

**ADDENDUM TO
WHOLESALE BROKER AGREEMENT -
LOAN ORIGINATOR COMPENSATION PLAN**

This addendum to the Wholesale Broker Agreement is dated the ____ day of _____, 20____ and entered into by and between ClearPoint Funding, Inc. (“ClearPoint”) with its Principal place of business at 4 Technology Drive, Suite 200, Westborough, MA 01581 and _____, Broker, with its Principal office located at:_____.

Whereas the parties have entered into a Wholesale Broker Agreement dated the ____ day of _____, 20____, a copy of which is attached, and,

Whereas the parties desire to amend that Agreement and to set forth the terms of the Loan Compensation Plan,

NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. That the provisions of the 3rd unnumbered paragraph of the Wholesale Broker Agreement be amended to read as follows:

As agent for the borrower, Broker intends from time to time to offer funding to ClearPoint residential mortgage loans that it has originated. ClearPoint is under no obligation to accept any loan application offered by Broker.

2. The provisions of paragraph 9 of the Agreement shall be amended to read as follows:

9. Upon discovery of any evidence of fraud, misstatement of material fact in the origination of a Loan submitted to ClearPoint, which through commercially available and customary processes, Broker should have discovered evidence of such fraud or misstatement of material fact, or breach of any section of this Agreement, ClearPoint shall notify Broker and Broker shall have the opportunity to correct or cure such defect or breach within the time prescribed by ClearPoint to the full and complete satisfaction of ClearPoint. If, after receiving such notice, Broker is unable to correct or cure such defect within the prescribed time, then ClearPoint shall, to the maximum extent allowed by law, have the right to demand that the Broker repurchase such defective Loan at the Repurchase Price (as defined below) or, (b) such other remedy as may be available to ClearPoint. For purposes of this section, “Repurchase Price” shall mean with respect to any mortgage Loan required to be repurchased pursuant to this Agreement, an amount equal to (i) the outstanding principal balance of such mortgage loan at par value, plus (ii) all interest accrued to the date of repurchase, plus (iii) any premium or similar amounts paid to the Broker at the time of original purchase and/or funding, plus (iv) all reasonable

costs, administrative fees and expenses incurred and documented in writing by ClearPoint.

3. That the provisions of paragraph 10 of the Agreement be amended to read as follows:

10. Broker understands that in consideration of ClearPoint's funding Broker's loans, ClearPoint relies on Broker's full cooperation, before and after the loan funds. Broker agrees to process loan applications, to observe the stated provisions of this Agreement, and to fully assist ClearPoint to obtain any information and documentation ClearPoint deems necessary. Broker agrees, to the maximum extent allowed by law, to indemnify ClearPoint and hold ClearPoint harmless for any and all liability, loss, damages, attorney's fees and other expenses which ClearPoint may sustain or incur by reason of or in consequence of Broker not observing the stated provisions or warranties of this Agreement or not obtaining the necessary documentation as required by ClearPoint.

4. That the provisions of paragraph 16 of the Agreement be amended to read as follows:

16. Broker and the loan applicant have agreed that Broker is representing such loan applicant as such loan applicant's agent with respect to the loan application and is not acting as an agent of ClearPoint.

5. That a new section 20 of the Agreement be added to read as follows:

20. It is the intention of the parties to comply with the provisions of The Truth In Lending Act and Federal Reserve Board Regulation Z, to include the provisions of 12 CFR §226.36 hereinafter collectively referred to as "Loan Origination Compensation Rules". As to each loan submitted by Broker, Broker shall select as an exclusive method of compensation either option A or option B as set forth below.

A. Consumer Paid Option

- Broker will negotiate compensation directly with the consumer.
- The consumer must pay compensation to the broker client from their own funds at closing, or from the principal proceeds of the new loan.
- Premium pricing may not be used to compensate the Broker.
- The consumer may pay third party costs and ClearPoint fees by paying cash at closing, or financing through the principal or interest rate.
- No other person may provide compensation to the Broker, directly or indirectly, in connection with the loan transaction.
- Compensation to the Broker can vary from transaction to transaction.
- Compensation from the Broker to its loan originators may be comprised only of salary or hourly wage that is not tied to the transaction.

Initials: _____

B. Creditor Paid Option

- Broker shall receive ___% of the principal amount of such mortgage loan, but in no case totaling less than \$_____, and in no case more than \$_____, plus a flat fee of \$_____ if available, as its sole and complete compensation, amount established by ClearPoint, as subject to change from time to time. .
- The compensation shall be consistent on all loans funded for Broker by ClearPoint, except that ClearPoint may, but is not required to, periodically revise the Broker compensation prospectively.
- Amendments shall be in the form of an Exhibit to this Agreement.
- ClearPoint will pay compensation directly to the Broker.
- The consumer cannot pay compensation to the Broker, or any loan originator.
- The standard creditor-paid compensation of Broker and/or any loan originator may not be reduced, including without limitation, by the Broker and/or any loan originator paying expenses or other amounts on behalf of the consumer or curing or otherwise paying any amount based on a tolerance violation under Regulation X (the regulation under the federal Real Estate Settlement Procedures Act).
- The Broker will establish compensation agreements with its loan originator employees that will comply with the Federal Loan Origination Compensation Rules.

6. That a new section 21 of the Agreement be added to read as follows:

21. Broker shall comply at all times and in all respects with the provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act, including but not limited to, Title IX Subtitle F entitled "Appraisal Activities." Further, Broker shall comply with provisions of Federal Reserve Bank, Regulation Z implementing Section 129E of the Truth In Lending Act establishing requirements for appraisal independence. Finally, Broker shall comply with the applicable Appraiser Independence Requirement of Fannie Mae and/or Freddie Mac, as appropriate.

7. That a new section 22 of the Agreement be added to read as follows:

22. Broker has developed and implemented compensation plans for its loan originators which (1) prohibit payments to its loan originators that are based on a loan's interest rate or other loan terms or conditions, (2) prohibit Broker or its loan originators from receiving payments directly from a consumer while also receiving compensation from the creditor or another person, and (3) prohibit Broker and its loan originators from "steering" a consumer to consummate a transaction based on the fact that the Broker or any loan originator will receive greater compensation from the creditor in that transaction than in other transactions that were offered or could have been offered to the consumer, unless the consummated transaction is in the consumer's interest.

Broker shall ensure that its policies and procedures comply with the Loan Origination Compensation Rules. If requested by ClearPoint, Broker shall provide ClearPoint a copy of such policies and procedures. Broker shall take all appropriate steps to ensure that loan originators originate loans in compliance with the statute, regulations and commentary - to include training, automated systems controls and compliance testing.

Broker may provide the consumer with loan options from three or more creditors with which the Broker regularly does business (or the number of creditors with which the Broker regularly does business if less than three). The Loan Origination Compensation Rules define the creditors with which Broker regularly does business. For each type of transaction (i.e., a transaction with an annual percentage rate that may not increase and a transaction with an annual percentage rate that may increase), in which the consumer expressed an interest, the loan options presented must include:

- The loan with the lowest interest rate
- The loan with the lowest total dollar amount for origination points or fees and discount points
- The loan with the lowest interest rate without certain features, including:
 - o A prepayment penalty
 - o Interest-only payments
 - o Negative amortization
 - o Demand feature
 - o A balloon payment in first seven years.
 - o Shared equity
 - o Shared appreciation

Loan originators must have a good faith belief that the options presented are loans for which the consumer likely qualifies.

If more than three loans are presented, Broker must highlight the loans that satisfy the options bulleted above.

8. That a new section 23 of the Agreement be added to read as follows:

23. It is the intention of Broker and ClearPoint to comply with the Federal Loan Origination Compensation Rules applicable to this Agreement; accordingly, it is agreed that notwithstanding any provision to the contrary in this Agreement or in any other document(s) executed in connection herewith, no such provision shall require or permit the payment or the receipt of loan originator compensation not permitted by the Loan Origination Compensation Rules. If, from any circumstance whatsoever, any loan originator compensation in excess of, or not permitted by, the Loan Origination Compensation Rules is provided for, contracted for, paid or received or adjudicated to be provided for, contracted for,

paid or received, then the provisions of this paragraph shall govern and control and neither party hereto nor any other party shall be obligated to pay the amount of such loan originator compensation not permitted by the Loan Origination Compensation Rules, and the loan originator compensation payable to Broker or any other loan originator shall be reduced to the amount and sources permitted by the Loan Origination Compensation Rules. The receiving loan originator shall refund any such impermissible loan originator compensation to the payor thereof immediately upon notification from Broker or ClearPoint, as applicable. It is further agreed that without limitation of the foregoing, all calculations of the loan originator compensation provided for, contracted for, paid or received under this Agreement shall be made in accordance with the Loan Origination Compensation Rules, as now or hereafter construed or amended.

IN WITNESS WHEREOF, the parties have executed this Agreement on this ____ day of _____, 20__.

BROKER

Company _____

By: _____

Title: _____

Date: _____

CLEARPOINT FUNDING, INC.

By: _____

Title: Executive Vice President

Date: _____

Amendment to Creditor Paid Compensation

This Exhibit Amends Section 5 of the original Addendum to the Broker Agreement, and by this reference becomes the new section 20 of the Original Broker Agreement, executed between ClearPoint Funding, Inc, and the undersigned Broker.

Effective with loan applications taken on or after the 1st day of selected month, and until further amended, on any transaction where the Broker selects Creditor (Lender) Paid Compensation in lieu of Borrower Paid Compensation, Broker shall receive the following compensation on each transaction closed with ClearPoint Funding. Broker Compensation will be equal to the Percent of the Principal amount of each mortgage transaction closed, subject to a Minimum, Maximum and Flat Fee if selected, and as elected below. Compensation Elections may only change once every 30 days. **Changes will only be allowed thru the Brokers execution and delivery of this Exhibit to ClearPoint funding no later than 5 business days prior to the effective change date. Items listed with an * (asterisk) require management approval prior to authorization and programming.** (deliver to: brokerapproval@clearpointfunding.com):

Compensation Elections. Please make a selection in ALL sections.		
A	_____ %	Percent (%) of principal amount of each mortgage transaction closed, <u>And, Or,</u>
B	Option _____	Minimum Compensation per mortgage transaction. Select Option A, B,C, or D below. <u>And,</u>
C	Option _____	Maximum Compensation per mortgage transaction. Select Option a, b, c, d, e or f below. <u>And,</u>
D	Option _____	Not Available ... Flat Fee option coming soon ...

Election Options for the above table: If an election is not made, the default tier will apply

A	
Revenue Elections	Election #
0.500	1
0.750	2
1.000	3
1.125	4
1.250	5
1.375	6
1.500	7
1.750	8
2.000	9
2.250	10
2.500	11
* 2.750	12
* 3.000	13

B		
Minimum Elections		
\$	1,500	A
\$	2,000	B
\$	2,500	C
\$	3,000	D

C		
Maximum Elections		
\$	5,000	a
\$	7,500	b
\$	10,000	c
\$	15,000	d
\$	* 20,000	e
\$	* 30,000	f

D	
Flat Fee Election Option	

Key	DEFAULT Elections
	Election requires ClearPoint Mgmt Approval

x

- The compensation shall be consistent on all loans funded for Broker by CLEARPOINT FUNDING, INC., for loans originated during the specific revenue election period. CLEARPOINT FUNDING, INC. may, but is not required to, periodically allow for revisions to the Broker compensation prospectively.
- CLEARPOINT FUNDING, INC. will pay compensation directly to the Broker.
- The consumer cannot pay compensation to the Broker, or any Loan Originator.
- The Broker or any loan originator cannot reduce the creditor paid compensation by offering concessions or paying for tolerance violations.
- The Broker will establish compensation agreements with its loan originator employees that will comply with the Federal loan originator compensation rule in §226.36(d) and (e) of Regulation Z (12 CFR Part 226).

This Compensation Change will be effective with loan applications taken on or after the first day of _____, 20__ and remain in effect until further amended.

Amendments to Broker Compensation elections may only be made effective the first day of a specific month, and must be approved by ClearPoint Funding no later than 5 days prior to the effective date of the change.

Agreed to this _____ day of _____, 20__

Accepted;

Broker: _____

x _____

Authorized Officer x _____

ClearPoint Funding, Inc.

Name and Title: _____

Greg O'Connor, COO

(NOTE: Once completed return to: brokerapproval@clearpointfunding.com)

<i>For ClearPoint Funding Office Use Only.</i>	
Profile Change Date Entered on	
Profile change entered by:	
Executed Profile Returned to Client and copied to AE:	
*Exception Options Approved by:	