



BROKER APPLICATION

COMPANY INFORMATION				
Company Name:				
DBA (if applicable):				
Corp	LLC	Partnership	Federally Regulated Institute	Other:
Company Website:				
Primary Address:				
City:		State:		Zip:
Primary Contact Name:			Title:	
Email:			Phone:	
Federal Tax ID:			NMLS #:	
State of Incorporation:			Date Formed:	

PRINCIPAL OWNERS			
Name	Title	SSN	Ownership %
			%
			%
			%
			%

Attach additional sheet if needed

LOAN OFFICERS			
Name	Email	Phone	NMLS

Attach additional sheet if needed

ADDITIONAL BRANCHES		
Address, City, State, Zip	Contact Name	Email

Attach additional sheet if needed

STATE LICENSES				
State	License #	License Type	Status	Expiration Date

Attach additional sheet if needed

LOAN PRODUCTION				
Loan Product	YEAR-TO-DATE		PREVIOUS YEAR	
	\$ Amount	# of Loans	\$ Amount	# of Loans
Conventional Conforming				
FHA				
Other:				

LENDER REFERENCES			
Lender Name	Contact Name	Phone	Email

AFFILIATIONS			
Company Name	Type of Business	% Ownership	Contact Name
		%	
		%	
		%	

Attach additional sheet if needed

Credit Company Name	% of Total Reports

Attach additional sheet if needed

DISCLOSURES			
1.	Within the last three (3) years, has the Applicant, its owners, its broker(s) of record or any of its employees (i) had any formal complaints filed against them with a federal or state mortgage banking/broker regulatory authority, (ii) been found in violation of any mortgage banking/broker federal or state regulatory authority's statutes or regulations, (iii) had an order entered against them by a federal or state mortgage banking/broker regulatory authority or (iv) been denied, suspended or had a registration or license revoked by a federal or state mortgage banking/broker regulatory authority?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
2.	Has your company ever had unfavorable findings with regard to brokerage or mortgage operations or servicing activities included in any audit, examination or report by FHA, VA, FNMA, FHLMC or any regulatory, supervisory or investigating agency?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
3.	Has any owner, partner, officer, director, employee or loan officer been affiliated with any company/business that was suspended by FHA, VA, FNMA, or FHLMC and/or subject to any voluntary or involuntary bankruptcy proceedings?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
4.	Has the Applicant ever been suspended from brokering loans to another lender or had its approval status revoked by another lender?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
5.	Has any owner, partner, officer, director, employee or loan officer of your company ever been found guilty of a felonious criminal offense?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
6.	Is there any pending litigation involving the company or any of its owners, partners, shareholders, directors, officers, employees or loan officers?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
7.	Has your company ever been denied, suspended or disqualified by any MI companies?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
8.	Has your company and/or principles or corporate officers filed for protection from creditors under provision of the bankruptcy laws within the past seven years?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
If you answered YES to any of the above questions, please provide a letter of explanation as well as any written documentation for the original finding.			



Broker Compensation Terms & Agreement

1. Mortgage Broker Compensation

- 1.1. Princeton Mortgage Corporation will provide its business partners with two compensation options, Lender Paid and Borrower Paid compensation.
- 1.2. **Compensation Updates** - Mortgage brokers will be eligible to update their compensation plan each quarter by using the approved Broker Compensation Selection Form. The Broker Compensation Selection Form must be emailed to brokerapproval@princetonmortgage.com by 4:30 PM EST on the last Friday of the current quarter. Forms submitted after this time will not be processed until the following quarter. If the mortgage broker does not elect a new compensation plan, the then-current compensation plan will be retained. Loans submitted prior to the new compensation plan will be subject to the prior compensation plan terms and will not be eligible for the new amount charged under the updated compensation plan.

2. Lender Paid Compensation

- 2.1. For the mortgage brokers Lender Paid Compensation, they will be required to select a compensation percentage between 0% and 2.75% of the total loan amount. Within this range, the dollar amount of the mortgage broker's compensation on any loan may be no less than \$1,000 and no greater than \$25,000. If the mortgage broker selects 0% the compensation will default to \$1,000.

3. Borrower Paid Compensation

- 3.1. The mortgage brokers will be permitted to negotiate their compensation on Borrower Paid transactions if the following conditions are met:
 - 3.1.1. The total amount charged for a Borrower Paid transaction may not exceed the amount payable under the Lender Paid compensation.
 - 3.1.2. The broker, using the Anti-Steering Disclosure form, must offer the borrower one or more loan option(s) with Lender Paid compensation and the loan option with Borrower Paid compensation.
 - 3.1.3. Borrower Paid compensation may not be less than the minimum dollar amount selected, whether the default of \$1,000 is selected or the brokers elected minimum.

4. Maximum Allowable Flat Fees

4.1. Princeton Mortgage will limit lender-paid compensation as follows:

Compensation Percentage (%)	Maximum Allowable Flat Fee (\$)
Up to 2.75%	No Flat Fee Allowed
Up to 2.50%	\$1,000
Up to 2.00%	\$2,000

- Up to 2.75% if there is no flat fee charged in addition to the percentage
- Up to 2.50% if the flat fee does not exceed \$1,000
- Up to 2.00% if the flat fee does not exceed \$2,000

5. Rights of Offset

5.1. Lender shall have the right to, at any time and without prior notice, deduct any penalties, fees, expenses, or other charges or obligations of any kind owed by the Broker to the Lender from any amounts to be paid to Broker for Mortgage Loans submitted by Broker under the Broker Agreement. Broker consents to a closing agent or any other party acting under instructions from Lender to withhold such amount from funds to be remitted to the Broker to satisfy any such penalty, fee, expense, or other charge or obligation of any kind and to remit such funds to Lender.

6. Confirmations

6.1. By executing this Form, and whenever the Company receives compensation on a loan funded by Princeton Mortgage Corporation, the Broker represents and warrants that:

6.1.1. The Broker is operating in compliance with Regulation Z, the Broker Agreement and any written policies Princeton Mortgage Corporation may have regarding Regulation Z.

6.1.2. On each Lender Paid Loan, the payment received from Princeton Mortgage Corporation will be the sole source of compensation received by the Broker and its affiliates. Neither the Broker nor any approved affiliate will charge or collect an additional fee(s) for loan originator activities from the borrower.

7. Broker Compensation Selection

Percentage Selection	Flat Fee Selection	Minimum Compensation Earned	Maximum Compensation Earned

Signature of Authorized Signer

Date

8. Reminders

Min & Max Compensation Percentage

- A compensation percentage between 0% and 2.75% of the total loan amount must be selected

Min & Max Comp Earned

- The dollar amount of the mortgage broker's compensation on any loan may be no less than \$1,000 and no greater than \$25,000

Max Allowable Flat Fees

- Up to 2.75% if there is no flat fee charged in addition to the percentage
- Up to 2.50% if the flat fee does not exceed \$1,000
- Up to 2.00% if the flat fee does not exceed \$2,000

Important Note

- The Broker Compensation Selection Form must be emailed to brokerapproval@princetonmortgage.com by **4:30 PM EST on the last Friday of the current quarter**. Forms submitted after this time will not be processed until the following quarter. If the mortgage broker does not elect a new compensation plan, the then-current compensation plan will be retained.

Upon execution, this Broker Compensation Terms and Agreement shall become bound to the existing Broker Agreement.

Company Name

Print Name of Authorized Signer

Signature of Authorized Signer

Title of Authorized Signer

Date



BROKER AGREEMENT

This Broker Agreement ("Agreement") is entered into by and between Princeton Mortgage Corporation ("Lender"), a New Jersey corporation, having its principal office at 439 Grand Avenue, Ewing, New Jersey 08628, and

_____, ("Broker")
having its principal office at the address listed on the signature page of this Agreement.

WHEREAS, Lender and Broker wish to establish a non-exclusive relationship between and for the benefit of Lender and Broker; and,

WHEREAS, Broker is in the business of taking mortgage loan applications (each an "Application") from borrowers (each a "Borrower") for residential mortgage loans (each a "Mortgage Loan"), aiding and assisting Borrowers in the pre-qualification for Mortgage Loans, choosing a mortgage product, completing an Application and processing those Applications on behalf of the Borrower in exchange for a fee; and,

WHEREAS, Lender is in the business of receiving Applications from Brokers for Mortgage Loans, underwriting those Applications with the intention of funding those Mortgage Loans.

NOW, THEREFORE, in consideration of the mutual promises, covenants and conditions contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lender and Broker agree as follows:

AGREEMENT

1. Eligible Loans & Pricing

a. Mortgage Loan Programs

Lender shall, from time to time, distribute to Broker information with respect to the types of Mortgage Loan programs ("Loan Programs") that Lender is offering. Lender will accept only those Applications eligible for the Loan Programs being offered. Lender will process Applications only upon submission by the Broker to the Lender of such additional information and documents as required by Lender. Broker acknowledges that Lender reserves the right to alter, add, or delete Loan Programs or to alter the eligibility of the Broker for the Loan Programs from time to time in the Lender's sole discretion. Broker is responsible for identifying which Loan Programs are offered by Lender and for which the Broker is eligible at any given time. Broker shall be responsible for assuring that each Application submitted complies with all the terms and conditions of the applicable Loan Program at the time Broker submits the Application to the Lender.

b. Mortgage Loan Pricing

Lender shall issue to Broker, on a periodic basis, rate sheets and/or other pricing information applicable to Loan Programs offered by Lender. Such rate sheets shall be subject to change by

Lender without notice. Broker shall comply with all requirements set forth in the rate sheet, including without limitation, requirements relating to documentation, interest rates, and locks applicable to the Loan Programs.

2. Broker Duties

a. **Applications**

Broker shall take Applications in its own name through its employees. Each Application submitted by Broker to Lender shall comply and adhere with all written guidelines, policies, procedures, and requirements as determined by Lender (collectively, "Lender Requirements"). Broker shall assist Lender in obtaining any additional information needed by Lender or to otherwise facilitate the underwriting, closing, and funding of the Mortgage Loan transaction. While taking such Applications, Broker shall provide to all Borrowers, Broker disclosure(s) that comply with applicable law and Lender Requirements. Broker shall not submit third party originations to the Lender under this Agreement.

b. **Licensing**

Any employee taking Applications or offering or negotiating Mortgage Loan terms must be registered through the Nationwide Mortgage Licensing System and Registry and licensed or registered as required by applicable law.

c. **Agreement & Requirements**

Broker's approval to participate in the Loan Programs, as well as any obligations with respect to Mortgage Loans submitted by Broker to Lender, are subject to the terms and conditions in this Agreement, Lender Requirements, any conditions imposed by Lender with respect to individual Mortgage Loans, and any other policies, procedures, or requirements adopted by the Lender. No agreements or amendments, unless properly made pursuant to the requirement in this Agreement, shall govern the relationship between Broker and Lender. Accordingly, any Mortgage Loan submitted by Broker to Lender will be subject to Lender Requirements. Lender shall be free to amend, revise, eliminate, supplement, or replace any requirements or obligations set forth in Lender Requirements, conditions, and any other policies, procedures, or requirements adopted by Lender in accordance with Lender's usual practices.

d. **Broker Compensation**

Any compensation or fee payable to Broker for its provision of goods, services or facilities in connection with Applications and Mortgage Loans shall be paid in compliance with the terms of this Agreement, the terms of the Broker Compensation Terms & Agreement, Lender Requirements, Regulation Z Loan Originator Compensation Rules, and applicable law, and only in connection with a particular Mortgage Loan, if each of the following conditions are met:

- 1) Broker has actually provided necessary goods, services, and/or facilities in connection with the Mortgage Loan, and the amount of compensation earned by Broker is reasonably related to the value of the goods, services, and/or facilities actually provided by Broker;
- 2) Broker has submitted a fully executed mortgage loan origination agreement between Broker and Borrower that complies with applicable law and requirements;
- 3) Broker has submitted properly completed and fully executed disclosures with the Application;
- 4) Broker is compliant with all applicable federal, state, and local laws and regulations and all terms of this Agreement;
- 5) Broker does not direct or steer Borrower to a specific Mortgage Loan transaction in order to receive greater broker compensation;
- 6) The applicable Mortgage Loan has closed and funded and all applicable conditions have been met and the Mortgage Loan has not been rescinded;

If any of the above conditions are not met for a particular Mortgage Loan, Broker agrees to promptly refund all compensation and fees received in connection with such Mortgage Loan. Additionally, notwithstanding any other provision of this Agreement, Broker shall not be entitled to receive any compensation or fees from a Borrower or Lender in connection with a Mortgage Loan if Broker is no longer approved, licensed or registered or if Broker is suspended from transacting business by any state or federal agency unless prior written permission is given by Lender.

i. Broker Compensation Payment

Broker shall be paid directly by Borrower or Lender during the funding of such Mortgage Loan, pursuant to the Broker Compensation Terms & Agreement, the closing instructions, and the closing disclosure for each Mortgage Loan. Broker agrees that it shall not receive payment for any compensation or fees, and that Lender may instruct any party to withhold payment, unless, 1) the Lender has received all documents required by the Lender in its sole discretion to close, fund, and sell the Mortgage Loan in the secondary market, 2) the closing agent has disbursed the funds to the Borrower, and 3) the closing agent has submitted the security instrument for recordation relating to the Mortgage Loan. All payments to Broker shall be subject to the restrictions and limitations found in the Truth in Lending Act and Regulation Z, as well as any other applicable law.

e. Reimbursement of Fees

If Broker has collected any fees from a Borrower in connection with a Mortgage Loan that is rescinded by the Borrower pursuant to applicable federal, state or local laws or regulations, Broker shall refund all such fees that are required to be refunded to the Borrower. Broker shall also pay to Borrower any other amounts to which Borrower is entitled, whether or not those amounts were ever paid to or through Broker.

f. Quality Control

Broker shall maintain and implement a quality control program that shall be acceptable to, and comply with Lender Requirements. The quality control program should also include, at minimum, a specific process for resolving quality control discrepancies, and a method for tracking all corrective actions taken. Lender reserves the right to conduct an audit to verify the existence and implementation of such quality control program and Broker is required to provide a letter of explanation and/or supporting documentation with respect to any quality control finding noted by Lender.

g. Broker Status

The parties to this Agreement are independent contractors and no agency, partnership, joint venture or employee-employer relationship is intended or created by this Agreement. Nothing in this Agreement shall be construed to appoint Broker as a partner, employee, or representative of Lender. Broker shall not use Lender's name, logo, or trademarks for any purpose without Lender's written permission.

h. Broker Maintenance

At any time upon Lender's reasonable request, Broker shall cooperate with and provide all information, documents and reports requested by Lender so that Lender may conduct a review of Broker and its business. Such requested information may include, but is not limited to, evidence showing that Broker, 1) is licensed or registered as required by applicable law, 2) maintains adequate insurance coverage per Lender Requirements, 3) is in good-standing with all appropriate governmental, regulatory, or secondary market authorities, and 4) is in good financial standing in order to conduct business in accordance with all terms of this Agreement.

i. Consumer Privacy

Broker shall comply with all federal, state and local laws, rules, regulations and ordinances governing or relating to privacy rights relating to the protection of consumer privacy as defined in the Gramm-Leach-Bliley Act. Broker shall implement all security measures as shall be necessary to,

1) ensure the security and confidentiality of the “nonpublic personal information” of the “customers” and “consumers” (as those terms are defined in Section 509 of the Gramm-Leach-Bliley Act), 2) protect against any threats or hazards to the security and integrity of such nonpublic personal information, and 3) protect against any unauthorized access to or use of such nonpublic personal information. Broker represents and warrants that it has implemented appropriate measures to meet the objectives of Section 501(b) of the Gramm-Leach-Bliley Act and of the applicable standards adopted pursuant thereto, as now or hereafter in effect. Upon request, Broker will provide evidence reasonably satisfactory to allow the Lender to confirm that the Broker has satisfied its obligations as required in the Consumer Privacy section of the Agreement.

j. Non-Solicitation

Broker shall not directly or indirectly solicit any Borrower to refinance a Mortgage Loan within (180) days after Lender funds such Mortgage Loan. The term “solicit” as used herein shall not include, 1) promotions undertaken by the Broker or any affiliate which are directed to the general public at large, including, without limitation, mass mailing based on commercially acquired mailing lists, newspaper, radio and television advertisements, and 2) customer retention communications to the Borrower personally, by telephone or mail such as newsletters, birthday cards, and requests for referrals.

k. Early Payoff Loans (EPO Loans)

A Mortgage Loan shall be considered an “Early Payoff Loan” if such Mortgage Loan resulting from an Application received from Broker is funded by Lender and that Mortgage Loan is paid off in full within (180) days from the funding date of such Mortgage Loan. If any Mortgage Loan submitted by Broker constitutes an Early Payoff Loan, Broker shall pay to Lender the greater of, 1) an amount equal to the compensation paid to the Broker by the Lender or the Borrower with respect to such Mortgage Loan, or 2) one percent (1%) of the initial principal balance of such Mortgage Loan. Broker acknowledges and agrees that Lender may, in its sole discretion, implement additional requirements as necessary or appropriate to further address Early Payoff Loans.

i. Churning

If Lender determines, in its sole and absolute discretion, that Applications submitted by Broker demonstrates a “churning” of Mortgage Loans by Broker, Lender may, in its sole discretion, take such action as may reasonably be necessary to eliminate such “churning” activity on the part of Broker.

3. Lender Duties

a. Underwriting

Lender or its designee shall underwrite every eligible Application submitted by Broker pursuant to this Agreement. Lender shall have no obligation to approve or close a Mortgage Loan which it determines, in its sole and absolute discretion, does not meet Lender’s underwriting requirements (“Underwriting Guidelines”). Lender retains sole and absolute discretion to reject any Application which does not comply with the terms and conditions of this Agreement or the Lender Requirements, or for any reason whatsoever that is not otherwise prohibited by law, and to set the terms and conditions of any approval of an Application. Lender shall notify Broker of the disposition of an Application and shall issue any approval or denial in writing.

b. Closing

Lender shall proceed to the closing and funding of a Mortgage Loan, resulting from an Application received from Broker, under the terms and conditions of the approval. Lender shall prepare the closing package and close and fund the Mortgage Loan in its name and with its own funds. Broker shall cooperate with Lender to provide any and all documentation required by Lender to close and fund the Mortgage Loan in a timely and efficient manner. Lender reserves the right, in its sole and absolute discretion, to cancel the closing and/or funding of any Mortgage Loan for any reason which Lender determines to be material, in its sole and absolute discretion.

c. Reliance on Information

Lender and Broker agree that Lender may rely on the information, authenticity, and accuracy of all signatures and information supplied by Broker in connection with each Mortgage Loan. Lender's decision not to conduct an independent investigation with respect to the information, authenticity, and accuracy of all such signatures and information shall not affect or modify the representations and warranties made by Broker or the rights available to Lender for any breach of such representations and warranties.

4. Broker's Representations, Warranties & Covenants

Broker hereby represents, warrants and covenants to Lender, as of the time any Application is submitted to Lender, and as of the time any such Mortgage Loan is closed and funded through the life of such Mortgage Loan, that:

a. Organization

Broker is duly organized, validly existing, and in good standing under the laws of the jurisdiction of its formation, and is duly qualified to do business and is in good standing under the laws of each state or other jurisdiction in which the nature of the activities conducted by it requires such qualification.

b. Authority to Sign

Broker, and its signing agent, has the requisite organizational authority and legal power and capacity to enter into this Agreement, and to bind Broker to all the Agreement's terms and conditions, including all representations, warranties, and covenants made therein, and enter into all transactions covered by this Agreement.

c. Authority to Operate

Broker, at the time of entering this Agreement, and throughout the course of the term of this Agreement, has and shall maintain all the appropriate authorities, filings, exemptions, licenses, bonds, insurances (including without limitation errors and omissions insurance) as required by all federal, state, and local laws, regulations, rules, and Lender Requirements.

d. Good Standing

Broker, at the time of entering this Agreement, and throughout the course of the term of this Agreement, is and shall remain in good standing with authority to operate in each state in which Broker operates, and shall make all reasonable efforts to remain in good standing with all state and federal regulatory agencies.

e. Threatened Actions

Unless previously disclosed by Broker to Lender in writing, there is not pending or threatened any suit, action, arbitration, inquiry, review, audit, or legal, administrative, or other proceeding or governmental (federal, state, local) investigation against Broker or its current or former owners, agents, or employees that could have a material adverse effect on Broker's business, assets, financial condition, or reputation, or upon any Mortgage Loan submitted by Broker for closing and/or funding by Lender. Broker further represents and warrants that no material complaints have been filed against Broker alleging fraud, predatory lending, unfair and deceptive practices and/or violations of any consumer protection laws. Broker covenants to Lender that Broker shall immediately notify Lender in writing of any letter, notice, inquiry, material complaint or pending or threatened action to revoke or limit any license, permit, authorization or approval that is necessary for Broker to conduct its business or take Applications for Mortgage Loans, or to impose any penalty or other disciplinary sanction in connection therewith, or any other sanction that would materially affect Broker's business.

f. Accuracy of Information

Broker confirms that all information provided to Lender is true, complete and accurate in all material respects. None of the statements, documents, or information provided by Broker or Broker's agents in any Application contains or will contain any untrue or erroneous statement or

omission of a material fact. Broker warrants the accuracy of all information contained in any Application and Mortgage Loan documents submitted to Lender, whether or not Broker has knowledge or reason to suspect any inaccuracy or omission. Broker acknowledges that the information in the Application may be subject to Lender's independent verification, underwriting approval or quality control review but this shall not affect Broker's duties, responsibilities, representations and warranties hereunder and Broker shall not be entitled to rely on such actions of Lender to in any way relieve Broker of his responsibilities, representations, and warranties herein.

g. Compliance with Laws & Lender Requirements

Broker has complied and shall continue to comply with all applicable federal, state, and local laws, regulations, rules, and Lender Requirements in the operation of its business, and in its submission of each Application and the origination of each Mortgage Loan. Broker is in full compliance in all respects, and in good standing, with all regulatory and supervisory agencies having jurisdiction over Broker. This includes, without limitation, applicable state lending and licensing and/or registration laws (including but not limited to the SAFE Act), the Federal Fair Housing Act, RESPA, Regulation X, TILA, Regulation Z, Equal Credit Opportunity Act, Regulation B, Consumer Credit Protection Act, Flood Disaster Protection Act, Fair Credit Reporting Act, Home Mortgage Disclosure Act, and HUD regulations applicable to a loan correspondent all as amended from time to time.

h. Marketability of Mortgage Loans

Broker has no knowledge of any circumstances or conditions with respect to any Application, Mortgage Loan, property securing the Mortgage Loan, Borrower or Borrower's credit standing that could reasonably be expected to, 1) cause any third-party investors to regard the purchase of the Mortgage Loan as an unacceptable investment, 2) cause any Mortgage Loan to become delinquent, or, 3) adversely affect the value or marketability of any such Mortgage Loan.

i. No Conflict

The Broker's execution, delivery, and performance of this Agreement will not violate or conflict with any provisions of Broker's charter documents, any instrument relating to the conduct of its business, or any other agreement, law, rule, regulation, ordinance or order to which Broker may be a party or under which Broker may be governed. Broker has no direct or indirect ownership interest in any property acting as security for any Mortgage Loan submitted to Lender for closing and/or funding.

j. No Other Agreements or Guarantees

Broker has not made, directly or indirectly, any payment on the Mortgage Loan, the Application, or any fee paid for goods and services rendered in connection with the origination, closing, and funding of the Mortgage Loan. Broker has also not made any agreement with the Borrower providing for any variation of Mortgage Loan terms. Broker shall make no statements, suggestions or implications, orally or in writing, to any Borrower or related parties that; 1) Broker has the capacity to approve or fund the Mortgage Loan; 2) Lender will approve or has already approved the Mortgage Loan; or, 3) Lender will make exceptions to Lender Requirements for Borrowers or related parties.

k. Fair Lending

Broker acknowledges that it does not discriminate against Borrowers based on age, race, color, gender, ethnic background, national origin, religion, marital status, familial status, veteran status, handicap status, sexual orientation, receipt of public assistance, because rights have been exercised under the Consumer Credit Protection Act, or any other prohibited basis. Broker agrees to indemnify and hold Lender harmless from and against any discriminatory practices employed by Broker or its employees and/or agents. Broker has strictly complied with Lender's Fair Lending Policy & Acknowledgement included with this Agreement.

I. Change of Status

Broker shall immediately notify Lender if, 1) Broker changes the name and/or address under or form which it conducts business; 2) there is a change of control of Broker; 3) Broker fails to be in compliance with qualification or licensing laws of any jurisdiction where it conducts business; or 4) Broker files for bankruptcy protection or is a party to any similar proceeding.

5. Indemnification

Broker shall indemnify and hold Lender and its shareholders, directors, officers, agents, employees, successors and assigns harmless from and against, and shall reimburse the same with respect to, any and all liability, claims, losses, or other damages, including reasonable attorney's fees, due to the unmarketability of any Mortgage Loan or repurchase demand resulting from acts performed during the origination of any Mortgage Loan, including but not limited to; 1) Any breach of any representation, warranty, or covenant contained in this Agreement; 2) Broker's failure to comply with any obligation under this Agreement; 3) Any claim by a Borrower resulting from Lender's rightful failure or refusal to close and/or fund a particular Mortgage Loan; and/or 4) Any negligence, intentional act, fraudulent act or omission of Broker or its agents or employees. Lender shall promptly notify Broker of the existence of such claim and shall give Broker reasonable opportunity to defend and/or settle the claim at its own expense and with counsel of its own selection. Lender shall cooperate with Broker and shall, at all times, have the right to fully participate in, but not control, such defense with Lender's own counsel and at Lender's own expense.

6. Responsibility for Fraud

Broker shall not submit any Application or other Mortgage Loan documents containing incomplete, false, fraudulent or misrepresented information or are the result of abusive, unfair or deceptive practices. Broker shall be responsible for all omissions and actions taken in the course of its performance of its obligations under this Agreement, whether such act or omission was by Broker, its employees or licensees, or the Borrower, or any other third party affiliated with (as disclosed in the 'Affiliations' section of the Broker Application) or selected by Broker involved in the origination of the Mortgage Loan. An omission of material information is deemed fraud under this Agreement. Broker shall repurchase any Mortgage Loan if fraud or any abusive, unfair or deceptive practices have occurred in the origination of such Mortgage Loan. Broker understands and agrees that in the event Lender reasonably believes misrepresentations, fraud or any abusive, unfair or deceptive practices exists in an Application, any Mortgage Loan document, or any related document, Lender may report such misrepresentation, fraud or any abusive, unfair or deceptive practices to the appropriate state and federal regulatory authorities, law enforcement agencies, and fraud databases. Broker acknowledges the importance of Lender's right, and necessity to disclose such information. Broker waives any and all claims for liability, damages, and equitable or administrative relief in connection with Lender's disclosure of such information.

7. Breach of Agreement

In addition to other rights and remedies that Lender may have, upon discovery by either Broker or Lender of any breach of any representation, warranty or covenant of this Agreement, the party discovering the breach shall promptly notify the other. Within thirty (30) days after discovery by or notice to Broker of any breach, Broker shall promptly cure such breach to the reasonable satisfaction of Lender.

8. Repurchase

a. Reason

Broker agrees to repurchase from Lender any Mortgage Loan, upon the terms and conditions set forth herein, in the event that: 1) Lender determines that Broker failed to observe or perform or has breached or breaches, or it has been alleged that Broker has breached, any of the representations, warranties, covenants, obligations or agreements contained in this Agreement or any applicable Lender Requirements with respect to any Mortgage Loan; 2) Lender receives a

repurchase notification from any third party investor and the repurchase request is based on actual or alleged fraud or misrepresentation with respect to the Mortgage Loan; 3) Lender determines that Broker has been negligent in conducting its responsibilities under this Agreement with respect to the Mortgage Loan; 4) Lender determines that Broker or any other third party affiliated with (as disclosed in the 'Affiliations' section of the Broker Application) or selected by Broker committed fraud or misrepresentation with respect to the Mortgage Loan or otherwise aided, abetted or assisted in the commission of fraud or misrepresentation by any third party with respect to the Mortgage Loan.

b. Timing

Broker shall repurchase any Mortgage Loan required to be repurchased pursuant to this Agreement within (30) calendar days after Broker's receipt of written demand for repurchase from Lender.

c. Price

The repurchase price for any Mortgage Loan that Broker is required to repurchase hereunder shall be an amount equal to the sum of: 1) the then unpaid principal balance of the Mortgage Loan; 2) accrued interest through the date of repurchase; 3) all unreimbursed advances and extraordinary costs and expenses incurred by Lender with regard to such Mortgage Loan during the life of the Mortgage Loan; 4) all other costs, or expenses incurred by Lender, including penalties incurred by Lender from any investor, or servicer and reasonable attorneys' fees incurred in connection with the repurchase; and 5) any fees paid by Lender, including but not limited to all fees and costs paid to Broker and/or other parties for goods and services rendered in connection with the origination and closing of the Mortgage Loan.

d. Assignment

Upon any such repurchase of a Mortgage Loan by Broker, Lender shall endorse the Note and shall assign the Mortgage in recordable form to Broker, without representations and warranties, whether express or implied, and without recourse to Lender.

9. Miscellaneous

a. Assignment

Broker may not assign its rights and/or delegate its duties and obligations under this Agreement without the written consent of Lender. Lender may assign its rights and/or delegate its duties and obligations under this Agreement to any subsidiary, affiliate or successor in interest without the consent of Broker. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, legal representatives, successors and assigns.

b. Notices

All notices, consents, waivers, demands and other communications required or permitted by this Agreement shall be in writing and shall be deemed to have been duly given to a party upon, 1) personal delivery to the party to be notified if in writing, or 2) delivery by U.S. registered or certified mail, or 3) delivery by any nationally recognized express courier service. Delivery must be to the addresses set forth below, or to such other address as may hereafter be furnished by either party to the other party by like notice, or via electronic mail if consented to by the parties;

Lender

**Princeton Mortgage Corporation
439 Grand Avenue
Ewing, NJ 08628
Phone: (609) 737-1000**

Broker

c. Term & Termination

i. Term

The term of this Agreement shall commence on the latest executed date on the signature page of this Agreement and shall extend until the termination of this Agreement pursuant to this section.

ii. Termination

Either party may terminate this Agreement at any time with or without cause upon written notice to the other party hereto. Such termination shall be effective immediately upon receipt of such notice by the other party, unless a later date is specified in such notice. Lender reserves the sole and exclusive right to determine the wind down process with respect to Applications that have been submitted by Broker but not yet approved and/or funded by Lender as of the termination date. All representations, warranties, covenants, and obligations contained in or relating to this Agreement shall survive the termination of this Agreement.

d. Entire Agreement & Modifications

This Agreement constitutes the entire agreement between the parties pertaining to the subject matter contained herein. This Agreement supersedes and replaces all prior understandings, negotiations, commitments, writings and agreements between the parties hereto, whether written or oral, express or implied, with respect to its subject matter. This Agreement may not be modified or amended except by in writing and duly signed by the authorized representatives of each of the parties hereto.

e. Books & Records

Broker shall prepare and maintain files of Mortgage Loan documents in accordance to applicable Lender Requirements. Broker and Lender shall keep and maintain a complete and accurate account, satisfactory to Lender, of all funds collected and paid relating to the Mortgage Loans. Broker shall give Lender, its employees, and its representatives, access, upon reasonable notice and during normal business hours, to audit and inspect Broker's files, books, records, reports, statistics and other documents relating to Broker's obligations under this Agreement. Broker agrees to cooperate with Lender in the investigation of any claim and assist in the defense of any lawsuit arising out of the obligations of the parties under this Agreement. In addition, Broker agrees to cooperate with Lender, its auditors and/or regulatory examiners in any audit of Lender and in any regulatory examination of Lender.

f. Waiver

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. Nothing in this section shall be interpreted to restrict Lender's right to modify the Lender Requirements as provided for elsewhere in this Agreement or to publish such modifications in writing or by electronic means.

g. Severability

If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement will remain in full force and effect. Any provision of this Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

h. Third Party Interest

Nothing in this Agreement, whether express or implied, is intended to confer any rights or remedies under or arising by reason of this Agreement on any persons other than the parties hereto and their respective successors and permitted assigns. Nothing in this Agreement is intended to relieve or discharge the obligation or liability of any third person to any party to this Agreement, nor shall any provision give any third person any right of subrogation or action over or against any party to this Agreement.

i. Agreement Fairly Construed

This Agreement shall be construed fairly as to both parties and not in favor of or against either party, regardless of which party prepared this Agreement.

j. Governing Law

This Agreement shall be construed and enforced in accordance with and governed by the laws of the State of New Jersey, without regard to its conflicts of laws principles.

k. Counterparts

This Agreement may be signed in any number of counterparts and by the different parties to this Agreement on separate counterparts, each of which when so executed and delivered shall be an original, but all of which shall collectively constitute one and the same agreement. This Agreement may be executed via facsimile, electronic mail or electronic signature and that a facsimile or electronic signature of this Agreement containing counterpart facsimile or electronic or other signature shall be valid and binding for all purposes. to be their original signatures for all purposes.

l. Release of Liability

The Broker hereby discharges and releases Lender, its parent, subsidiaries, and affiliates, and their present and future directors, officers, employees, attorneys, and agents, and the successors and assigns of any of the foregoing, of and from any and all claims, demands, actions, causes of action, suits, damages, attorneys' fees, costs, and expenses of suits, liabilities and judgments of whatsoever kind (a "Claim"), by reason of any act or omission relating to Lender's or such other party's use of any Application or verification of any information contained therein. Broker further indemnifies and agrees to defend and hold Lender harmless with respect to any Claim made by any past, present, or future owner, officer, or employee of Broker with respect to such use or verification.

m. Authorization

Broker hereby consents and gives Lender permission to obtain information about the Broker and all employees or contractors of the Broker, including, without limitation, professional history information, criminal record information, credit information, and other public record information. Relating to this authorization, Broker certifies that all required consents and approvals of all employees/contractors have been obtained to authorize Lender to conduct such background checks and obtain such credit reports on such individuals. Relating to quality control reviews on loans submitted by Broker to Lender for funding, Broker consents to the release of information to regulators and law enforcement agencies about any Application that may be suspected to contain misrepresentations and/or irregularities. Broker hereby releases and agrees to defend and hold Lender harmless from all liability for damages, losses, costs, and expenses that may arise from the reporting or use of any information submitted by Lender or used in any way by Lender.

n. 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 regarding any of the provisions of the Agreement, the prevailing party or parties shall be entitled to reasonable attorney's fees and other costs incurred in that action or proceeding, in addition to any other relief to which it or they may be entitled.

o. Costs & Expenses

Each party shall bear its own costs and expenses regarding any services provided hereunder, unless otherwise agreed in writing.

p. Rights of Offset

Lender shall have the right to, at any time and without prior notice, deduct any penalties, fees, expenses, or other charges or obligations of any kind owed by Broker to Lender from any amounts to be paid to Broker for Mortgage Loans submitted by Broker under this Agreement. Broker consents to a closing agent or any other party acting under instructions from Lender to withhold such amount from funds to be remitted to the Broker to satisfy any such penalty, fee, expense, or other charge or obligation of any kind and to remit such funds to Lender.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and effective as of the latest date written below.

LENDER:

Princeton Mortgage Corporation

439 Grand Avenue, Ewing, NJ 08628

Authorized Signature

Date

Printed Name

Title

BROKER TO COMPLETE THE FOLLOWING SECTION:

Broker Name

Broker Address

Authorized Signature

Date

Printed Name

Title

THIS AGREEMENT IS NOT IN EFFECT UNTIL EXECUTED BY BOTH PARTIES



ANTI-MONEY LAUNDERING & SUSPICIOUS ACTIVITY REPORTING CERTIFICATION

On behalf of _____ ("Company"),
I certify that the Company is compliant with final Rule 31CFR (Parts 1010 and 1029) of the Bank Secrecy Act, dated February 14, 2012, issued by the U.S. Department of Treasury, Financial Crimes Enforcement Network (FinCEN) and has implemented an Anti-Money Laundering Program (AML) and Suspicious Activity Reporting Program (SAR) for residential mortgage lenders and originators and those said programs contain:

- Policies, procedures and internal controls that will reasonably prevent, detect and report potential money laundering and other suspicious activity
- A requirement for educating and training appropriate staff
- Independent testing to monitor and maintain adequate programs
- A requirement to report suspicious activity to FinCEN within 30 days of discovery

In addition, I certify that all appropriate employees of the Company have received AML and SAR training.

By signing below, I declare that I have the authority to sign on behalf of the Company, certify that the above is true and accurate to the best of my knowledge, and certify that the Company has met and will continue to meet all the responsibilities and obligations detailed above.

Authorized Signature

Date

Printed Name

Title



CREDIT CONSENT & AUTHORIZATION FORM

The below company & individuals give their consent and authorization to Lender and/or Lender's designated credit reporting agency to obtain and verify any and all information concerning, but no limited to, employment, checking and/or savings accounts, obligations and all other credit matters which Lender may require in connection with Broker's application.

COMPANY NAME

ADDRESS

TAX ID

NAME (First & Last)

TITLE

ADDRESS

SSN

SIGNATURE _____ **DATE** _____

NAME (First & Last)

TITLE

ADDRESS

SSN

SIGNATURE _____ **DATE** _____

A photocopy of the original signed form shall be considered effective consent & authorization



FAIR LENDING POLICY & ACKNOWLEDGEMENT

Introduction

Princeton Mortgage Corporation (the “Company”) is committed to treating all Applicants and Borrowers in a fair and equitable manner. As part of this commitment, the Company has developed a Fair Lending Policy, which promotes compliance with applicable fair lending laws, including the Equal Credit Opportunity Act (ECOA) and Fair Housing Act. As a Broker, the Company requests that you review the fair lending expectations and acknowledge and confirm that you operate in accordance with fair lending laws as they apply to your business with the Company.

Fair Lending Laws

The purpose of fair lending laws is to ensure that fair and equal treatment is provided to individuals seeking sales financing. The ECOA, and its implementing regulation, prohibits discrimination in any aspect of a credit transaction. The Fair Housing Act, and its implementing regulations, contain similar prohibitions against discrimination with respect to the origination or purchase of loans secured by real estate.

Collectively, the Company, ECOA, and the Fair Housing Act prohibit discrimination based on the following: race or color; religion; national origin; sex; marital status; age (provided that the applicant has the capacity to enter a binding contract); receipt of public assistance income; familial status; handicap; sexual orientation or gender identify; or the exercise of any right under the Consumer Credit Protection Act.

Acknowledgement

The Company is committed to complying with all applicable fair lending laws. It is Company policy to make credit products available to all Applicants who meet the Company’s credit requirements in a fair and consistent manner within the confines of safe and sound business practices.

Additionally, the Company conducts routine monitoring of third parties for fair lending compliance and reserves the right to take action against third parties where fair lending risks or violations are identified.

The Company requests that the Broker acknowledge its compliance with the Fair Lending Policy and fair lending practices of the Company during the entire term of the relationship with the Company.

By signing below, you certify that you have received, read, understand, and agree with Lender’s Fair Lending Policy detailed above:

Broker Company Name

Authorized Signature

Date

Printed Name

Title



LOAN FRAUD ZERO TOLERANCE

Each Broker who executes an Agreement and agrees to conduct business with Lender must be aware that the Broker bears the responsibility for all actions performed in the course of its business by its employees, agents or licensees. The Broker is responsible for the content and quality of each Application taken and each Mortgage Loan submitted to Lender. It is Lender's policy and intent to support the abolition of loan fraud and predatory lending practices within the residential mortgage lending marketplace.

Types of Loan Fraud (not all encompassing)

- Submission of inaccurate or incomplete information, including false statements on Applications and falsification of documents to substantiate credit, employment, deposit and asset information, personal information including identity, ownership and occupancy of real property, etc.
- Forgery of all documentation and information whether accurate or inaccurate.
- Incorrect statements regarding the current occupancy or intent to occupy as stated in the security instrument.
- Lack of due diligence by Broker/loan officer/interviewer/processor, including failure to obtain all information required by the Application and failure to request further information as dictated by Borrower's response to questions.
- Unquestioned acceptance of information or documentation that is known, should be known, or should be suspected to be inaccurate or incomplete.
- Simultaneous or consecutive processing of multiple owner-occupied Mortgage Loans from one applicant supplying different information on each Application.
- Allowing an applicant or interested third party to assist with the processing of the Mortgage Loan.
- Broker's non-disclosure of relevant information.

The effects of loan fraud are costly to all parties involved. Lender stands behind the quality of its loan production. Fraudulent loans cannot be sold into the secondary market and, if sold, will require repurchase by Lender. Fraudulent loans damage Lender's reputation with its investors and mortgage insurance providers. The price paid by those who participate in loan fraud is even more costly. The following are a few of the potential consequences that may be incurred: 1) criminal prosecution; 2) loss of Broker's license; 3) loss of Lender access due to exchange of information between lenders, mortgage insurance companies including submission of information to investors (Freddie Mac/Fannie Mae), police agencies, and state & federal agencies; 4) civil action by Lender; 5) civil action by applicant/Borrower or other parties to the transaction; 6) loss of approval status with Lender.

By signing below, you certify that you have read and understand Lender's position on loan fraud.

Authorized Signature

Date

Printed Name

Title



CORPORATE RESOLUTION

RESOLUTION of

[Company Name]

At a meeting or by unanimous written consent of the Board of Directors of _____
dated _____, the following Resolution was adopted:

"BE IT RESOLVED that the individuals listed below are hereby authorized on behalf of said Company listed above to apply with Princeton Mortgage Corporation for approval as a Broker, to execute any and all other instruments and documents necessary to properly effectuate the purpose of obtaining said approval, and to conduct business with Princeton Mortgage Corporation."

Name

Title

Name

Title

Name

Title

Name

Title

ATTEST:

ATTEST:

Secretary Signature

Officer Signature

Date

Date