

Broker Compensation Agreement

This Broker Compensation Agreement ("Agreement") is entered into as of the ____ day of _____, 20____, by and between Reliable Holdings Manager LLC D.B.A Lenz Financial ("Lender") and _____ ("Broker") (collectively, the "Parties"), who are parties to that certain Wholesale Broker Agreement dated _____.

Broker shall be compensated in compliance with all Applicable Laws governing loan originator compensation, including TILA, Regulation Z, RESPA, and Regulation X.

1. Compensation for Consumer Purpose Loans. For mortgage loans made primarily for personal, family, or household purposes as defined in 12 C.F.R. § 1026.3(a)(1) ("Consumer Purpose Loans"):

- A. Limitation on Borrower-Paid Compensation.** Borrower-Paid Compensation ("BPC") must not exceed the Lender-paid compensation ("LPC") election outlined below on any mortgage loan funded by Lender that is considered a Consumer Purpose Loan.

In no event shall BPC exceed 300 basis points (3.00%) of the gross loan amount on any Consumer Purpose Loan.

- B. Prohibition on Dual Compensation.** Broker hereby understands and agrees that Broker may not receive BPC and LPC on any mortgage loan funded by Lender that is considered a Consumer Purpose Loan, as provided for in 12 C.F.R. § 1026.36(d).

2. Lender-Paid Compensation Election (LPC).

For all loans submitted by Broker to Lender under a Lender-paid compensation structure and in accordance with the Broker Agreement, Lender agrees to pay the compensation defined below on all Eligible Loans that are approved, closed, and funded by Lender.

Broker will receive the lesser of the LPC percentage or the maximum dollar amount selected below.

Compensation is calculated based on the gross loan amount.

LPC must comply with federal, state, and local high-cost thresholds.

Select LPC Percentage (between 1.000% and 2.75%):

☐ 1.000% ☐ 1.125% ☐ 1.250% ☐ 1.375% ☐ 1.500% ☐ 1.625% ☐ 1.750% ☐ 1.875% ☐ 2.000%
☐ 2.125% ☐ 2.250% ☐ 2.375% ☐ 2.500% ☐ 2.625% ☐ 2.750%

Minimum Dollar Amount (Optional):

☐ No Minimum ☐ \$1,500

Maximum Dollar Amount (Optional):

☐ No Maximum ☐ \$7,500 ☐ \$10,000 ☐ \$12,500 ☐ \$15,000 ☐ \$17,500 ☐ \$20,000

3. Business Purpose Loans

For mortgage loans that are exempt from coverage under 12 C.F.R. § 1026.3(a) ("Business Purpose Loans"), compensation may be structured differently than set forth in Section 1 above, as permitted by applicable law and Lender's internal policies. Lender reserves the right to establish policies regarding compensation on Business Purpose Loans, which may include but are not limited to allowing BPC in excess of the LPC percentage selected above, subject to compliance with all applicable state and federal laws.

In no event shall BPC exceed 400 basis points (4.00%) of the gross loan amount on any Business Purpose Loan.

4. Right of Offset. If Broker fails to timely pay any amounts owed to Lender under this Agreement, the Wholesale Broker Agreement, or any other agreement between the parties (including but not limited to amounts owed due to Early Payment Defaults, Early Pay Offs, repurchase obligations, indemnification obligations, or breach of representations and warranties), Lender shall have the right to offset such amounts against any compensation or other amounts due or to become due to Broker, or to any affiliated Broker as determined by Lender in its sole discretion, from Lender. Broker's obligations to pay amounts owed to Lender shall not be excused or delayed by Lender's exercise or non-exercise of its offset rights.

5. Terms and Acknowledgments

- A. Effective Date.** This Agreement shall be effective for all mortgage loans registered with Lender on or after _____.
- B. Term and Modification of Compensation.** This Agreement shall remain in effect for as long as the Wholesale Broker Agreement remains active. The Parties may execute a new Compensation Agreement no more than once every 90 days upon mutual agreement by executing a new Compensation Agreement.
- C. Eligible Loan Requirement.** Notwithstanding anything to the contrary in this Agreement, Broker shall not be entitled to any fee or other compensation, whether LPC, BPC, or payable by any other person, unless the particular loan meets all of the criteria for being an Eligible Loan as defined in Section 6 below.
- D. Broker Acknowledgements.** By signing below, the Broker certifies and acknowledges:
- Broker is in compliance with the Federal Reserve Board's Loan Officer Compensation, Anti-Steering, and Safe Harbor Final Rule as published in 12 CFR Part 226 Regulation Z.
 - This LPC selection applies to all loans submitted to Lender which are considered Consumer Purpose Loans.
 - Broker's compensation is not based on a transaction term or a proxy for a transaction term.
 - Any compensation that Broker will pay to its individual loan originator employee(s) for originating loans will not be based on a transaction term or a proxy for a transaction term, and such employee(s) will not receive compensation from any other source in violation of applicable law.
 - In the event there is a conflict between the terms and conditions of this Agreement and the Wholesale Broker Agreement and any Addendums this Agreement will control only with respect to compensation calculation and payment. All other terms of the Wholesale Broker Agreement, including but not limited to provisions relating to Early Payment Defaults, Early Pay Offs, repurchase obligations, indemnification, representations and warranties, and Broker's obligations, remain in full force and effect and shall govern in the event of any conflict.
 - Compensation must be disclosed in accordance with applicable laws and regulations.
 - Broker will not collect compensation by any other means or from any other party in LPC transactions on Consumer Purpose Loans.
 - Broker will not steer consumers to consummate a loan based on compensation incentives (per 12 C.F.R. § 1026.36(e)).
 - All compensation and agreements are compliant with applicable law, including Regulation Z.
 - Broker represents and warrants that all loan purpose classifications (including classifications as Consumer Purpose Loans or Business Purpose Loans) are accurate and made in good faith based on the actual purpose of the loan as represented by the borrower and verified by Broker.
 - Broker shall maintain all documentation supporting loan purpose classifications and shall make such documentation available to Lender upon request.

6. Definitions

As used in this Agreement, the following terms shall have the following meanings:

"Basis Point" means that amount equal to 0.01% of the gross loan amount stated in the note at settlement.

"Early Payment Default" has the meaning set forth in the Wholesale Broker Agreement.

"Early Pay Off" has the meaning set forth in the Wholesale Broker Agreement.

"Eligible Loan" means a loan: (a) that has been Originated by Broker, including any loan originator employed by Broker, closed and funded in accordance with all applicable requirements, in the period for which the compensation is calculated; (b) that is not unfunded, cancelled or rescinded for any reason within 5 days after settlement; (c) for which the period for any Early Payment Default and Early Pay Off has expired, and (d) which loan has been sold and finally delivered to the pertinent counterparty in the secondary market.

Executed by:

Broker: _____

By: _____

Name: _____

Title: _____

Lender: Reliable Holdings Manager LLC D.B.A Lenz Financial

By: _____

Name: _____

Title: _____