

CenterState Bank Broker Addendum

This Broker Addendum to the Third Party Originator Agreement (“TPO Agreement”), dated as of _____, is between CenterState Bank, N.A. (“CenterState” or “Bank”), with an office located at 1101 First Street South, Winter Haven, FL 33880, and _____ (“Broker”).

The purpose of this Addendum is to set forth the terms and conditions under which Broker may originate and submit real estate secured loans (“Loans”) to CenterState to underwrite, close and fund. Capitalized terms not defined in this Addendum shall have the definitions set forth in the TPO Agreement

For and in consideration of the mutual promises set forth in this Addendum, the parties agree as follows:

1. **Broker’s Services.** Broker may submit Loan application packages (“Applications”) to CenterState in accordance with this Addendum, applicable state and federal laws, regulations and administrative guidance (“Law”), and Bank’s product manuals, procedures and guidelines found at www.csbankfinancial.com as they may be amended by CenterState at any time (“Bank “Guidelines”). In response to Broker’s submission of an Application, Bank, in its sole discretion, may underwrite, close and fund the Loan in CenterState’s name. In connection with Broker’s Loan origination activities for Applications submitted to Bank, Broker shall take Loan applications and order and receive credit documents including an appraisal through a Bank-approved appraiser ordered according to (a) Bank Guidelines and applicable guidelines of the Federal Housing Administration, the Veterans Administration, the United States Department of Agriculture, Fannie Mae and Freddie Mac (collectively, “Agency Guidelines”); and (b) Law. Broker shall be responsible for the cost of any appraisal Broker orders in connection with Applications submitted to Bank and shall make payment immediately upon Bank’s direction regardless of whether the Loan to be secured by the appraised property closes.

At no time shall Broker represent that it is acting as an agent of CenterState. Broker shall have no authority to act for or on behalf of CenterState or to bind CenterState in any manner without the express prior written consent of CenterState.

1. **Loan Funding.** If CenterState approves an Application, the Loan will close in the name of CenterState Bank, N.A. and be funded by CenterState. Broker must submit closing requests to closing agent and Bank no later than seventy-two hours prior to closing or as otherwise required by Bank Guidelines.
2. **Broker’s General Representations, Warranties and Covenants.** Broker represents, warrants and covenants that as of the date of this Agreement, the submission of an Application to Bank, and funding of any Loan in connection with the related Application:
 - a. Broker is duly organized, validly existing in good standing in all jurisdictions in which it conducts its business and maintains all requisite approvals, licenses and registrations to perform under this Agreement.
 - b. Broker has the requisite corporate authority and capacity to enter into this Agreement and this Agreement constitutes the valid and binding obligation of Broker enforceable in accordance with its terms.
 - c. The terms and conditions of this Agreement are not prohibited by and do not conflict with Broker’s governing documents, any document relating to the conduct of its business, any other agreement to which it may be a party, or any governmental action or requirement.
 - d. Broker shall perform quality control in accordance with Bank Guidelines, Agency Guidelines and the Law and will cooperate with CenterState Bank in connection with CenterState Bank’s Quality Control

Program. Broker represents and warrants that it will cooperate with CenterState Bank in connection with CenterState Bank's quality control reviews, compliance monitoring and audits.

- e. Broker shall comply with all Laws, including, but not limited to, those governing loan origination, loan processing, compensation, privacy and record keeping.

3. **Broker's Representations, Warranties and Covenants Relative to Applications.** In connection with each Application Broker submits to Bank, Broker represents, warrants and covenants that as of the date of this Agreement, the submission of an Application to Bank and funding of the Loan in connection with the related Application:

- a. The Loan application was taken by a bona fide full time employee of Broker and processed by Broker's bona fide employee or a third party processor qualified and licensed to do so in accordance with Agency Guidelines and the Law.
- b. The Application meets all applicable requirements of Bank Guidelines, Agency Guidelines and the Law.
- c. The Application is not for a loan that would constitute a "high cost", non-Qualified or predatory loan as defined by Agency Guidelines or Law.
- d. All documents and information submitted to Bank shall be, in every respect, valid, genuine, complete, correct, true and accurate, and Broker has undertaken due diligence in so determining.
- e. Broker originated the Loan, processed the Application and, if applicable, ordered the appraisal in compliance with Bank Guidelines, Agency Guidelines and the Law; timely provided to the applicants for the Loan all notices, documents and disclosures required by Law; and complied with Bank Guidelines, Agency Guidelines and Law in all respects.

4. **Compensation.** To the extent permitted by Law, Bank shall pay to Broker the reasonable market value for services Broker performs as set forth on *Exhibit E* attached hereto and incorporated herein by reference.

5. **Bank Remedies.** This section of the Agreement shall survive termination of the Agreement. No remedy under this Agreement is exclusive of any other available remedy, but each remedy is cumulative and is in addition to other remedies given under this Agreement or existing in law or in equity.

- a. **Loan Purchase.** Broker shall purchase from CenterState any Loan that Broker originated in violation of any term, condition, representation or warranty of this Agreement. The purchase price shall be equal to the unpaid principal balance of the Loan, any premium paid to Broker by CenterState, plus any accrued but unpaid interest due on the date of purchase. Broker shall pay the purchase price to CenterState within five (5) calendar days of CenterState's request.
- b. **Indemnification.** Immediately upon CenterState's request, Broker shall indemnify, defend and hold harmless Bank from and against any and all claims, losses, damages, liabilities, costs and expenses (including reasonably attorney fees) in connection with or in any way caused by (i) Broker's act or omission including, but not limited to, Broker acting in a manner implying this it is employed by or an agent for Bank; (ii) any breach of this Agreement; (iii) any violation of Law; or (iv) if Bank or a third party identifies inaccurate credit documentation, a misrepresentation or fraud in connection with an Application Broker submitted to CenterState.

6. **Non-Solicitation.** Broker will refund any fees and/or compensation paid by CenterState to the Broker if the loan is paid off in full within 180 days of closing.

7. **Termination.** Bank may terminate this Agreement immediately and without notice if Broker does not comply with any term of this Agreement or if Broker becomes bankrupt or insolvent as defined by any Law. In either event CenterState Bank shall have no duty to close or fund any Loan even if Bank approved

the Application. Either party may upon thirty (30) days written notice terminate this Agreement in which case all covenants, agreements, representations, and warranties made by Broker hereunder shall survive the termination of the Agreement and shall remain in full force and effect. Unless terminated by Bank due to Broker's breach of this Agreement, all registrations and lock-ins in process at the time of termination shall remain valid until any commitments in place are completed.

Bank and Broker have caused this Agreement to be executed by their duly authorized representatives as of the day and year first written above.

Broker:

Institution Name

Name/Title of Authorized Officer

Signature

CenterState Bank, N.A.

Name/Title of Authorized Officer

Signature

EXHIBIT E

BROKER COMPENSATION

This Exhibit sets forth the Broker Compensation Agreement summarizing the compensation to be paid to Broker pursuant to that certain Third Party Originator Agreement (“TPO Agreement”) and Broker Addendum (“Addendum”) between CenterState Bank, N.A. (“Bank”) and Broker.

Definitions

Capitalized terms not otherwise defined herein shall have those meanings ascribed to them in the TPO Agreement and/or the Addendum, and applicable Law, including but not limited to the Truth in Lending Act and corresponding Regulation Z.

Broker means any third party that is a broker third party origination to a transaction, including mortgage brokers, mortgage companies, and institutions that table fund loans.

Compensation Rule means 12 C.F.R. § 1026, the related Official Staff Commentary and any other law governing Compensation to Broker, including any Loan Originator compensation rules whether promulgated under the Dodd-Frank Wall Street Reform and Consumer Protection Act or otherwise.

Compensation has the meaning set forth in the Compensation Rule. Broker acknowledges and agrees that Compensation includes, without limitation, salaries, bonuses, commissions and any or similar incentive, including trips or prizes.

Loan Originator has the meaning set forth in the Compensation Rule. Broker acknowledges and agrees that a Loan Originator includes a person who for Compensation or other monetary gain, or in expectation of Compensation or other monetary gain, arranges, negotiates, or otherwise obtains an extension of consumer credit for another person. “Loan Originator” includes Brokers and an employee of the Broker if the employee engages in the activities in this paragraph.

Lender Paid Compensation (“LPO”) means Compensation paid by Bank to Broker.

Borrower Paid Compensation (“BPO”) means Compensation paid by the Borrower(s), including when the Compensation is paid by the seller or another party on behalf of the Borrower.

Cure means the variance between the amounts disclosed on the GFE and the actual amount at closing, when the variance causes the fees to be out of tolerance. The Cure is the out of tolerance amount.

Compensation Agreement

1. Upon execution of this Compensation Agreement, all loans registered or locked the day of and any day after the Compensation Agreement is executed shall be governed solely by this Compensation Agreement. Any prior Compensation Agreements shall govern only those loans registered or locked the day of or after the execution of that Compensation Agreement. The Compensation Agreement in place at the time a loan is registered or locked will govern. A Compensation Agreement shall not apply retroactively.
2. Execution of a new Compensation Agreement shall not revoke, alter, or amend the TPO Agreement or Addendum in effect between Bank and Broker. The TPO Agreement and Addendum shall continue in full force and effect unless expressly revoked, altered, amended, or revoked, altered, or amended by terms contained in the TPO Agreement or Addendum.
3. Broker shall comply with all Laws governing Compensation to Loan Originators and other employees including the Compensation Rule.
4. Broker represents and warrants to Bank in connection with all Applications submitted to Bank that result in a Loan governed by the Compensation Rule that:
 - a. Broker shall not receive or pay any Compensation based on a proxy or term of a transaction, as defined and governed by the Compensation Rule, other than as permitted by the Compensation Rule.
 - b. Dual compensation is prohibited by the Compensation Rule. The Compensation received by the Broker will either be:

- i. Lender Paid Compensation (LPO) paid by Bank **OR**
 - ii. Borrower Paid Compensation (BPO) paid by the borrower including the seller or another party on behalf of the borrower
- c. Broker acknowledges and agrees that Broker and its Loan Originators, employees, agents, or contractors shall not receive Compensation from Bank and the borrower or any other party in the same transaction.
 - d. The amount of Compensation Broker will receive from any party, including Bank, the borrower, or the seller on behalf of the borrower on any transaction shall be limited to _____% of the principal amount of the Loan (which amount shall be expressed in .125% increments) with a minimum amount of \$_____ and a maximum amount of \$_____ (which amount shall be expressed in \$500 increments). (If minimum or maximum amounts do not apply, please insert N/A).
5. In transactions in which Broker is compensated by the Borrower (BPO), the Borrower Paid Compensation must (a) comply with the terms of the Agreement and (b) be determined in the same manner as the Lender Paid Compensation as described in the immediately preceding paragraph, except that Bank may consent in writing to a reduction in the Borrower Paid Compensation amount down to \$1.00 in response to Broker's submission of an "Exception Request Form: Borrower -Paid Compensation", which the Broker may request only when there is an unforeseen increase in settlement costs over an estimated settlement cost disclosed to the Borrower pursuant to section 5(c) of RESPA (or omitted from that disclosure), which Broker may request. Broker shall not receive any greater dollar or other amount than the amount of the Borrower Paid Compensation. If Broker receives any compensation of any type from the Borrower in connection with a Loan, (a) Bank will not pay Company any fee or compensation of any kind in connection with the Loan and (b) Broker certifies to Bank that Broker will accept no fee or compensation of any kind from any other person or entity, including but not limited to Bank.
 6. Broker shall retain all documentation, compensation agreements, and settlement statements on transactions funded by Bank for a period of not less than three years from the date the transaction closes.
 7. Neither Broker nor its Loan Originator employees may direct or steer the borrower to consummate a Loan on the basis that either would receive greater Compensation than in other transactions. For LPO transactions, Broker shall provide an Anti-Steering Loan Options Disclosure to all applicants in order to take advantage of the protections set forth at 12 C.F.R. § 1026.36(e)(2) of the Compensation Rule or any other "safe harbor" set forth in any Compensation Rule.

Broker:

Institution Name

Name/Title of Authorized Officer

Signature

Date