

Enclosure

Quality Control Processor

Elena Suarez

Sincerely,

At ALLIANCE BANCORP, our in-house Client Service Representatives are available to answer all your program, underwriting, and loan status inquiries promptly and accurately. Additionally, they can assist you in determining which of our unique conventional and niche products will best meet your client's needs. ALLIANCE BANCORP is always striving to provide you with superior service. We appreciate any comments or suggestions regarding our products and services. Again, welcome to ALLIANCE BANCORP. We look forward to a long and rewarding relationship with you and your company. At ALLIANCE BANCORP, we never forget that our success depends on your success.

**WELCOME TO ALLIANCE BANCORP.** We are pleased to advise you that you have been approved as an **ALLIANCE BANCORP BROKER.** A copy of your Broker Agreement is enclosed. Your Broker I.D. # is 1923

Dear Mrs. Beltz:

Donna M. Beltz  
TBD Diversified  
2799 Faith Street  
Corona, Ca 92882

November 19, 2002





## BROKER AGREEMENT

This agreement, dated the 6 day of Nov, 2002 (herein the "Agreement"), is hereby entered into by and between TBD Diversified (herein "Broker") with an office at 1411 N. BATAVIA #109 in the State of CA (herein "State") and Alliance Bancorp (herein "AB") with the corporate office at 91 Westborough Blvd., Suite 200, South San Francisco, CA 94080.

### WITNESSETH

AB is willing to underwrite, fund and close loans originated by Broker which are secured by residential real property (herein "Loans" or, as appropriate "Loan") and Broker is willing to originate, transfer and assign loan application packages to AB. AB has no obligation by reason of this Agreement to accept for funding any loan application packages from Broker.

Now, therefore, in consideration of the foregoing and the covenants contained herein, the parties agree as follows:

1. Broker will submit to AB loan packages under such programs, terms and requirements as are set forth by AB from time to time. With submission of the applications Broker will furnish to AB, at Broker's expense, such credit, financial, and other information as AB requires to investigate and consider the application, and Broker shall at Broker's expense perform such other functions as AB requires to facilitate the closing of the loan transaction. Nothing in this Agreement shall be construed as creating any obligation of AB to accept the application and/or grant the loans as requested. AB shall have no obligation or liability to Broker for any refusal to make a loan applied for or for any delay in processing an application. All such loan applications shall be governed entirely by the requirements of AB.

2. In consideration of services performed by Broker, a commission or fee will be paid to Broker. This sum will be earned only upon satisfactory execution of all required documents by borrower, disbursement of escrow funds and recordation of Deed. The fee will be set forth on the AB's Fee and Rate Sheet in effect at the time of lock commitment. Except as is provided for herein, each party represents and warrants that there are no claims for brokerage commissions or finder's fees in connection with the Loans. Broker agrees to indemnify and hold harmless AB with respect to any and all losses sustained as a result of liability to any broker or finder on the basis of any arrangements or agreement made by or on behalf of the Broker in connection with the loans.

3. With regard to each Loan transferred by Broker to AB under this Agreement, Broker warrants:

- a) The Loan conforms to all the applicable requirements of this Agreement, AB's Guidelines, as amended from time to time, and mortgage insurance conditions and requirements.
- b) The Broker is licensed by the appropriate presiding State Agency for said transactions. Said Broker is authorized to transact business in the jurisdiction where the property securing the loan is located, is duly authorized, validly existing and in good standing under the laws of said jurisdiction, and has obtained all licenses necessary to originate Loans in such jurisdiction. Broker shall notify AB if there is a change in their licensing status with the State.
- c) The Broker has full right and authority to sell and assign the Loans to AB. In addition, the Broker's right to sell or assign is not subject to any other party's interest or to an agreement with any other party.
- d) All information submitted by Broker to AB, including all information contained in the loan application, and any written materials and financial statements submitted therewith, are represented and warranted by Broker to be true, correct, currently valid, and genuine. Broker further represents and warrants that each document furnished to AB is complete and accurate, contains no misleading information, has been properly prepared and executed with copies delivered as required by law, all signatures and initials therein are authorized and genuine, and that Broker has no adverse information or documentation concerning Borrower which has not been communicated to AB.
- e) That any loan, Broker submits to AB for approval will be in compliance with applicable federal, state, and local statutes, ordinances, rules and regulations, including but not limited to: usury limitations, the Equal Credit Opportunity Act, the Flood Disaster Protection Act, the Truth in Lending Act of 1968 as amended, the Fair Credit Reporting Act, Housing Act of 1934 and the rules and regulations thereunder, and the Real Estate Settlement Procedures Act and Regulations issued pursuant thereto.
- f) Nothing involving the Loan, the property securing the loan, the mortgagor or the borrower's credit standing exists which would adversely affect the value of the property securing the Loan, cause the Loan to become delinquent, or adversely affect the Loan's market value.
- g) The representations made by Broker to AB in the Broker Application are true and are incorporated herein as part of these warranties.
- h) The Broker is fully responsible for any field review fees incurred by AB on non-closed loans regardless of cause.

4. Broker understands AB intends to sell closed loans to investors and/or on the secondary market. Broker represents and warrants that, in submitting loans to AB, Broker will fully comply with all pertinent underwriting and other requirements of the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, Mortgage Insurance Companies, and other investors.

5. Broker shall conduct all business as a duly licensed, independent contractor, and is not an employee, partner, servant, agent or affiliate of AB. Broker may not commit, contract or obligate AB to any third party in any manner, implied, written or otherwise. Broker shall not use AB or its name in any advertising or other promotional campaigns.

initials

6. If after funding of the Loan by AB, it is discovered that information submitted by Broker in connection with a loan is found to be untrue or that the loans do not meet the requirements of this agreement or other written agreements, AB may, at its option and without limitation as to any other remedy accruing to AB, make demand upon Broker for, and Broker shall be obligated to, purchase such loan. Broker shall within fifteen (15) days of demand pay AB an amount derived by multiplying the unpaid principal balance of the Loan at the time of Broker's purchase of such loan by the purchase price (expressed as a percentage of par) originally funded by AB or 2%, whichever is higher, for such Loan, with adjustments for interest prepayments, all interest accrued but unpaid, and any comparable items at the time of purchase and any attorney's fees, legal expenses, court costs or other expenses that may have been incurred by AB in connection with the Loan. Broker shall indemnify AB and hold AB harmless against all losses, damages, penalties, fines, forfeitures legal fees and related costs, judgments, and any other costs, fees and expenses heretofore or hereafter resulting from any claim, demand, defense or assertions based or grounded upon, or resulting from, a breach of the warranties of this Agreement. In the event of breach, AB shall have the right, to withhold payments of any fees payable to the Broker and hold such fees as security to offset any potential loss caused by such breach. All rights and remedies provided in this paragraph are distinct and cumulative to any other right or remedy under this Agreement or afforded by law or equity, and may be exercised concurrently, independently or successively, and such rights and remedies shall inure to the benefit of AB, its successors and assigns.

7. Upon submission of a file to AB, Broker hereby assigns all rights, title, and interest in the file, including, but not limited to, servicing rights, to AB, with the exception of the right to Broker's origination fee, and the file becomes the property of AB.

8. AB assumes no liability to Broker or to third parties with respect to Broker's activities hereunder. Broker shall indemnify, defend and hold AB harmless from, and against, any and all claims, losses, damages, liabilities, costs, expenses, including reasonable attorney's fees and disbursements, incurred by AB arising out of, or in connection with, Broker's acts or omissions. The Broker shall be responsible for reimbursing AB for all costs, including but not limited to; field review appraisal fees, within three working days of demand, whether the loan is funded, denied or canceled by either party.

9. In performing activities related to originating a loan, Broker may render services to the borrower which may be paid for by the borrower either directly or by a remittance from loan proceeds. All sums paid to Broker, including payments for services rendered by Broker to the borrower, shall be in amounts actually disclosed to the borrower by Broker in accordance with applicable federal and state laws and regulations.

10. Broker, and each of its principal officers hereby authorize AB and its authorized assignee's to secure a consumer credit report and, in addition, authorize the release to AB of any and all information concerning employment, financial statements, corporate records, bank accounts, credit verification and any additional information deemed necessary by AB. Broker, and each principal officer, agree that AB may, from time to time, request and secure additional credit reports or other information of or concerning them. In addition, Broker must also provide a copy of Broker's current license. AB has the right to audit the Broker's books, records and procedures to verify compliance with applicable regulation.

11. This Agreement is non-exclusive. Either party may enter into similar agreements with others. The arrangements and relationships contemplated in this Agreement are the sole understanding of these parties, and any other agreements, expressed or implied, entered into prior to this Agreement are null and void. No further arrangements between these parties will be considered valid unless they are in writing and executed by each of the parties.

12. AB may terminate this Agreement at any time. In the event of such termination, this Agreement shall remain in full force and effect with respect to all of Broker's outstanding obligations, representations, warranties and covenants arising out of or relating to Loans subject to this Agreement. Unless expressly waived in writing by AB, the terms of this Agreement and all warranties and representations shall survive the funding of Loans by AB and AB's subsequent sale thereof, and shall not be affected by any investigation made by AB or on its behalf.

13. Broker shall not assign its rights or duties under this Agreement without the written consent of AB. Any attempted unauthorized assignment or delegation thereof shall be null and void.

14. All notices, demands, requests, consents, approvals or other communication required or permitted shall be in writing and shall be delivered personally or sent by U.S. mail, postage prepaid, to the addresses listed above or such addresses as the parties subsequently request in writing.

15. In the event any provision in this Agreement shall be determined to be invalid, illegal or unenforceable, such provision shall be severable from the remainder of this Agreement and the validity, legality and enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired thereby.

16. This Agreement contains the entire Agreement between the parties with respect to the subject matter hereof. Any modification, amendment or alteration of this Agreement shall be null and void unless the same is in writing, executed by both parties, and delivered to the other in the manner provided in paragraph 14 of this Agreement.

17. In the event either party institutes a legal action seeking damages by reason of any alleged breach of this Agreement or any provision hereof, or for a declaration of rights hereunder, the prevailing party shall be entitled to recover from the other party all costs and expenses, including attorneys' fees incurred by the prevailing party in connection with such action or proceeding. Venue for any litigation shall be construed in accordance with the laws of the State of California.

18. The individuals executing this Agreement on behalf of any corporation or partnership hereby represent and warrant that they are an officer of the corporation or a partner of the partnership on whose behalf he/she is executing this Agreement, and that all necessary corporate or partnership action required in connection with the execution of this Agreement by such corporation or partnership has been taken and that this Agreement constitutes a legal, valid and binding agreement of such corporation or partnership.

In Witness Whereof, Broker and AB hereby execute this Agreement.

Broker

By: 

Its

OWNER

BA66 rev 4/99

Alliance Bancorp

By: 

Its