



Bank Partner Agreement

THIS AGREEMENT (the “Agreement”) is made and entered into as of the ____ of _____, 2022, by and between Eustis Mortgage Corporation, a Louisiana Corporation with its principal office located at 798 S. Rampart New Orleans, LA 70113 (hereinafter referred to as EMC) and _____ (Bank Name), with its principal office located at _____, (hereinafter referred to as “Originator”).

RECITALS

EMC and Originator have agreed to enter a non-exclusive arrangement under which Originator solicits prospective Borrowers for Residential Mortgage Loans and performs certain origination functions and thereafter, EMC underwrites and, upon approval of the Application therefor, in its sole discretion, funds such Loans in its own name with the intention of selling such Loans to Investors or in the secondary market. The purpose of this Agreement is to define the duties, responsibilities, and consideration of each party hereto in this arrangement.

NOW, THEREFORE, in consideration of the mutual promises as set forth herein, EMC and Originator agree as follows:

ARTICLE I-DEFINITIONS

Section 1.1. As used in this Agreement, the capitalized terms herein shall have the following meanings, unless the context requires otherwise:

“**Applicant**” means Mortgagor.

“**Application**” means any loan application obtained, prepared, and submitted by Originator to EMC for consideration of a Loan.

“**Appraiser**” means the Appraiser of the Property selected by Originator.

“**Borrower**” means Mortgagor.

“Closing Agent” means the person or entity closing the Loan selected by Originator.

“Closing Date” means the date of execution of a Mortgage Note and Mortgage by a Mortgagor and the concurrent funding of a Mortgage Loan by EMC.

“Closing Instructions” means EMC’s written instructions provided to Closing Agent for each Loan approved by EMC.

“Closed Loan” means a Loan that has been submitted by Originator to EMC, approved in writing by EMC, and closed by EMC through the Closing Agent.

“Fraudulent Document” means any Loan File document which, in the reasonable judgement of EMC, is falsified, defective, misleading, or inaccurate in any material respect.

“Funding” or “Funded” means EMC making available to Closing Agent the Loan amount as set forth in the Closing Instructions.

“Investor” or “Investor Rights” means the party or entity entitled to any and all rights and privileges associated with the ownership of a Loan, including but not limited to the right to receive all payments of principal and interest paid by a Mortgagor.

“Loan(s)”, “Mortgage Loan(s)”, or “Residential Mortgage Loan(s)” means 1 to 4-unit Residential Mortgage Loans including Conventional, EMC and VA loans, (including Investor Rights and Servicing Rights) which are subject to this Agreement.

“Loan Criteria” means EMC’s then current requirements for a Loan.

“Loan File” means all documentation required for a Loan as established by the Loan Criteria and the Closing Instructions.

“Mortgage” means the Mortgage, deed of trust or other security instrument which secures a Mortgage Note and creates either (i) a first lien on an estate in fee simple on the Property (including a condominium or leasehold where and when permitted by EMC); or (ii) an interest in a cooperative, in those limited areas where EMC expressly permits cooperative financing.

“Mortgagor” means the person or entity in whose name the Application is submitted by the Originator to EMC and who is the maker(s), obligor(s) and/or guarantor(s) of a Mortgage Note.

“Mortgage Note” means the promissory note of a Mortgagor secured by a Mortgage.

“Property” or “Mortgaged Property” means the residential real property consisting of land and a one-to-four family dwelling thereon that is completed and ready for occupancy.

“Purchase Price” means the price to be paid by the Originator to EMC to purchase a Loan. The price of the Loan will be the amount needed to make EMC whole, including

without limitation, the principal of Loan, all accrued interest and *any* reasonable expenses and/or attorney fees incurred by EMC.

ARTICLE II - ORIGINATION, SUBMISSION, AND APPROVAL

Section 2.1 Submission of Application. Originator may submit Applications for Mortgage Loans to EMC which Originator obtains directly from prospective Borrowers, and EMC may accept or reject such Applications or Loans from Originator, subject to underwriting and approval by EMC in its sole discretion. Nothing in this Agreement shall be construed as obligating EMC to accept, approve or fund any such Mortgage Loan.

Section 2.2 Services to be Provided by Originator. Upon request of EMC, Originator shall, in compliance with any statutory or regulatory privacy limitations, obtain information about the Mortgagor and other information necessary for EMC's review of the Application, underwriting the application and/or preparation for closing of the Loan. In addition, Originator must (a) take information from the Borrower and fill out the Application, and (b) perform no less than 5 of the following 12 services:

- (1) Analyze the borrower's income and debt, and prequalify the borrower to determine the maximum allowable mortgage;
- (2) Educating the prospective borrower on the home buying and financing process, advising the borrower on the different loan products available and demonstrating how closing costs and monthly payments may vary with each product;
- (3) Collecting financial information (tax returns, bank statements) and other related documents that are part of the application process;
- (4) Initiating/ordering VOE's (Verifications of Employment) or VOD (Verification of Deposit);
- (5) For refinance transactions, initiating/ordering requests for mortgage and other loan verifications;
- (6) Initiating/ordering appraisals;
- (7) Initiating/ordering inspections or engineering reports, including the survey;
- (8) Maintaining regular contact with the borrower(s), EMC and realtor(s) regarding the status of the application and gather additional information as needed;
- (9) Ordering legal documents/opening title;

(10) Determine whether the property is located in a flood zone and/or ordering such service;

(11) Participating in the loan closing; and

(12) Provide disclosures that are required of a mortgage broker to the borrower, other than the Loan Estimate which will be provided by EMC.

Section 2.3 Loan Criteria. EMC will provide Originator from time to time with information specifying its Loan Criteria, based on factors such as type of Loan, loan limits, loan-to-value ratios, and other terms, payment features, documentation requirements and credit standards. These eligibility criteria and submission procedures are subject to change by EMC from time to time. It is Originator's responsibility to ensure that EMC's most current Loan Criteria are being used by Originator.

Section 2.4 Evaluation of Application. EMC or its agents will evaluate each Application. Originator and EMC expressly agree and acknowledge that Originator shall have no right, power, or authority, express or implied, to approve an Application, orally or in writing, on behalf of EMC or to issue prospective Mortgagors any type of binding commitment to Loan funds on behalf of EMC. No rate quotes or rate locks given by Originator without EMC's written approval will be binding upon EMC or its agents

Section 2.5 Regulatory Disclosures. Other than as set forth in Section 2.2 above, EMC will provide each Applicant with timely disclosures required by any regulatory authority.

Section 2.6 Appraisal. EMC will select the Appraiser in accordance with the Home Valuation Code of Conduct (HVCC) as required under the regulation.

Section 2.7 Funding. EMC or its agents may fund Mortgage Loans approved by EMC provided that such Loans comply with all terms and conditions of this Agreement.

Section 2.8 Compensation. Originator shall be entitled to compensation for services rendered in connection with each Mortgage Loan which it originates, and which is accepted by and funded by EMC in the amount of 100 basis points (i.e., 1% of the loan amount).

Section 2.9 Payment. Such fees shall be payable only upon receipt and approval by EMC of the Closed Loan package. No fee, reimbursement of expenses, or any other payment shall be due to Originator in the event the Loan is not approved by EMC, is not closed for whatever reason, or is not closed in strict compliance with EMC's written Closing Instructions.

ARTICLE III - REPRESENTATIONS, WARRANTIES, AND COVENANTS

Section 3.1 Representations and Warranties Regarding Originator. After due diligent investigation and inquiry, Originator represents and warrants to EMC as follows:

A. Originator is duly organized, validly existing, and in good standing under the laws of the state of its organization and has all qualifications, registrations, licenses, and permits necessary to carry on its business in each state in which Originator originates Loans.

B. The originator is in full compliance with the Secure and Fair Enforcement for Mortgage Licensing Act of 2008; including and without limitation that it has registered with the Nationwide Mortgage Licensing System and Registry (“NMLS”), has obtained its NMLS identification number, that all persons (“MLO”) originating Loans on its behalf have been properly licensed and obtained their personal NMLS identification number, and that it monitors regularly and periodically the status of its licenses and NMLS identification number and those of its MLO’s.

B. Originator is not presently, nor within the one (1) year period preceding the date of this Agreement, been subject to any administrative actions and/or sanctions by any financial, governmental, or regulatory body.

Section 3.2. Representations and Warranties Regarding Loans. After due diligent investigation and inquiry, Originator further represents and warrants to EMC that as of the Closing Date:

A. No representation, warranty or written statement made by Originator in this Agreement, nor in any Application, documentation, schedule, exhibit, statement, or certificate furnished to EMC by Originator, contains any untrue statement of material fact, or fails to state any material fact, which could render such statement misleading; all information contained in the Application is true, complete and accurate; and Originator is not aware of any fact not set forth in the Application which EMC might reasonably consider to be adverse to the approval of the Loan, or would make the Loan ineligible for sale to an Investor.

B. All documents are genuine, accurate, and complete and meet the requirements and specifications established by EMC, or the appropriate Investor’s loan criteria, and this Agreement as applicable.

C. Neither the Originator, nor any of its officers, employees or agents, has received any compensation which is based on any term or condition of the Loan; nor has any Applicant been directed to a particular Loan for the reason of increasing the compensation of the Originator, its officers, employees or agents.

D. Originator represents and warrants that solely as it relates to its actions, it has complied with all applicable state and federal laws and regulations (including providing customers with disclosures as required), with respect to each Application.

Section 3.3 Covenants of Originator. Originator covenants and agrees with EMC as follows:

A. Originator shall notify EMC immediately of:

(i) any material changes in its ownership, financial condition, or management.

(ii) any audits, examinations, or reviews by any State or Federal Bank or Financial Regulatory Body, EMC or VA, including any administrative sanctions imposed upon Originator which would affect Originator's ability to perform its obligations under this Agreement; and

(iii) any fact or circumstance Originator becomes aware of following the closing of any Loan which would have caused the Loan to be ineligible for closing by EMC if known prior to such closing.

All the representations and warranties set forth in Article III shall survive and continue in force for the full remaining life of the Loan and are made for the benefit of EMC and its successors and assigns.

ARTICLE IV-INDEMNIFICATION AND PURCHASE

Section 4.1 Breach of Representation, Warranty, or Covenant. Upon discovery of a breach of any of the representations and warranties set forth in this Agreement, the party discovering such breach shall give written notice to the other. Originator shall have thirty (30) days following its discovery or its receipt of notice of any such breach, to cure such breach to the reasonable satisfaction of EMC. If in the reasonable judgment of EMC such breaches cannot be cured within such thirty (30) day period, or is incapable of being cured, the provisions of Section 4.2 shall immediately apply.

Section 4.2 Purchase of Loans by Originator. Upon the occurrence of any of the following events, Originator agrees to immediately purchase the related Loan or Property at the Purchase Price:

- A.** Any portion of the Loan File submitted by Originator contains any Fraudulent Document regardless of whether such Loan is delinquent or whether Originator had any actual or constructive knowledge that the Loan File contained any Fraudulent Document.
- B.** Failure of Originator to cure any breach of the representation or warranties set forth in Section 3.1 or 3.2 or covenants set forth in Section 3.3 within the time provided in Section 4.1.

- C. Originator is only considered to have earned and be entitled to payment of the compensation on loans when they have been sold on the secondary market and the period for any early payment default or early payoff as provided to Originator from time to time has expired. EMC will advance the compensation on loans that have been closed in accordance with this Agreement. In the event such compensation is advanced but is later deemed un-earnable as a result of any early payment default or early payoff, the amounts previously advanced will be subtracted from Originator's net compensation in calculating any unearned compensation yet to be advanced or paid. It is understood that the Originator is not entitled to compensation simply for procuring a loan.

Section 4.3 Conveyance of Loan Following Purchase by Originator. Upon purchase by Originator, EMC will endorse the Mortgage Note without recourse and execute a recordable assignment of the Mortgage and Loan and reasonably cooperate in the transfer of the Loan and all information relating thereto to the Originator.

Section 4.4 Indemnification. Originator hereby agrees to indemnify, save, and hold harmless EMC, its successors, and assigns, from and against any and all losses, damages, costs, or expenses of any nature, including loss of marketability and attorneys' fees, resulting from (a) breach of any representation or warranty, covenant, or agreement, made by Originator; or (b) any misstatement or omission of material fact in any portion of the Loan File submitted by Originator, whether disclosed by actual inspection by EMC or its representative, or otherwise. This indemnification shall survive any termination or cancellation of this Agreement.

EMC hereby agrees to indemnify, save, and hold harmless Originator, its successors, and assigns, from and against all losses, damages, costs or expense of any nature, including attorneys' fees, resulting from breach of any representation or warranty, covenant, or agreement, made by EMC under this Agreement.

Section 4.5 Set-Off. Originator agrees that EMC may, at its option, deduct from any money due Originator, any losses, damages costs or expenses incurred by EMC because of Originator's failure to perform under the terms of this Agreement or any breach of this Agreement.

ARTICLE V - MISCELLANEOUS PROVISIONS

Section 5.1 Total Contract. This Agreement supersedes and is in lieu of all prior contracts, discussions, agreements, and arrangements by and between the parties hereto with respect to the subject matter hereof all of which are merged into it. This Agreement shall only be amended in writing and entered into and executed by the appropriate parties. This Agreement cannot be assigned or otherwise transferred, in whole or in part by operation of law or otherwise by Originator without the express written consent of EMC.

Section 5.2 Relationship of Parties. It is agreed that Originator and EMC are not partners or

have entered a joint venture but shall have the status of and act in all matters hereunder as independent contractors. Originator is not an agent or partner of EMC, has no authority, and is intended to have no power to create, extinguish or modify any right, obligation, or liability of EMC to any person whatsoever. Originator shall not use or refer to EMC's name in any form of advertising, written materials, or circulars except as may be required by law.

Section 5.3 Binding Agreement. This Agreement is binding upon and shall inure to the benefit of the successors and assigns of the parties hereto subject to the aforesaid limitation on Originator's right to transfer, assign or interpose other parties. Not by way of limitation or exclusion, the representations and warranties of Originator and its indemnification and other obligations shall inure to the benefit of persons to whom EMC may sell the Loans funded by it under this Agreement and such persons may assert the rights of EMC hereunder directly against Originator.

Section 5.4 Choice of Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Louisiana, without regard to its choice of law principles. Each party consents to the personal jurisdiction of any State or Federal Court in the City of New Orleans, State of Louisiana. If any litigation is commenced between the parties or related to the parties to this Agreement concerning this Agreement, or the rights and duties of either party in relation thereto, the party prevailing in such litigation shall be entitled, in addition to such other relief as may be granted, to a reasonable sum as and for its attorney's fees in such litigation or in separate action brought for that purpose. The parties waive the right to a jury trial in any action under this Agreement.

Section 5.5 Notices. Any and all notices or other communications required or permitted by this Agreement or by law to be served on or given to either party hereto by the other party to this Agreement shall be in writing and shall be deemed duly served or given when personally delivered to the other party, when delivered by a nationally recognized overnight delivery service (such as Federal Express), or two days after deposited in the United States Mail, first-class postage prepaid, certified return receipt requested, addressed as follows (or to such other address as either party may hereafter designate): **Eustis Mortgage Corporation, 798 S. Rampart, New Orleans LA 70113 Attn: Kate deKay** and to Originator at the address provided on the first page hereof.

Section 5.6 Confidentiality. Each party agrees it will not use for its own benefit, and will not disclose to any person or entity other than its auditors, attorneys and governmental or regulatory authorities exercising supervision over it (unless compelled to do so by a validly issued subpoena or other judicial or administrative order, and then with prior notice to EMC to the extent permitted by law), confidential information relating to the other party which it may acquire during the term of this Agreement. The obligations of each party under this Section 5.6 shall survive the termination of this Agreement for any reason.

Section 5.7 Assignment. Originator may not assign, or delegate any of its rights, duties, and/or obligations hereunder without the written permission of EMC, which may be withheld in its sole discretion. A change in ownership, merger, or consolidation of Originator shall be considered an assignment for purposes of this Agreement.

Section 5.8 No Third-Party Benefits. This Agreement is made for the express benefit of Originator and EMC, not for the benefit or interest of any other persons or entities, and accordingly, no third party shall obtain or acquire any rights or interest in this Agreement or because of the performance or failure of performance of either of the parties hereto or of their respective rights, privileges, duties, or obligations arising hereunder.

Section 5.9 Non-Solicitation. Originator covenants and agrees that it will not directly or indirectly take any action or cause any action to be taken by any of its agents, contractors, employees', or affiliates, to solicit the prepayment of or any alteration in payment procedures or terms of any Loan. The preceding statement shall not preclude Originator from engaging in general advertising or from servicing the refinance needs of a Mortgagor who, without solicitation in violation of this Section 5.9, contacts Originator regarding the refinance of such Mortgagor's Loan.

Section 5.10 Resolution. Prior to the execution of this Agreement, Originator shall provide a resolution form its board of directors, authorizing the individual signing this Agreement to enter into this Agreement on behalf of Originator.

The undersigned agree to the terms of this Agreement:

Originator: _____

Eustis Mortgage Corporation

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____