



Loan Originator Employment and Compensation Agreement

THIS AGREEMENT is made between SKEENS CONSULTING CORPORATION (herein called "Employer") and _____ (herein called "Employee").

WHEREAS, Employer is in the business of mortgage brokerage/lending and/or banking, and desires to hire Employee to originate real estate trust deeds and/or mortgage loans, and

WHEREAS, Employee's compensation is determined primarily by way of commissions computed on the dollar amount of loans originated and closed due to Employee's individual effort, and

WHEREAS, Employer and Employee desire to have an employment agreement directly specifying compensation and termination agreements, and

WHEREAS, Employee is ready, willing, and able to work for Employer as a loan originator,

NOW, THEREFORE, Employer and Employee in consideration for the mutual covenants and agreements contained herein and other good and valuable consideration and intending to be legally bound hereby, agree as follows:

I. EMPLOYMENT

Employer hereby hires Employee and Employee hereby accepts employment as a loan originator under the terms of this agreement commencing on ____ day of _____, ____ and continuing until terminated as provided in this agreement.

Please Note: Although you have executed this Employment Agreement, the effective date of employment is when you receive your State Loan Originator License and been given access to the Employer's loan processing website. Originating loans prior to this effective date is prohibited.

II. DUTIES

a) Employee agrees to devote full attention and energy to the position of loan originator subject to the direction and control of Employer and shall utilize best efforts in representation of this position and solicitation of clients for Employer.

b) Employee agrees document hours worked in the performance of the duties of a loan originator in a format provided by Employer

c) Employee is employed as an originator to originate real estate trust deeds and/or mortgages in the following territory designated by Employer:

1. In all States where the branch and/or Loan Originator is legally licensed.
2. As stated in §II.b.1, unless specifically prohibited by State Regulation or Employer.

d) Employee agrees not to engage in the sale of, or representation of any other competing products or services while representing Employer, including the origination of real estate trust deeds and/or mortgages for any other mortgage banker and/or broker.

e) Employee, at all times, will comply with the rules, regulations, laws and ethics of Employer, mortgage banking industry (including brokering), investors, local jurisdictions and state and federal requirements. Any discovery of fraud, misrepresentation, or any other illegal activity by the loan officer is grounds for immediate dismissal, fines, and other sanctions.

III. COMPENSATION

In order to ensure that Skeens Consulting Corporation remains compliant with evolving State laws and HUD, Skeens Consulting Corporation is hereby providing written notice with respect to a change in its existing commission structure. For services rendered by employee under this agreement, employer shall pay employee compensation on loans originated by employee as follows:

a) COMMISSIONS – employees shall receive a credit to their Payroll of _____ **basis points of the loan amount** on each closed loan originated by the employee. W-2 wages will be paid based upon this amount. Any changes to the commission structure must be approved in writing by the Employer. This compensation agreement cannot be revised more often than every Thirty Days. Any revisions to the commission structure will apply only to new loan applications received on or after the revision approval date. Employees may also qualify for bonuses at the discretion of the employer based upon the quality of their origination, processing and post closing work.

b) COMMISSIONS will be deemed earned when the loan closes, fee income has been received and are in clear funds, and all appropriate post closing documentation has been properly executed, received, and found acceptable pursuant to all Employer policies and procedures as well as local, state and federal laws regulating the mortgage industry. **IMPORTANT:** No commissions will be paid to Employee unless all disclosures and post-closing documents are properly in each file. If a loan has been originated improperly, according to State and or Federal requirements, the Employer reserves the right to refund all fees to the applicant or borrower and the Employee is prohibited from attempting to recover or receive any funds from the applicant/borrower.

c) Employee acknowledges that the settlement of any complaints will be at the sole discretion of the Employer. The Employer therefore reserves the right to subtract from the net commission of the Employee for the costs incurred to settle a complaint by any third party for any loan originated by the Employee.

IV. LICENSING RESTRICTION AND USE

- a) All Employees are W-2 Employees of Skeens Consulting Corporation and in accordance with State Regulation cannot be employed simultaneously by any other license or unlicensed mortgage broker, banker, or lender. Co-brokering loans is also strictly prohibited.
- b) Federal Regulation for FHA (Federal Housing Authority) and VA (Veterans Affairs Administration) loan originations require the employees offering those loan types must be exclusive employees of the approved lender and cannot be engaged in any real estate related activity at any time.
1. Employees required by some State Licensing Regulations to obtain a realtor's license will not be in violation of either Federal or State Regulation, provided realtor activities are limited to properties personally sold or purchased.
 2. Branch managers of offices offering FHA and VA loans may only be managers of one office.
- c) FHA Branch Managers, or the employees of an FHA branch, may possess a real estate salesman or broker's license or an appraiser's license, but may not perform any official appraisal activities, nor under any circumstances actively sell any real estate for any real estate firm, developer, broker, land dealer, or home builder, or engage in any real estate related activity with the only exception being buying and selling of real property belonging to said employee or FHA Branch Manager.
- d) Employees shall display licenses in their office locations as required by State regulation.
- e) Branch licenses are the property of Skeens Consulting Corporation and ultimately the State for which the license is issued. Branch licenses must be surrendered upon the request of Employer and/or the State. Any compensation due the loan officer will be withheld until the licenses and other required items are returned and accepted by the Employer.

V. TERMINATION

- a) **AUTOMATIC TERMINATION:** This agreement shall automatically terminate upon the occurrence of any or all of the following events:
1. Death of Employee
 2. Loss of legal capacity by Employee
 3. Termination of State Loan Originator License
 4. Termination of Employee by Employer
 5. Occurrence of Fraud by Employee.

Should Employer discover an instance of Employee knowingly and purposely committing fraud or misrepresentation, Employee forfeits all present and future credits to their payroll and forfeits all claims on any gross income received by Employer.



OFFICE: 301-932-4610 FAX: 301-932-5341

b) WITH CAUSE: If Employee willfully breaches or habitually neglects the duties required to be performed under the terms of this agreement, Employer may, at its option, terminate this agreement by giving notice of termination to Employee, without prejudice to any other remedy to which Employer maybe entitled, either at law, in equity, or under this agreement.

c) WITHOUT CAUSE: Either party may terminate this agreement without cause by giving notice of termination to the other party. Termination by Employee must be in writing and mailed to Skeens Consulting Corporation's headquarters or sent via Email to PESkeens@AOL.Com

VI. COMPENSATION ON TERMINATION

a) In the event of termination f this agreement for any reason, Employee may receive, with Employer's approval, compensation after the date of termination as follows:

1. Employee will be entitled to compensation as determined under § III for loans closed and presented for payment within sixty (60) days after termination, pursuant to § II .b. Loans originated after the termination date are not eligible for compensation to the Employee.

b) Payment of any compensation will be made in a lump sum on the first regularly scheduled commission pay date, but not later than sixty (60) days after termination. The lump sum payment will be reduced by the sum of any/all of the following prior to termination:

- 1.** Un-reimbursed draws
- 2.** Uncollected fees
- 3.** Credit report and appraisal fees
- 4.** Prepaid commitment fees
- 5.** Required discount points
- 6.** Loan closing escrows
- 7.** Losses or potential losses based on fraud, negligence, or misrepresentation on the part of the employee.

c) Employee agrees to fully cooperate with Employer to bring all originated loans to settlement. In the event Employee does not cooperate, Employee shall not be entitled to compensation due on the loan.

d) Employee and Employer agree that Employer may withhold commission payments if there is evidence of unresolved complaints against the Employee or outstanding charges related to any loans originated by the Employee.



VII. TRADE SECRETS

a) Employee acknowledges that loan programs, customer and investor lists and documentation used and developed by the Employer for its loan programs are valuable trade secrets of Employer. The loan programs, customer and investor lists and documents have been developed during the expenditure of substantial time, effort, and money which Employer wishes to maintain in confidence and withhold disclosure thereof to other parties.

b) Employee hereby agrees that any information, knowledge and factual data related to loan programs, customer and investor lists and documentation which may be given to Employee by Employer at any time will not be communicated to any third party, except Employees of Employer for use in performance of duties.

VIII. BOOKS AND RECORDS

The following shall be deemed the exclusive property of Employer and surrendered to Employer upon termination of this contract:

1. Paper and electronic records of customer accounts
2. Paper and electronic records of a business nature pertaining to Employer
3. Paper and electronic records relating to Employer affiliates
4. Any equipment provided by Employer in the course of business
5. Paper and electronic documentation whether prepared by the Employee or coming into the Employee's possession or control during employment.
6. Licenses received because of employment with Employer

IX. INSURANCE

Employee agrees to maintain a minimum of FIVE HUNDRED THOUSAND DOLLARS (\$500,000.00) combined single liability limit auto insurance for body or property damage.

X. AFFILIATES OF EMPLOYER

Recognizing that Employer may conduct its business at various times under one or more different entities, Employee agrees that the provisions of this agreement shall be for the benefit of and may be enforced by Employer and any of Employer's present or future affiliates as designated by Employer.



XI. EMPLOYER'S OBLIGATION TO ACCEPT LOANS

No provision of this agreement shall be deemed to obligate Employer to accept any loan application or to close any loans.

XII. PROGRAM REVIEW AND AMENDMENT

Employer reserves the right from time to time, by written notice to Employee to change any of the terms and conditions of this agreement. Except for the foregoing provision, no change, alteration, amendment, modification or waiver of any of the terms or provisions hereof shall be valid unless the same shall be in writing and signed by all parties hereto.

XIII. SEVERABILITY

In the event any provision of this agreement shall be held to be illegal, unenforceable or inoperative, as a matter of applicable law, the remaining provisions, hereof, to the extent legal shall remain in full force and effect.

XIV. ENTIRE AGREEMENT

This agreement embodies the entire agreement between all parties.

XV. CONSTRUCTION OF AGREEMENT

This agreement shall be construed and enforced in accordance with the laws of the State of Virginia.

XVI. CAPTIONS

The captions contained herein are inserted only for the purpose of convenient reference and in no way define, limit or describe the scope or intent of this agreement or any party hereof.

XVII. ASSIGNMENT AND BINDING EFFECT

Employee shall not have the right to assign any or all interest it may have in this agreement. Otherwise, the terms of this agreement shall inure to the benefit of and shall be binding upon the heirs, administrators, successors, and assigns of all parties hereto.

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XVIII. NON-SOLICITATION AGREEMENT

a) Non-Solicitation of Employees – The Employee shall not induce, or attempt to influence, any employee of the Company or its affiliates to terminate employment with the Company or its affiliates or to enter into any employment or other business relationship with any other person, firm, or corporation.

b) Non-Solicitation of Customers – The Employee shall not request any customers of any business then being conducted or contemplated by the Company or its affiliates to curtail or cancel their business with the business or its affiliates. The Employee shall not request any persons employed by the Company or its affiliates, parent, or subsidiaries to divert business from the Company or refer business to Employee.

ACKNOWLEDGEMENT: Employee acknowledges receipt of the Employee Manual, and acknowledged that updates will be available on the Skeens Consulting website, and hereby agrees to comply with all terms and conditions of this agreement, including the effective date of employment explained in Article I. ***Although Article I contains a contractual hire date, please be advised that you are not considered an employee of Skeens Consulting Corporation until you have received your Loan Originator License from the State.

BY: _____
(Employee Signature)

Date: _____

Home Address- Street, City, State, Zip

Office Phone

Office Fax

Mobile Phone

Home Phone

Social Security Number

E-mail Address

SKEENS CONSULTING CORPORATION

BY: _____
Paul E. Skeens/President

DATE: _____

3261 Old Washington Road Suite 1011, Waldorf, MD 20602 Phone: 301-932-4610



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3261 OLD WASHINGTON ROAD
SUITE 1011
WALDORF, MARYLAND 20602**

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Security Certification

Skeens Consulting Corporation depends on our computer and information systems on a daily basis to perform our normal business operations. Skeens Consulting also has an obligation to maintain the privacy of our customer's information.

Since these computer systems and our Information Technology is so critical to the normal functioning of our company, it is vital that we are protected from malicious software (computer viruses) and unauthorized access to our computer systems both at the Corporate office, and all of our Branch Locations. Our network of Loan Officers and employees are tied together through the Internet, which makes our systems vulnerable to these types of undesirable items. Therefore it is company policy that each loan officer shall have working anti-virus software which is maintained on a regular basis. It is also company policy that each loan officer shall have firewall protection. In many cases, firewall protection is provided by your Internet router, or your Internet Service Provider (ISP). Please contact your ISP to find out if you are protected from unauthorized access to your computer.

Our business also depends on keeping our Customers Non-Public Information (NPI) private and confidential. It is therefore imperative that you understand and abide by the Corporate Consumer privacy and Security Program.

By signing the document below, you are certifying that you have both anti-virus software and firewall protection and that you are maintaining your anti-virus software by obtaining updates on a regular basis. You also certify that you will review the Consumer Privacy and Security Program once you have access to the Corporate Website.

Date _____

1. A Virus is a piece of programming code usually disguised as something else that causes some unexpected and usually undesirable event. A virus is often designed so that it is automatically spread to other computer users. Viruses can be transmitted as attachments to an e-mail note, as downloads, or be preset on a diskette or CD. The source of the e-mail note, downloaded file, or diskette you've received is often unaware of the virus. Some viruses wreak their effect as soon as their code is executed; other viruses lie dormant until circumstances cause their code to be executed by the computer.
2. Antivirus (or "anti-virus") software is a class of programs that searches your hard drive and floppy disks for any known or potential viruses. The market for this kind of program has expanded because of Internet growth and the increasing use of the Internet by businesses concerned about protecting their computer assets.

Some common virus protection products include: Norton Anti-Virus, McAfee VirusScan, and Grisoft AVG. These can be purchased online, or at your local computer store.

3. A firewall is a set of related programs or hardware that protects the resources of a private network or computer from outside unauthorized users (hackers).

Some common firewall software products include Zonelabs Zonealarm (www.zonelabs.com) Norton Internet Security, and McAfee Personal Firewall. These can be purchased online, or at your local computer store.