

 **Primary Resource Network, Inc.**

Please complete this 8 page Contract and fax it to: 818-343-7118

Residential Loan Officer:
Employment & Compensation Agreement

THIS AGREEMENT is made between **Primary Resource Network, Inc.** (herein called "employer") and _____ (herein called "employee").

WHEREAS, employer is in the business of mortgage banking and/or brokerage, and desires to hire and/or retain employee in its employ to originate real estate trust deeds and/or mortgage loans and

WHEREAS, employee's compensation is determined primarily by computing 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 officer,

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

a) Employer hereby hires employee and employee hereby accepts employment as a loan officer until the terms of this agreement commencing on _____ and continuing until terminated as provided in this agreement.

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 is employed as a loan officer to originate real estate trust deeds and/or mortgages in the following territory designated by employer:

None. All territories are open.

c) 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 trust deeds and/or mortgages for any other mortgage banker or broker. Employee, at all times, will comply with the rules, regulations, laws and ethics of employer, the mortgage banking industry, investors, HUD, VA, GNMA, FNMA, local jurisdictions, state, and federal governments. Any discovery of fraud, misrepresentation, or any other illegal activity by the loan officer is grounds for immediate dismissal, fines or other sanctions.

III. COMPENSATION

For services rendered by employee under this agreement, employer shall pay employee compensation on loans originated by employee as follows:

a) Employee shall receive as a compensation **0.5 Points** on each loan **originated, fully processed and closed** _____ **by employee**. Processing income, if any, shall be collected solely for the benefit of **Primary Resource Network, Inc.** and shall not be split. Any changes in the compensation must be given 30 days in advance _____ for new applications and must be in writing.

b) If the employee quotes a price that results in a loss at the time of settlement or floats the loan and takes a loss as a result, employee agrees to reimburse employer for any and all expenses incurred, including, but not limited to discount points, legal fees and collection costs.

c) Compensation 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 local, state and federal laws regulating the mortgage industry. **IMPORTANT: No compensation will be paid to employee unless all disclosures and post-closing documents are properly in file.**

IV. LICENSING AND RESTRICTIONS ON USE

_____ An employee, where required by law or employer, must possess a loan officer, real estate originator or broker's license or mortgage banker's license. Said license shall be kept in the employer's designated office. Any employee possessing a real estate salesman or broker's license may not under any circumstances actively sell any real estate for any real estate firm, developer, broker, land dealer, or homebuilder. The only exception will be the buying and selling of real property belonging to said employee.

V. TERMINATION

a) **AUTOMATIC TERMINATION:** This agreement shall automatically terminate upon the occurrence of any one of the following events:

- 1) Death of the employee
- 2) Loss of legal capacity by employee.
- 3) Termination of employment
- 4) **Occurrence of Fraud by employee. ****

****Should employer discover an instance of employee knowingly and purposely committing fraud, employee agrees all compensation owed by employer to employee are forfeit.**

b) **WITH CAUSE** If the 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 may be entitled either at law, in equity, or under this agreement. **Employee agrees that violation of Section II; paragraph C. of this agreement will result in forfeiture of the last 30 days of compensation .**

c) **WITHOUT CAUSE** This agreement may be terminated without cause, by either party, by giving notice of termination to the other party. Termination by employee must be in writing and addressed to your Branch Manager or Director of Human Resources and to Primary Resource Network's headquarters, which is at 4019 W. Rosecrans Ave, Hawthorne, CA 90250.

VI. COMPENSATION ON TERMINATION

In the event of the termination of this agreement for any reason, except in the instance of fraud, employee shall be entitled to compensation after the date of termination as follows:

Employee will be entitled to compensation as determined under Section III a, b and c for loans closed within 60 days after termination.

Payment of any compensation will be made in a lump sum on the first regularly scheduled compensation pay date, but not later than 60 days after termination. There will be deductions from payment of all reimbursed draws, outstanding and uncollected appraisal fees, credit report fees, prepaid commitment fees, required discount points, and loan closing escrows for loans closed prior to termination.

Employee agrees to fully cooperate with the employer to bring employee's loans to settlement. In the event employee does not cooperate, employee shall not be entitled to full compensation for the loan.

VII. TRADE SECRETS

Employee acknowledges that the loan programs, customer and investor lists and documentation used and developed by employer for its loan programs are valuable trade secrets of the employer. The loan programs, customer and investor lists and documents have been developed through the expenditure of substantial time, effort and money which the employer wishes to maintain in confidence and withhold disclosure to other persons. Employee hereby agrees that any information, knowledge and factual data related to the loan programs, customer and investor lists and documentation which may be given to the employee by the employer at any time, or from time to time, will not be communicated to any third party, except employees of the employer for their use in performing their duties.

VIII. BOOKS AND RECORDS

All records of the accounts of customers, other records of a business nature pertaining to the employer, books relating to customers of the employer, equipment provided by the employer, papers and documentation, whether prepared by employee, or otherwise coming into the employee's possession or control during employment, shall be the exclusive property of the employer and surrendered to employer upon termination of this contract.

IX. INSURANCE

Employee agrees to maintain a minimum of \$500,000 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 the 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 the 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 their meaning and construction may be ascertained without the inclusion of the illegal, unenforceable or inoperative provisions, shall remain in full force and effect.

XIV. ENTIRE AGREEMENT

This agreement embodies the entire agreement between the parties.

XV. CONSTRUCTION OF AGREEMENT

This agreement shall be construed and enforced in accordance with the laws of the state of California and North Carolina as applicable.

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 the parties hereto.

Agreement Not to Compete

Employee Name:

_____ (“employee”)

This agreement dated _____

shall be an addendum to, and considered part of, that certain

“Residential Loan Officer: Employment and Compensation Agreement”

dated _____, between

Primary Resource Network, Inc. ("employer")

and _____ (herein called "employee").

IT IS HEREBY MUTUALLY AGREED, and Employee acknowledges that, the systems and procedures developed by employer for its branches are valuable trade secrets of the employer. The systems and procedures have been developed through the expenditure of substantial time, effort and money, which the employer wishes to maintain in confidence and withhold disclosure to other persons. Employee hereby agrees that any information, knowledge and factual data related to said systems and procedures will not be communicated to any third party, except employees of the employer for their use in performing their duties. Further:

Employee agrees to reimburse employer for any and all expenses incurred, including, but not limited to legal fees and court costs, should employer prevail in any court action required to enforce this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement this _____ of _____, 20_____.

Employee acknowledges receipt of the Business Plan and Employee Manual and hereby agrees to comply with all terms and conditions.

Employee Signature Date

Home address – street, city, state, zip

Office Phone Office Fax

Mobile Phone Home Phone

Social Security Number

Federal Withholding tax straight percentage

State Withholding tax straight percentage

E-mail address

PRIMARY RESOURCE NETWORK INC

BY: _____
Dr Sota Omoigui Chairman/CEO

 **Primary Resource Network, Inc.**

FHA Addendum to:
Residential Loan Originator: Employment & Compensation Agreement

THIS ADDENDUM is made between **PRIMARY RESOURCE NETWORK, INC.** (herein called "employer") and _____ (herein called "FHA Branch Employee") and references that certain RESIDENTIAL LOAN ORIGINATOR EMPLOYMENT AND COMPENSATION AGREEMENT previously signed between employer and employee. "FHA Branch Employee" shall be defined as any employee who is, or later becomes an employee of an FHA branch of Carteret Mortgage Corporation.

WHEREAS, FHA Branch Employee is in the business of mortgage banking and/or brokerage, and desires in its employ to originate FHA real estate trust deeds and/or mortgage loans and

WHEREAS, Employer wishes FHA Branch Employee, at all times, to comply with the rules, regulations, laws and ethics of employer, the mortgage banking industry, investors, HUD, VA, GNMA, FNMA, local jurisdictions, state, and federal government:

NOW, THEREFORE, employer and FHA Branch 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:

IT IS HEREBY MUTUALLY AGREED and FHA Branch Employee acknowledges:

FHA Branches:

A) Employer hereby deletes that portion of Section III, Paragraph (a) which states "If the employee quotes a price that results in a loss at the time of settlement or floats the loan and takes a loss as a result, employee agrees to reimburse employer for any and all expenses incurred, including, but not limited to legal fees and collection costs"

Employer hereby deletes Section IV, Paragraph (a) and substitutes:

All employees of an FHA Branch, except receptionists, whether full-time or part-time, must be employed exclusively by Primary Resource Network at all times, and conduct only the business affairs of Primary Resource Network during normal business hours. The FHA Branch Managers must be located at the branch they manage and cannot operate or be the manager of more than one branch office at the same time. At no time may an FHA Branch Manager or the employees of an FHA branch possess a real estate salesman or broker's license or an appraiser's license, nor may they engage in real estate settlements, nor under any circumstances actively sell any real estate for any real estate firm, developer, broker, land dealer, or home builder, engage in the activities of financial planning, 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.

IN WITNESS WHEREOF, the parties hereto have executed this agreement this _____ of _____, 20__.

FHA Branch Employee:

Signature – FHA Branch Employee date

Printed name FHA Branch Employee

Last Revised: 07/26/03