

Atlantic Coast

Mortgage Group, Inc.

WHOLESALE BROKER PACKAGE

MORTGAGE BROKER AGREEMENT

This Mortgage Broker Agreement (the "Agreement") is made this ____ day of _____, 20__, (the "Effective Date") by and between Atlantic Coast Mortgage Group, Inc. (the "Lender") a Delaware corporation, its transferees and/or assigns, with its principal place of business in Broward County, Florida and _____ (the "Broker") with its principal place of business located in _____ (County/State) and being a mortgage broker duly authorized to exist in the State of _____.

RECITALS

The parties hereto wish to establish a non-exclusive relationship whereby the Broker will submit prospective residential loan files to Lender on behalf of the Broker's clients ("Borrowers") for consideration by Lender to provide the funding of acceptable loan files.

WHEREAS, Lender is in the business of accepting from Broker partially and fully processed mortgage loan applications, including all documentation relating to the application for residential mortgage loans secured by a Deed of Trust or Mortgage encumbering one to four unit residential property, and Broker is in the business of originating, processing, pre-underwriting, and packaging residential mortgage loans.

WHEREAS, Broker desires to submit residential mortgage loan files to Lender, from time to time, on a non-exclusive basis, to be underwritten, closed and funded by Lender in Lender's name, and in accordance with the terms of this agreement.

TERMS AND CONDITIONS

THEREFORE, In consideration of the mutual covenants made her and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties do hereby agree as follows:

AGREEMENT - MORTGAGE LOAN ORIGINATION

Lender does hereby authorize Broker to obtain residential mortgage loan applications based on Lender's available lending programs and all relevant pricing information as contained in the Lender's underwriting guideline, matrices, and rate sheets, which are incorporated into this Agreement and accepted by the parties by this reference. Broker shall comply with and keep in confidence, the guidelines, matrices, and rate sheets in connection with each mortgage loan brokered to Lender hereunder. Broker acknowledges that the guidelines, matrices and rate

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sheets are subject to change by Lender, in its sole and absolute discretion, with or without notice to Broker. Broker acknowledges that Lender underwrites, closes, and funds residential mortgage loans with the intent to sell and/or securitize funded loans to or with institutional investors, an as such, Broker agrees to deliver residential mortgage loan applications to Lender that are taken by Broker in accordance with Lender's mortgage application requirements.

Broker acknowledges and covenants that it shall, in the course of originating a residential mortgage application, perform services to the Borrower and Lender, including, but not limited to the following:

1. Providing prospective Borrowers proper advise regarding the different loan programs and products available, including demonstrating how variables like closing costs and regular or irregular mortgage payments vary with different products and how the differences impact the borrowers;
2. Reviewing the credit, debt and income of prospective Borrowers and to ascertain the borrowers repayment ability in a pre-qualification analysis;
3. Providing all required disclosures to prospective Borrowers in accordance with applicable municipal, state and federal law, including the regeneration and delivery of required disclosures should information about a Borrowers loan amount, interest rate or closing costs change;
4. Assisting prospective Borrowers in an ethical manner upholding a fiduciary relationship including assisting Borrowers in the understanding of credit problems;
5. Providing prospective Borrowers with the proper education and information regarding residential mortgage financing and its process;
6. Collective information and documentation from prospective Borrowers, along with all other related application parameters, ensuring that said documentation is original or an unaltered copy;
7. Obtaining and processing a complete mortgage application package including initiating the order and collecting verifications of assets, debts, employment, inspections and valuations;
8. Maintain regular contact and open communication with prospective Borrowers, the Lender and all other parties directly related to and authorized to materially act in the finance transaction including ordering legal documents and participating in resolving closing issues.

Upon the Lender's receipt of the Broker's loan application file for the Borrower, the Lender shall review the application file and determine the Borrower's eligibility to obtain financing. Broker acknowledges that this determination or eligibility is held at the sole and absolute discretion of the Lender. Following the Lender's review of the loan application file(s), and should a

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conditional approval be issued, the Lender shall be responsible for issuance of legal documents and the closing and funding of the relating residential mortgage loan. Broker acknowledges that Broker shall have no authority, power or right, neither express or implied, to issue or communicate approval of a loan application on the Lender's behalf.

CLOSING COSTS AND FEES

To the limitations set forth under applicable municipal, state and federal law, the Broker is entitled to negotiate with and receive reasonable fees for the services the Broker provides to its Borrowers. Fees for services rendered, commonly referred to as origination or commission, processing or other consideration payable to the Broker are allowable provided that fees charged do not exceed the range of fees that are typical for the type and amount of the mortgage loan applied for in the Borrower's market area.

No fees shall be owed to the Broker for any proposed mortgage loan, which is not closed and funded by the Lender. The Broker further acknowledges that the fees negotiated to and agreed upon by the Borrower have not been earned and are not due and payable until the mortgage loan applied for has closed and funded. The Broker acknowledges and covenants to comply with all disclosure requirements applicable, in that, if required by applicable law, all fees shall be disclosed to the Borrowers on permissibly written and duly executed forms and agreements between the Broker and its Borrowers. Any compensation paid to the Broker by the Borrowers in connection with each mortgage loan shall be itemized on a Good Faith Estimate of Closing Costs, delivery and acknowledgment of which shall be in accordance with applicable law. When required by State specific law, the Broker shall deliver any additional state required disclosure form in the same manner as the Good Faith Estimate.

The Broker acknowledges that the Lender will not provide funding for any mortgage loan that is a "high cost mortgage" as defined by Section 32 of the Trust in Lending Act ("TILA"). Broker further acknowledges that Lender will not provide funding for any mortgage that contains fees or other consideration that exceeds any "points or fees threshold" or "APR or rate threshold" as defined in TILA or in any applicable municipal or state law regulation. Any fee, commission or other consideration payable to Broker with respect to any mortgage loan closed and funded by Lender shall be paid to the Broker only after the Lender deducts from the loan proceeds any and all fees, consideration and compensation due to the Lender. In consideration of good faith between the Lender and the Broker, the Lender may, from time to time, at the Lender's sole discretion, make accommodation to the Broker's Borrowers and allow for a mortgage loan to close and fund subject to conditions and stipulations agreed to in writing between Lender and Broker. Should the Lender allow for an accommodation closing, the Broker acknowledges that all fees, commissions, or other consideration payable to the Broker shall be held by Lender and will not be paid to the Broker until all previously agreed conditions and stipulations have been satisfactorily accepted by the Lender.

BROKER REPRESENTATIONS AND WARRANTIES

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The Broker fully represents and warrants that Broker is duly organized, validly existing and in good standing under the laws of the state in which the Broker is organized and that all requisite organizational powers, authorities and capacity to carry on its business as it is now being conducted, to execute and deliver this Agreement and to perform all of its obligations hereunder.

The Broker fully represents and warrants that this Agreement has been duly and validly executed and delivered by Broker to Lender as a valid and legally binding Agreement of the Broker, enforceable against Broker in accordance with its terms and conditions, subject to the discretion of a court to grant specific performance or any other similar laws including, but not limited to, bankruptcy and moratorium.

The Broker fully represents and warrants that the execution, delivery and performance by the Broker relating to this Agreement does not violate or breach any of the following:

- A. Any organizational documents of the Broker;
- B. Any material agreement to which the Broker is subject;
- C. Any decree, judgement, law, order, regulation or rule to which the Broker or any of its representatives or property must be subject to.

The Broker fully represents and warrants to Lender, as of (1) the date of this Agreement, (2) the time under which any mortgage loan file is submitted to Lender, (3) the time under which any mortgage loan is closed and funded, that:

1. The contents, including all information and documentation submitted to Lender shall immediately become the property of Lender and subject to Lender's independent verification and validation. Broker warrants that each mortgage loan application file submitted to Lender shall conform in all respects to the terms, conditions, representations, warranties, and covenants contained in this Agreement.
2. Each mortgage loan application file conforms to the specifications set forth by Lender in its guidelines, matrices and all applicable policies and procedures, as may be amended by the Lender from time to time.
3. Broker has no knowledge of any circumstances or conditions that could reasonably be expected to cause Lender not to close and fund any mortgage loan application file, cause any investor of the Lender to consider the mortgage loan to be an unacceptable investment, cause the mortgage loan to become delinquent, or to cause or allow the value or marketability of the mortgage loan to be adversely affected.
4. All loan application files received by the Lender from the Broker will be true, accurate and complete in all material respects. No loan application file will contain false statements of any material facts or omit any material fact necessary to make the statements therein not misleading in light of the circumstances in which they were made, whether such misstatements or omissions are deliberate or not, and whether discovered by actual inspection by the Lender, its representative or otherwise.

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5. No mortgage loan, when closed and funded by Lender will be subject to any right of rescission, setoff, counterclaim or defense, including, without limitation, the defense of usury, as a result of any act, error or omission of Broker or any other party of which the Broker is aware.
6. Broker will be compliant with any and all requirements of applicable municipal, state and federal law or regulation under which the mortgage loan has been originated, including, without limitation, laws and regulations relating to usury, Truth-in-Lending Act, Real Estate Settlement Procedures Act, Consumer Credit Protection Act, Equal Credit Opportunity Act, Fair Credit Reporting Act, Fair Lending Act, and Home Mortgage Disclosure Act. The Broker shall deliver to Lender, upon Lender's request, satisfactory evidence of compliance with all such requirements.
7. Broker shall maintain committed to serving the credit needs to the entire community in which it does business. In doing so, Broker will not discriminate against any current or potential Borrower on the basis of race, color, religion, national origin, sex, marital status, age, handicap, or familial status. Additionally, Broker will not discriminate against any current or potential Borrower based on the fact that the Borrower has disclosed income derived from a public assistance program or that the Borrower, in good faith, has exercised any rights afforded them under the Consumer Protection Act, or any similar municipal, state or federal law.
8. Broker shall not originate any mortgage loan that could be construed as being predatory, abusive, or which has no benefit to the borrower. Broker shall not discourage any Borrower from seeking financial counseling, and upon receipt of such a request, the Broker will direct the Borrower to a HUD approved counseling provider.
9. The Broker fully represents and warrants that Broker will not make any representation, warranty or written statement to Lender, or in any documentation provided to Lender by Broker in connection with any transaction contemplated by Lender, including but not limited to any document delivered to Lender on behalf of a Borrower, or as part of the mortgage loan application process, that contains, or will contain, any untrue statement of a material fact or that omits, or will omit, to state any material fact necessary to make the statements contained therein not misleading.
10. The Broker fully represents and warrants that Broker has and shall maintain all licenses, registrations and notifications necessary to conduct its business, as now being conducted, including all licenses, registrations and notifications necessary to conduct business as a Mortgage Broker contemplated by this Agreement. Broker shall provide to Lender, with confirmation, that all licenses and registrations are current at least annually, during the term of this Agreement. In the event that Broker carries an exemption from licensing, registration, and/or notification, Broker shall provide proof of same as if licenses, registrations and notifications were necessary.

The Broker fully represents and warrants that Broker is, unless other wise exempt or no license is required, licensed or registered in each state in which, (1) the subject real property used as

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collateral is located when being secured for repayment of a mortgage loan, and (2) engaged in the business of brokering mortgage loans if the laws of such state require licensing, registration or notification to engage in the business of brokering loans. In each applicable state, as identified by the Broker, Broker has licensed, registered, and/or notified each of its loan officers and/or loan originators, as required by the laws in each state. Broker covenants to maintain all licenses, registrations, and notifications in current status with all applicable municipal, state, and federal regulatory agencies. Broker further covenants to notify Lender immediately upon the suspension, revocation, expiration or other termination of any licenses, registration or notifications, or the taking of any formal or informal administrative or judicial action by any such regulatory agency, against the Broker, its loan officers, loan originators, that could adversely affect the Broker's licenses or registrations.

Lender represents and warrants not to share any non-public personal information with any non-affiliated third party source, except as necessary for the express intention of processing and closing of Borrower's loan application and the servicing and selling of the loan. This generally includes obtaining information from credit agencies, verification of assets, income or employment and/or third party service providers for hazard, flood or private mortgage insurance coverage, servicing, auditing, and enforcement of the Note and Security Instrument.

REMEDIES AND INDEMNIFICATION

Broker shall indemnify and hold the Lender, its shareholders, directors, officers, agents, employees, successors, and assign harmless from and against and shall reimburse the same with respect to any and all losses, damage, liability, costs and expenses, including but not limited to, reasonable attorney's fees, from any cause whatsoever, incurred by reason of or arising out of or in connection with:

1. Any breach of any covenants, representation or warranty contained in this Agreement;
2. Any act or omission of Broker or its agent, authorized representative, employee, independent contractor or licensee, including any misrepresentation or fraud in the origination, processing, closing and funding of a mortgage loan;
3. Any early payment default of the Borrower's first three monthly payments or other event triggering a repurchase obligation as set forth herein below, or triggering a demand by an investor to indemnify the investor or to make the investor whole with respect to any mortgage loan;
4. Any claim by a Borrower of the Broker that Lender failed to fund a mortgage loan resulting from the Broker's negligence in the submission of the mortgage loan;
5. Any failure or refusal by the Broker to allow a mortgage loan to be closed and funded by Lender.

The Broker shall be obligated to indemnify Lender under this Agreement, including if this

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Agreement is terminated, should Lender:

1. Receive a repurchase demand from an investor and the Lender, in its sole and absolute discretion, determines the demand to be enforceable, and that Broker participated in a material misrepresentation that triggered the repurchase;
2. Incur an actual loss as a result of material misrepresentation on behalf of the Broker.

If within the first six (6) months after the recording date of the Mortgage or Deed of Trust any mortgage loan covered under this Agreement, said loan repays early, Broker shall be required to repay the Lender any premium paid to Broker by the Lender. Broker further authorizes Lender to deduct premium recaptures from any proceeds concurrently due Broker.

The above sections of this Agreement shall survive the termination of this Agreement, regardless if termination is invoked by action of the Broker or Lender.

BROKER AND LENDER RIGHTS

If an event takes place and Broker's obligation to indemnify Lender is triggered under this or any representation or warranty made by Broker is untrue, in addition to its obligation to indemnify, Broker, may in its sole and absolute discretion, either repurchase the mortgage loan submitted by the Broker or return all benefits Broker received from submitting the mortgage loan to Lender, which includes, but not limited to, origination fees, commissions, premium pricing incentives or yield spread premiums, in addition to any actual losses which are incurred by Lender. Lender may also enforce any other available remedy at law or in equity. Broker must submit remuneration to Lender within thirty (30) days of receipt of demand from Lender.

Broker's obligation to fully indemnify Lender under this Agreement, regardless of Lender's notification to Broker of the same, shall not be affected by Lender taking any of the following actions:

1. Sale or resale of the subject property used as collateral to secure the mortgage loan;
2. Liquidation, repayment, retirement, sale or resale or any mortgage loan;
3. Foreclose of any mortgage loan.

The relationship between the Broker and Lender is an independent relationship. Broker shall not represent to third parties that it is acting as, is an agent for, or otherwise empowered to act on behalf of Lender. Except as expressly provided herein, no part of this Agreement is intended to confer any right, remedy, obligation or liability upon any person other than the parties hereto and their respective successors and permitted assigns.

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DISCLOSURE INFORMATION

Broker authorizes Lender to report any instances of Broker submitting material misrepresentation, making false statements or engagement in fraudulent activities in connection with any mortgage loan submitted by Broker, its agents, authorized representatives, employees, independent contractors, or licensees. Reporting of information by Lender will be made to appropriate municipal, state and/or federal regulatory authorities or law enforcement agencies. Additionally, Lender may report information data to base agencies, including, but not limited to MARI, its investors, or insurance providers.

Lender authorizes Broker to supply Lender's name and contact information when Broker requires reference of business activities engaged by Broker and Lender in this Agreement. Broker authorizes Lender to respond to reference inquiries regarding the business relationship between Broker and Lender.

CONFIDENTIALITY

Broker shall not reveal or disclose any confidential information to any person who is not an agent, authorized representative, employee, licensee, or officer of Broker. Broker shall restrict the disclosure of confidential information only to its agents, authorized representatives, employees, licensees or officers who have a need to know the confidential information. Further, Broker shall only reveal, disclose or use confidential information in connection with this Agreement. Confidential information is defined as:

1. Any data supplied to Broker, by or at the direction of Lender, including all information, data and materials prepared for, or at the direction of Lender;
2. Any information relating to Borrower's past, present, or future, the mortgage loans of Broker and Lender, and this Agreement;
3. Any information generally regarded as confidential or non-public personal information as covered under the Sarbanes-Oxley Act, the Gramm-Leach-Bliley Act, or any related act or regulations and privacy laws.

Should disclosure of any information or material covered by this Agreement be sought by demand from a subpoena, court order, administrative decree or by any means while the same is in the possession of Broker or anyone acting for, or at the direction of Broker, then Broker shall advise Lender of this promptly by telephone or fax, followed by notification in writing. Additionally, Broker shall provide Lender with copies of any papers or notifications seeking the disclosure of such confidential information, together with copies of all material sought if the same exist and are under the Broker's control.

Broker shall not disclose any information voluntarily in such circumstances and shall, if requested by Lender, take appropriate action to protect the confidentiality of such information,

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including, but not limited to seeking a protective order of a court of competent jurisdiction, upon receipt of the authorization of Lender and at the expense of Lender.

Broker shall safeguard the confidential information from disclosure to any third party using the same precautions that it uses to safeguard its own confidential information, but in no event will such precautions be less than reasonable or less than is required by law. Broker represents and warrants that it has and will have any information security program reasonably designed to, (1) ensure the security and confidentiality of the confidential information, (2) protect against any anticipated threats or hazards to the security or integrity of the confidential information, and (3) protect against unauthorized access to or use of such confidential information.

Broker will advise Lender of all of its procedures designed to safeguard confidential information. Lender may request additional security procedures be implemented and if so requested, Broker shall undertake and institute those procedures promptly.

Broker shall require all of its agents, authorized representatives, employees, independent contractors and licensees performing service to an for the Broker and Lender, or for the purposes of this Agreement, to abide by the terms of this Agreement prior to being given access to any confidential information. Broker acknowledges that no remedy at law for damages is adequate to compensate for breach of the covenants of this Agreement. In addition to any other remedies available to Lender in this Agreement, Lender shall be entitled to temporary and/or permanent injunctive relief against breaches of this Agreement without the necessity or proving damages. Such permanent or temporary injunctive shall in o way limit any other remedies, which may result from the breach of this Agreement.

TERMINATION OF AGREEMENT

The Broker or Lender may terminate this Agreement, at any time, upon written notice to the other party, provided, however that all obligations contained herein shall survive such termination.

GOVERNING LAW

The laws of the State of Florida shall govern this Agreement.

NOTICES

All notices required hereunder shall be in writing and shall be deemed to have been given, made and received only upon: Personal delivery to a party; facsimile delivery to a party effective one business day after the date the facsimile is dispatched; courier or overnight delivery to a party effective one business day after the date the courier dispatch was deposited with the courier and if delivery is by a national recognized courier service with guaranteed

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overnight delivery; first class mail, postage prepaid with return receipt requested, to a party effective three business days after the date the mail is deposited with the United States Postal Service

Delivery of notice when made from Broker to Lender, shall be made at:

Atlantic Coast Mortgage Group, Inc.
Attn: Broker Management
790 E. Broward Blvd. - Suite 302
Fort Lauderdale, FL 33301

Delivery of notice when made from Lender to Broker shall be made at:

Company Name: _____

Attention: _____

Street Address: _____

City/State/Zip _____

COSTS AND EXPENSES

Broker shall , during the term of this Agreement, bear the responsibility for and shall pay in full, all costs and expenses directly or indirectly incurred in performing its duties hereunder. Broker shall have no right to reimbursement of any such or expense unless Lender otherwise agrees to the same in writing. Broker shall be liable for all costs, expenses and fees incurred for, including, but not limited to, appraisals, appraisal reviews, credit reports, fees charged by issuing institutions for completing verifications of deposit, fees charged by employment organizations for completed verifications of employment and all other elated costs, expenses and fees incurred by Broker that are not paid by Borrower. Upon termination of this Agreement, any such unpaid costs, expenses or fees may be deducted by Lender from any earned but unpaid compensation otherwise due Broker under this Agreement.

WAIVERS & REMEDIES

Failure to audit or delay in auditing any mortgage loan or failure to exercise or delay in exercising any right by the Lender hereunder, shall not act as a waiver of any other right, nor shall any single or partial exercise of any right preclude any other rights including further rights to exercise thereof. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions, whether or not similar, not shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver. All remedies shall be cumulative and non-exclusive.

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SEVERABILITY

In the event any provision within this Agreement shall be found by a court of competent jurisdiction to be invalid, illegal or unenforceable, such provision shall not be held to be invalid, illegal or unenforceable and shall be construed and enforced as if it had been more narrowly drawn, and the validity, legality and enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired.

IN WITNESS WHEREOF, each of the undersigned parties have caused this Agreement to be executed and in full force and effect by a duly authorized representative, all as the date written above.

For: _____
(Company Name)

BY: _____
(Signature of Officer/Director)

Print: _____
(Print Name of Officer/Director)

BY: _____
(Signature of Principal - no corporate designation)

Print: _____
(Print Principals's Name - no corporate designation)

For: Atlantic Coast Mortgage Group, Inc.

Howard A. Levine
President