Broker which adversely affects any Eligible Loan Application registered with and funded by ARDRI hereunder. In all actions with third parties in which ARDRI has the right to be indemnified hereunder, ARDRI shall have the complete and exclusive right to determine the conduct and defense of such legal proceeding or investigation with such third party including, without limitation, the right to compromise, settle, defend, or continue any such action.

Section 15. Right of Setoff.

ARDRI and its successors and assigns shall be entitled to set off against any amount to be paid by it to the Broker under this Agreement for such amounts as may be due from the Broker under this Agreement. ARDRI shall provide written notice to the Broker, ten (10) days prior to any setoff action.

Section 16. Term; Termination.

- (a) Term: The term of this Agreement shall commence as of the date hereof and shall extend until the termination of this Agreement.
- (b) Termination Without Cause: This Agreement may be terminated without cause by ARDRI or Broker upon thirty (30) days written notice to the other party. Such termination shall not in any respect change or modify the obligations of the parties with respect to (i) loan applications which have been registered with ARDRI pursuant to prior to the date of termination or (ii) either party's obligations under this Agreement accruing prior to the date of termination.
- (c) Termination for Cause: Notwithstanding anything to the contrary here in, ARDRI may terminate this Agreement immediately, upon written notice to Broker, (i) if ARDRI determines or reasonably suspects that fraud has occurred in the origination of any Loan Application, (ii) if Broker fails to perform any of its obligations under this Agreement, (iii) if Broker interferes in any way with the Appraisal process, (iv) if ARDRI determines that Broker has abused, harassed, or otherwise mistreated any ARDRI employee(s) verbally or in writing, or (v) if any federal, state, county, local, and foreign law makes it unlawful for ARDRI and Broker to do business in accordance with the terms of this Agreement. If the Agreement is terminated by ARDRI under this paragraph, ARDRI shall have no obligation to Broker after the date notice is given to fund any Loan Application, irrespective of whether such Loan Application has been registered with ARDRI.
- (d) Survival: All of Broker' representations and warranties, and obligations of indemnification shall survive any termination of this Agreement and shall be fully applicable whether or not ARDRI relies thereon or has knowledge of any facts at variance therewith.

Section 17. No Solicitation.

Subject to the provisions set forth in this Agreement, for six (6) months from and after the date hereof, neither Broker, nor any of its subsidiaries or affiliates, shall solicit, by means of direct mail, telephonic, email or personal solicitation, the Mortgagors of any Loan for purposes of prepayment of such Loan. Solicitations undertaken by Broker or any affiliate of Broker that are directed to the general public at large (as opposed to directed specifically at the Mortgagors of any Loans), including without limitation mass mailings based on commercially acquired mailing lists, the internet and newspaper, radio and television advertisements, shall not constitute solicitations under this Section.

Further, during the term of this Agreement and continuing for a period of three (3) years after the termination of this Agreement, including any renewals, neither Broker, nor any of its subsidiaries or affiliates, shall solicit or encourage any ARDRI employee to leave its employment with ARDRI to work for Broker, or any of its affiliates, or any other company.

Section 18. Non-derogation.

Broker agrees that, during the term of retention and after termination, Broker, its employees, officers and agents shall not, in any communications with the press or other Media or any customer, client or supplier of ARDRI, or any of ARDRI's affiliates, criticize, ridicule or make any statement which disparages or is slanderous, defamatory or is derogatory of ARDRI or its Affiliates or any of their respective, principals, partners, directors, officers, or employees. As used herein, the term "Media" includes, but is not limited to any and all print, electronic, social media (i.e., Face Book, Instagram, Yellow Pages, LinkedIn, Yelp, Google Reviews, YouTube, TikTok, etc...), radio and any and all other means of delivering information. The Broker acknowledges that in the event of the aforementioned that Broker will immediately remove such statements.

- (a) Liquidated Damages. The broker acknowledges that ARDRI's positive reputation is valuable, special, and unique to ARDRI's business; and that ARDRI's business depends on maintaining a positive reputation. If Broker breaches this section, Broker and ARDRI acknowledge that actual damages would be difficult to ascertain. Therefore, Broker and ARDRI acknowledge that Broker must pay the sum of Fifty Thousand Dollars (\$50,000.00) to ARDRI for each individual violation of this section as liquidated damages. ARDRI and Broker further acknowledge that the liquidated damages outlined herein represent a fair attempt to determine the damages that would be suffered and are not a penalty.
- (b) Notwithstanding this section, in the event of the breach of this Agreement by Broker, ARDRI shall be entitled to seek injunctive relief, both preliminary and permanent, enjoining and restraining such breach or threatened breach. Such remedy shall be in addition to all of the remedies available to ARDRI and its affiliates at law or in equity, including the right to recover from the breaching party any and all damages that may be sustained as a result of said breach. In addition to any other remedies available to ARDRI under this Agreement, ARDRI shall also be entitled to recover, by means of an accounting, any profits that Broker may have obtained as a result of such breach or threatened breach.

Section 19. Miscellaneous.

- (a) Broker Grant of Limited Power of Attorney: Broker hereby appoints ARDRI and the directors, officers, employees, agents, successors and assigns of ARDRI as its true and lawful attorney-in-fact without right of revocation and with full power of substitution for and in its place and stead to (i) demand and control all sums due on Loans closed and funded pursuant to this Agreement and to enforce all rights with respect thereto, (ii) endorse, mark, place, or otherwise evidence Broker's name as payee on all checks, drafts, acceptances, or other form of partial or full Loan payment delivered or tendered to ARDRI, (iii) endorse, mark, place or otherwise evidence Broker's name on all notes, mortgages, deed of trust, and other forms of security instruments of collateral and all assignments, full of partial releases or satisfactions of said mortgages, deeds of trust, and other forms of security instruments or collateral for all Loans closed and funded pursuant to this Agreement. The Broker agrees to execute such other documents as ARDRI may reasonably request to evidence the appointment of ARDRI as Broker's attorney-in-fact.
- (b) Successors and Assigns: This Agreement shall be binding and inure to the benefit of and be binding upon the parties hereto and their successors and assigns. This Agreement is not assignable by the broker without the prior written consent of ARDRI, which consent may be withheld by ARDRI at its sole discretion. A change in ownership, merger, or consolidation of a Broker shall be considered an assignment for the purpose of this Agreement.
- (c) Notices: All demands, notices, and communications hereunder shall be in writing and shall be deemed to have been duly given if personally delivered at or mailed by registered mail, postage prepaid, or by a

nationally recognized overnight courier service, to the following:

If to Broker:

Or such other address as may hereafter be furnished to ARDRI in writing by Broker, and if to ARDRI:

ARDRI, LLC.
27001 Agoura Road, Ste #100
Calabasas, CA 91301
Attention: TPO Department
Compliance & Risk Manager

Or such other address as may hereafter be furnished to Broker by ARDRI in writing.

- (d) **Books and Records:** Broker shall prepare and maintain Mortgage File documents in accordance with applicable guidelines established in the applicable agency guidelines. Broker and ARDRI shall keep and maintain a complete and accurate account, satisfactory to ARDRI, of all funds collected and paid relating to the Loan Applications. Broker shall give ARDRI, its employees, and its representatives, including without limitation internal and external auditors, quality control auditors, attorneys, bank examiners and regulatory agency examiners, access, upon reasonable advance notice and during normal business hours, to audit and inspect Broker's files, books, records, reports, statistics, and other documents of Broker relating to its obligations under this Agreement and the Broker Guide. In addition, Broker will cooperate with ARDRI, its auditors and / or regulatory examiners in any audit of ARDRI and in any regulatory examination of ARDRI.
- (e) **Relationship of Parties:** Neither party is the partner, agent, employee, or representative of the other nor shall nothing in this Agreement be construed or deemed to create a partnership, joint venture, agency, or employment relationship between ARDRI and Broker. The broker shall conduct business in its own name and not in ARDRI's name. Broker shall not represent that its office is an office, branch, or agency of ARDRI or in any other way connected with ARDRI. Broker shall have no authority to sign any documents on behalf of ARDRI, or to bind or obligate ARDRI in any manner whatsoever. The Broker shall be responsible for its overhead and operations costs, payroll costs and all other costs incurred in connection with its operations. Broker acknowledges that it has incurred and will continue to incur such costs voluntarily, with the understanding that this Agreement may be terminated in accordance with the terms of this Agreement. The Broker has no right to seek reimbursement or recoupment from or against ARDRI with respect to any sums it has expended in contemplation hereof.
- (f) **Confidentiality:** Both parties understand that all information provided to the other party in connection with this Agreement, including but not limited to, with respect to ARDRI, all information contained in the Guide, is confidential and proprietary to the providing party. Both parties agree to keep in confidence and not disclose to any third party, duplicate, or use for the benefit of any third party, any such information given to or discovered by such party by or from the other and agree to return all documents and other media containing such information to the other party upon termination of this Agreement. Broker further agrees not to sell, transfer, or otherwise give to any person or firm, or otherwise use, directly or indirectly, any compilation or list of borrowers. The following information shall not be considered confidential and propriety:
- 1) Information that is already known to recipient at times of its disclosure;
 - 2) Information that is or becomes publicly known through no wrongful act of recipient;
 - 3) Information that is received from a third party free to disclose it to recipient;
 - 4) Information that is communicated to a third party with express written consent of the providing party; or
 - 5) Information that is lawfully required to be disclosed to any governmental agency or is otherwise required to be disclosed by law, provided that before making such disclosure, the recipient shall promptly notify the providing party of such disclosure order and, upon request of the providing

party, fully cooperate in contesting such disclosure. Recipient shall seek confidential treatment of such confidential and proprietary information from the entity requiring disclosure. (The term “affiliate” means any person or entity controlling, controlled by, or under common control with a party.).

- (g) Entire Agreement: This Agreement, the Rate Sheets, and any other agreement, document or instrument attached hereto or referred to herein contain the entire Agreement between the parties and supersedes all prior agreements and understandings with respect to the subject matter hereof. In the event of any conflict between the terms, conditions and provisions of this Agreement, the Rate Sheets, and any such agreement, document or instrument, the terms, conditions, and provisions of this Agreement shall prevail.
- (h) Amendment and Waiver: Except as provided in this Agreement concerning the Rate Sheets, this Agreement may be amended from time to time by Broker and ARDRI solely by written agreement signed by Broker and ARDRI. The waiver of any right or remedy in respect of any one occasion shall not be deemed a waiver of such right or remedy in respect of such occurrence or event on any other occasion. Notwithstanding anything herein to the contrary, ARDRI has the right, but not the obligation, to terminate this Agreement without notice so long as ARDRI presents to Broker a replacement agreement. If the Broker chooses not to execute such replacement agreement, the Broker’s relationship with ARDRI shall terminate immediately.
- (i) Modification of Obligations: ARDRI may, without any notice to Broker, Extend, compromise, renew, release, modify, adjust, or alter, by operation of law or otherwise, any of the obligations of a borrower or other persons obligated under an Eligible Loan without releasing or otherwise affecting the obligations of Broker with respect to such Eligible Loan or otherwise under this Agreement.
- (j) Severability and Survival of Provisions: If any one or more of the covenants, agreements, provisions, or terms of this Agreement shall be held invalid for any reason whatsoever, then such covenants, agreements, provisions, or terms shall be deemed severable from the remaining covenants, agreements, provisions, or terms of this Agreement and shall in no way affect the validity or enforceability of the other covenants, agreements, provisions, or terms of this Agreement or the rights of ARDRI hereunder. If the invalidity of any part, provision, representation, or warranty of this Agreement shall deprive any party of the economic benefit intended to be conferred by this Agreement, the parties shall negotiate in good faith to develop and structure the economic effect of which is nearly as possible the same as the economic effect of this Agreement without regard to such invalidity. All of the covenants, agreements, representations and warranties made herein by the parties hereto shall survive and continue in effect after the termination of the Agreement or the consummation of the transactions contemplated hereby.
- (k) Choice of Law: This Agreement shall be governed by, construed, and interpreted in accordance with the laws of the State of California.
- (l) Consent to Jurisdiction: The parties agree that all legal actions and proceedings arising out of or related to this Agreement, or the transactions contemplated hereby, shall be brought in a Federal Court or State Court located in the State of California with exclusive venue in Los Angeles County, and the parties hereby waive any objections to summons, service of process, jurisdiction over the person or subject matter, or the venue of the courts listed above.
- (m) Headings: The headings of the various sections of this Agreement have been inserted for convenience of reference only and shall not be deemed to be part of this Agreement.
- (n) Attorney’s Fees: In the event of a dispute arising from or concerning an obligation of Broker or ARDRI under this Agreement which results in litigation of the issue, the prevailing party to such litigation shall be indemnified by the other party for all costs and expenses in bringing or defending such action.
- (o) Authorized Representatives: ARDRI shall be entitled to rely, without investigation, that any person holding themselves out to be a representative of Broker for purposes of signing this Agreement or other document delivered in connection with this Agreement or taking other action pursuant to the Agreement including but not limited to oral discussions was, at the respective times of such signing or actions, a duly elected or appointed, qualified and authorized representative of Broker, and the execution or delivery of the Agreement or any document pursuant to the Agreement and the taking of any other actions, including but not limited to oral discussions, shall be conclusive evidence of such authorization.
- (p) Duly Authorized: Each person signing this Agreement on behalf of Broker represents and warrants that he

or she is duly authorized and has legal capacity to execute and deliver this Agreement. Broker represents and warrants to ARDRI that the execution and delivery of the Agreement and the performance of Broker's obligations hereunder have been duly authorized, and that the Agreement is valid and legal agreement binding on Broker and enforceable in accordance with its terms.

- (q) Counterparts: This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

IN WITNESS THEREOF, Broker and ARDRI have caused their names to be signed hereto by their respective officers hereunto duly authorized as of the day and year first above written.

ARDRI, LLC.

TPO Company

Signature: _____

Signature: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

AML and SAR Attestation Form

On behalf of _____ (the "TPO Company"), I certify that the TPO Company has implemented an Anti-Money Laundering Program compliant with FinCen's Anti- Money Laundering Program and Suspicious Activity Report filing Requirements for residential mortgage lenders and originators and that said program contains:

- Policies, procedures and internal controls based upon the loan or finance company's assessment of the money laundering and terrorist financing risks associated with its products and services.
- Appointment of an AML Compliance Officer to administer the policy who is knowledgeable with Anti-Money Laundering and Suspicious Activity Report requirements.
- A requirement for educating and training appropriate staff, either internally or by a third- party
- Independent testing, either by a third-party or internally, but not by the AML Compliance Officer, to monitor and maintain an adequate program
- A requirement to report suspicious activity to FinCEN within 30 days of discovery In

addition, all appropriate employees of the Company have received AML-SAR training.

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

Signature: _____

Signature: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Signature: _____

Signature: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Date: _____

Date: _____