

HAMILTON MORTGAGE CORPORATION BRANCH MANAGER EMPLOYMENT AGREEMENT

This Branch Manager Employment Agreement (the "Agreement") is entered into by and between Hamilton Mortgage Corporation (herein referred to as HMC) an Alabama corporation and _____ (the "Branch Manager) as of this day of _____, 20____.

RECITALS

1. The Branch Manager, among other activities, engages in the business of (i) soliciting mortgage loan application packages for purposes of loan origination, processing and underwriting (the "Loan Files") from the general public for submission to mortgage banking entities for funding consideration, and (ii) negotiating the terms and conditions of mortgage loans (the "Loan") on behalf of the mortgage loan applicant (the "Borrower"). For purposes of this Agreement Branch Manager shall include all employees, agents and assigns of Branch Manager.

2. HMC is a lender which engages in the business of originating and processing Loan Files submitted from the general public.

3. Branch Manager is willing to be employed by HMC and HMC is willing to employ Branch Manager on the terms and conditions set forth herein.

4. For the reasons set forth, and in consideration of the mutual covenants and parties hereto, HMC and Branch Manager covenant and agree to establish an exclusive employee relationship whereby Branch Manager will submit those Loan applications submitted from the general public exclusively to HMC for origination, processing, underwriting and funding.

AGREEMENT

Agreement to Employ and Be Employed

HMC hereby employs Branch Manager and Branch Manager hereby accepts and agrees to such employment.

General Branch Manager Responsibility

a. Branch Manager will, unless otherwise agreed to in writing by HMC, perform those services necessary, to solicit residential mortgage loan applications from the general public.

b. Branch Manager will prepare, process and submit Loan Files exclusively to HMC corporate offices for underwriting, approval and sale of the Loan File.

c. Subject to the supervision and pursuant to the orders, advice, and direction of employer, Branch Manager shall perform such duties as are customarily performed by one holding such position in other businesses or enterprises of the same or similar nature as that engaged in by employer.

d. Branch Manager shall additionally render such other and unrelated services and duties as may be assigned to him from time to time by employer.

e. Prior to January 1st of each calendar year, Branch Manager shall be responsible for providing a detailed budget (the "Budget"), in a form approved by HMC, of the anticipated income and expenditures for its Cost Center during the upcoming calendar year. HMC shall within twenty (20) days of submission of the Budget, review the Budget with the Branch Manager for purposes of approving the operations of the Cost Center for the upcoming calendar year. In the event that HMC does not review the budget with the Branch Manager within twenty (20) days of submission, the Budget shall be regarded as approved by HMC.

Manner of Performance of Branch Managers Duties

Branch Manager shall at all times faithfully, industriously, and to the best of his ability, experience, and talent, perform all duties that may be required of and from him pursuant to the express and implicit terms hereof, to the reasonable satisfaction of employer. Such duties shall be rendered at the place or places as HMC shall in good faith require or as the interests, needs, business, and opportunities of employer shall require or make advisable.

Employees Loyalty

Branch Manager shall devote all of his time, attention, knowledge, and skill solely and exclusively to the business and interests of HMC, and HMC shall be entitled to all benefits, emoluments, profits, or other issues arising from or incident to any and all work, services, and advice of Branch Manager. Branch Manager expressly agrees that during the term of this Agreement, Branch Manager shall not be engaged directly or indirectly, in any form, fashion, or manner, as partner, officer, director, stockholder, advisor, employee or in any other form or capacity, in any other business similar to employer's business or any allied trade, except that nothing herein contained shall be deemed to prevent or limit the right of Branch Manager to invest any of his surplus funds in the capital stock or other securities of any corporation whose stock or securities are publicly owned or are regularly traded on any public exchange, nor shall anything herein contained be deemed to prevent Branch Manager from investing or limit Branch Manager's right to invest his surplus funds in real estate.

Non-Disclosure of Information Concerning Business

Branch Manager will not at any time, in any fashion, form, or manner, either directly or indirectly divulge, disclose, or communicate to any person, firm, or corporation in any manner whatsoever any information of any kind, nature, or description concerning any matters affecting or relating to the business of employer, including, without limitation, the names of any its customers, the prices it obtains or has obtained, or at which it sells or has sold its products, or any other information concerning the business of employer, its manner of operation, or its plans, processes, or other data of any kind, nature, or description without regard to whether any or all of the foregoing matters would be deemed confidential, material, or important. The parties hereby stipulate that, as between them, the foregoing matters are important, material, and confidential, and gravely affect the effective and successful conduct of the business of employer, and its good will, and that any breach of the terms of this section is a material breach of this agreement.

Employees Commitments Binding on Employer Only On Written Consent

Branch Manager shall not have the right to make any contracts or other commitments for or on behalf of HMC without the written consent of HMC. This Agreement shall not be deemed to appoint Branch Manager as an attorney-in-fact of HMC or create a power of attorney in Branch Manager. Branch Manager shall not make express or implied representations or warranties to Loan applicants that conflict with the authority set forth herein.

Applications

a. Branch Manager shall obtain from all loan applicants completed loan, credit and similar applications, together with supporting verifications, approvals and related documentation, as directed by HMC and in compliance with any instructions of HMC, and shall deliver the same to HMC. Branch Manager agrees to put all loan applications, requests for deposit verifications, requests for employment verifications, and all other information and documentation to be utilized in connection with the solicitation, procurement, processing, packaging, and origination on behalf of HMC on forms provided or in a format approved by HMC. Branch Manager shall diligently process and package all loan applications for and on behalf of the loan applicants and cause the same to be forwarded to HMC for approval or rejection.

b. Branch Manager shall, at Branch Manager's direction perform or cause to be performed such other functions as HMC may require to facilitate closing of the Loan transaction. Branch Manager agrees not to submit any Loan package for and on behalf of a loan applicant to HMC for which any circumstances, conditions or events exist that, if known to HMC, would cause HMC to deny approval of such Loan package.

c. Notwithstanding anything to the contrary, Branch Manager shall promptly disclose to HMC any material information that reasonably could be expected to be a relevant consideration in HMC's decision to close a Loan including, without limitation, discrepancies between information provided by the Loan applicant and that obtained from other sources, factors bearing on the physical condition of the security property and any irregularities involving the purchase transaction covering the security property or the relationship or involvement of any brokers or escrow depositories in connection therewith.

d. When requested by HMC, Branch Manager shall determine whether any and all requirements imposed as a condition of funding a Loan have been fully performed or completed, and if it finds them fully performed or completed, Branch Manager shall certify that such matters have been fully

performed or completed in accordance with the terms and conditions imposed. By such certification of compliance, Branch Manager shall assume all responsibility to remedy any deviation, deficiency, or defect.

Compliance with Laws

In soliciting loans and otherwise acting under this Agreement, Branch Manager shall comply fully with all applicable federal, state and local laws, regulations, rules and ordinances, as now existing or as hereafter enacted or amended, including, without limitation, federal statutes relating to loans guaranteed by the Veterans' Administration, the Truth-in-Lending Act, as amended, and Regulation Z, the Equal Credit Opportunity Act, Regulation B, the Real Estate Settlement Procedures Act of 1974, Regulation X, the Fair Housing Act, Section 32 loans and all other federal and state disclosure and fair lending laws in all aspects of the credit approval process, including a complete and full disclosure to the loan applicant and HMC of all fees and other payments including, without limitation, back-end points, yield spread premiums, etc, received by Branch Manager in connection with the loan. Branch Manager shall provide such disclosures to borrower and HMC as required by applicable law.

Loan Interest Rates, Commitments & Delivery of Documents

Prior to the approval of a loan package by HMC, Branch Manager shall not make any representations to the effect that HMC has approved or issued a commitment to fund the loan and, during such time, Branch Manager shall make clear that, absent the borrower's request to lock in any posted rate, any current interest rates or fees quoted are for guidance purposes only and that the same shall not necessarily be the interest rates or fees that shall apply to the loan if and when the same is approved by HMC. Branch Manager shall deliver to loan applicants any documents directed to be so delivered by HMC.

Consideration Received By Branch Manager

a. All sums of money or other consideration received by Branch Manager from any party other than HMC that in any way are related to loans generated by Branch Manager hereunder shall be delivered immediately to HMC unless they are paid to Branch Manager by the loan applicant pursuant to a bona fide written Agreement between the loan applicant and Branch Manager and disclosed to HMC in writing.

b. The character and amount of any fees charged or received by Branch Manager and payable by Borrower in connection with Application Packages have been or will be determined by direct negotiations between Branch Manager and Borrower. HMC shall have no obligation to pay Branch Manager any sum owed to Branch Manager by Borrower, nor shall HMC have any obligation to pay Branch Manager any sum on account of any Loan File which HMC does not fund and close for any reason whatsoever.

Disclosure of Principal Transactions

Branch Manager shall not participate as a principal in any real estate transaction in which any present customer of HMC or other person reasonably expected to become a customer of HMC also is a principal; in which any agent or employee of HMC is a real estate agent or broker; or in which HMC or any company which owns or is owned by HMC is a lender, unless HMC expressly allows such participation in writing. In the event that Branch Manager violates any provision of this paragraph, all gross profits, compensation, rents, income, property or other benefit derived by Branch Manager directly or indirectly in connection with the transaction (computed without reduction for value or consideration given by Branch Manager in such transaction) belong to HMC and shall be paid by Branch Manager to HMC upon demand.

Disclosure of Information

All documents, forms, publications, memoranda, correspondence, files, contracts, client lists, financial tables, blueprints, plans, records, procedures, sales aids, techniques, processes and all other material and information directly or indirectly given to or received by Branch Manager from HMC during the tenure of Branch Managers and HMC's relationship hereof that relates in any manner to any business or operation that HMC is engaged in, or intends at any time to become engaged in, are and shall remain the property of HMC. All gains and profits obtained at any time by Branch Manager through the use of any such material or information, other than for the benefit of HMC, shall belong to HMC and shall be paid by

Branch Manager to HMC upon demand. Upon the termination hereof for any reason, Branch Manager shall deliver to HMC all such material and information.

Confidentiality

During and after the term hereof, Branch Manager shall not disclose to any person (other than an employee or agent of HMC or any affiliate thereof entitled to receive the same) any confidential information relating to the business of HMC or any such affiliate and obtained by Branch Manager while providing services to HMC or such affiliate, without the consent of HMC, or until such information ceases to be confidential. Notwithstanding the foregoing, Branch Manager shall not be precluded from disclosures respecting HMC or any affiliate where made pursuant to compulsory legal process or when otherwise required by an appropriate governmental agency.

Approval

a. Each Mortgage Loan Application must be originated and processed by Branch Manager and not a third party unless otherwise approved by HMC; despite this general prohibition, however, Branch Manager may use third party loan processors provided that by using such third party loan processors Branch Manager agrees that Branch Manager shall have sole and exclusive responsibility for the work product of such third party loan processors. Branch Manager agrees to conduct a face-to-face interview with applicant(s), unless otherwise permitted by FNMA, FHLMC, FHA, VA and/or GNMA, as appropriate.

b. HMC shall make available to Branch Manager product descriptions of the lending programs of HMC being offered by HMC from time to time; provided, however, that such product descriptions may be modified at any time by HMC in its sole discretion and shall not be binding upon HMC. HMC shall have the right, in its sole and absolute discretion, to determine the acceptability of a Loan File for funding, and Branch Manager shall not represent to any person, including Borrower, that HMC has approved or will approve, or that HMC has issued or will issue a binding commitment to fund, any Loan File until Branch Manager is so informed by HMC. All Loans shall close in the name of HMC and with funds provided by HMC unless HMC approves otherwise.

c. All information contained in a Loan File shall be subject to independent verification by HMC. HMC will not approve so-called Section 32 loans or loans defined as "High Cost Loans" under any state, county or city statute, regulation or ordinance.

Branch Manager's Representations and Warranties

Branch Manager represents, warrants and covenants to HMC, as of (i) the time any Loan File is submitted to HMC, (ii) the time a Loan is funded and closed through the life of such Loan, and (iii) any other time as indicated or as the context may require, that the Representations and Warranties made within this Agreement are true and correct.

Due Organization, Existence and Good Standing

a. Branch Manager is at the time of this Agreement, is in good standing in the jurisdiction under whose laws Branch is formed and has all licenses necessary to carry on its business as now being conducted and as contemplated by this Agreement.

b. Branch Manager as well as all Loan Originators operating in said branch office are licensed, registered, qualified and in good standing in each state in which any real property securing repayment of a Loan is located and are in full compliance with the Secure and Fair Enforcement for Mortgage License Act of 2008 (S.A.F.E. Act).

c. Branch Manager is in full compliance with the laws, rules and regulations of each such state and of all real estate, mortgage lending or other regulatory or supervisory agencies having jurisdiction over Branch Manager's activities to the extent necessary to ensure the enforceability of the Loans.

d. Branch Manager covenants to transfer all licenses, registrations and qualifications now current to HMC and to keep itself in good standing with such regulatory and supervisory agencies. Branch Manager further covenants to notify HMC immediately upon the suspension, revocation, expiration or other termination of any licenses, registrations or qualifications, or of the taking of any action by any such regulatory or supervisory agency against Branch Manager that could adversely affect either Branch Manager's or HMC's licenses, registrations and qualifications.

Authority and Capacity; Consent; Enforceability of Agreement

a. Branch Manager has the full power authority and capacity to enter into this Agreement and this Agreement has been duly authorized, executed and delivered by Branch Manager and constitutes a valid and binding obligation of Branch Manager, enforceable in accordance with its terms. No consent, approval, authorization or order of any court or governmental agency or body is required for the execution, delivery and performance by Branch Manager, or if required, such consent, approval or authorization has been obtained.

b. Branch Manager's compliance with the terms and conditions of this Agreement will not violate any provisions of its charter documents, any instrument relating to the conduct of its business, or any other Agreement, law or regulation to which it may be a party or under which it may be governed.

Absence of Claims

a. Except as disclosed by Branch Manager to HMC in writing and attached as "Exhibit _____", there are no pending or threatened law suits, actions, arbitration, legal or administrative proceedings or investigations (including any allegation of fraud by any seller, buyer, borrower or lender) against Branch Manager or its current or former owners, officers, partners, agents or employees.

b. Except as disclosed by Branch Manager to HMC in writing and attached as "Exhibit _____", there has been no adjudication or finding of fraud against Branch Manager or its current or former owners, officers, partners, agents or employees, in any suit, action, arbitration, legal or administrative or other proceeding or investigation which as been concluded or is in process. Branch Manager herein represents that other than as disclosed herein, there are no past, current or anticipated claims which would prevent the execution, delivery or performance by Branch Manager of its obligations, or which could have an adverse effect upon the business, assets, financial condition or reputation of Branch Manager or HMC, or which could have any adverse effect upon any Loan File submitted by Branch Manager to HMC.

Compliance with Standards Established by HMC

All Loan Files shall fully comply with all pertinent requirements as HMC may identify in any written manual or product descriptions that HMC may provide to Broker from time to time (the "Policies"). Real estate appraisal reports submitted to HMC as part of Application Packages shall fully comply with the standards outlined in Exhibit "A".

Control of Documents; Disclosure and Validity of Information

No Borrower shall have had in his or her direct or indirect possession or control any credit, income or deposit verification document submitted to HMC with respect to any Loan. Branch Manager has and shall make prompt, timely, full, accurate and truthful disclosure to HMC of all facts, information and documentation that Branch Manager may know, suspect, or have notice of, which could affect or has affected the validity, collection, collateral value, security, or enforceability of any Loan File submitted or Mortgage originated by HMC as a result of Branch Manager's submission to HMC. All information submitted by Branch Manager to HMC with regard to the Loan Files, including all written attachments thereto, is true, correct, currently valid and genuine, and the dates appearing on each document presented to or signed by a Borrower accurately reflect the date of delivery or execution, as applicable.

Ownership; Prior Involvement

Branch Manager has no direct or indirect ownership interest in any property acting as security for the Loan, or affiliation or relationship with any other party having a financial interest in the Loan or the Loan transaction. To the extent Branch Manager or any of its owners, officers, partners, agents or employees has (a) participated in the sale, financing or mortgage origination with respect to the property securing the Loan or (b) assisted a Borrower with obtaining prior financing, whether with respect to the property securing the Loan or otherwise, Branch Manager shall disclose the nature and extent of such relationship in writing at the time of the submission of the relevant Application Package.

Compensation

HMC shall pay Branch Manager and Branch Manager agrees to accept from employer, in full payment for employee's services hereunder, compensation on every Loan that is originated by Branch Manager, the Yield Spread less any costs or fees charged by HMC for the origination of any mortgage

Loan submitted by Branch Manager. In addition to the foregoing, HMC will reimburse Branch Manager for any and all necessary, customary, and usual expenses which are agreed to in this Agreement or in writing by HMC prior to being incurred by Branch Manager. Any fees or other consideration, if any, to be received by Branch Manager for performance of its obligations hereunder will be paid by HMC after deducting all fees and charges due HMC and as specified in HMC's price schedules which can be amended at HMC's sole discretion. No consideration of any kind shall be due or payable on any loan transaction which is not funded and closed by HMC. There is no Agreement between Branch Manager and HMC or any other person or entity for referral fees, rebates, bonuses, kick-backs or other payments not reflected herein, and no such other referral fee, rebate, bonus, kick-back or payment has been or will be made.

Fees

a. All fees designated as costs to the Borrower shall be charged to and collected from the Borrower by Branch Manager or HMC as may be required. The nature and amount of any fees charged or received by Branch Manager and HMC have been determined by direct negotiations between Borrower and Branch Manager. The total fees to be received by Branch Manager have been separately itemized, fully disclosed, explained to Borrower and agreed to by Borrower and are reasonably related to the market value of the services rendered by Branch Manager and HMC in connection with the Loan.

b. No payment of any referral fee, rebate, bonus, kickback, fee split or other payment has been or will be made. All third-party fees charged or collected by Branch Manager shall represent only the amount of the fee received or to be received by the third party service provider and neither Branch Manager or any other party will retain any portion of such fee. The fees collected from the borrower on each loan transaction shall fully comply with the fee guidelines and restrictions as set forth in Exhibit "B".

c. Advance fees, including but not limited to the cost of credit reports, appraisals, origination fees, processing fees, title search and commitment fees and surveys shall be collected from the Borrower at the earliest reasonable time prior to or at loan closing.

d. All operating expenses directly charged to Branch Manager including but not limited to lease payments, utilities, operating overhead, salaries, taxes, bookkeeping and accounting fees shall be the responsibility of HMC, provided however that (i) the Branch Manager shall operate as an independent operating Cost Center of HMC and (ii) all sources of income that are recognized through Branch Manager's efforts as an employee of HMC shall be credited to the Cost Center and (iii) all expenses recognized as those expenses of the Cost Center shall be paid from the income sources of the Cost Center. In the event that expenses for the Cost Center are greater than income derived from the operations of the Cost Center during any single accounting period, HMC shall be responsible for the payment of the obligations of the Cost Center. Notwithstanding the foregoing, HMC shall not incur any liability that is not related to the business of procuring, obtaining, originating, processing, underwriting or closing a Loan File originated from the Cost Center.

e. Additional fees including but not limited to fees for trade shows, expos, travel, entertainment, advertising, insurance, marketing, office supplies, fuel and automobiles shall not be the responsibility of HMC unless the expense has been approved in writing prior to being incurred by the Cost Center or is included in the annual budget and approved by the Chief Financial Officer, President or Chief Executive of HMC.

Services to Borrower

With respect to each Borrower whose Loan File is submitted by Branch Manager to HMC pursuant to this Agreement, Branch Manager has observed and shall observe and fully discharge any duties owed by Branch Manager to Borrower under applicable law. In particular, and without limitation to the foregoing, whenever required by such fiduciary duty, Branch Manager has provided to Borrower any and all required disclosures and obtained any and all required Agreements or authorizations. Branch Manager represents that all services performed by Branch Manager were performed in accordance with accepted and customary standards in the mortgage lending industry and that Branch Manager is not aware of any dispute or claim by any Borrower that all such services were not fully and satisfactorily performed or that Branch Manager has not coerced or compelled Borrower to accept any Loan or to take any advance pursuant to any Loan.

Fair Lending Standards, Privacy Requirements, and Use of Computer Systems

Branch Manager understands and acknowledges that HMC is fully committed to the principles of Fair Lending and to encouraging each of its employees and third-party vendors to follow similar principles and to request that each of its owners, officers, partners, agents and employees are all adequately trained in Fair Lending policies and procedures. Branch Manager's signature on this Agreement will acknowledge that Branch Manager has received and reviewed the Fair Lending Policy adopted by HMC, which is attached hereto as Exhibit "_____", and that Branch Manager has taken and will continue to take action to ensure it remains adequately trained in and follow generally recognized Fair Lending policies and procedures. Branch Manager also acknowledges that the terms of use for any computer systems made available to Branch Manager by HMC and agrees to comply with all aspects of these requirements.

Branch Manager's Indemnification

a. Branch Manager shall indemnify and hold HMC and its affiliates, shareholders, directors, officers, agents, employees, successors and assigns harmless from and against, and shall reimburse the same with respect to, any and all losses, damages, demands, claims, liabilities, costs and expenses, including reasonable attorneys' fees (collectively "Losses"), from any cause whatsoever, incurred by reason of or arising out of or in connection with, (i) any investigation undertaken by HMC with respect to any document included as part of a Loan File; (ii) any breach of any representation, warranty or covenant contained in this Agreement; (iii) Branch Manager's failure to perform any of its obligations under this Agreement, or (iv) any claim by a Borrower resulting from the failure or refusal by HMC to fund a Loan other than pursuant to a binding commitment by HMC to fund such Loan.

b. Branch Manager's obligation to fully indemnify HMC under this Agreement shall not be affected by HMC taking any of the following actions with or without notice to Branch Manager: (i) liquidation, repayment, retirement, or sale or resale of any Loan; (ii) foreclosure of any Loan; or (iii) sale or resale of the property securing any Loan.

No Solicitation

For 120 days after funding of any Loan by HMC, Branch Manager shall not solicit, or take any refinance loan application on the same property from the Borrower(s) to whom such Loan was made. In the event Branch Manager does fund, or arrange for any third party to fund, any such Loan, Branch Manager hereby agrees to reimburse HMC for an amount equal to all expenses, whether out-of-pocket or internal, that HMC incurred in the origination of the Loan.

Audits

Branch Manager acknowledges that HMC may, at its sole discretion, conduct quality control audits to verify documentation and appraisals submitted by Branch Manager. Branch Manager agrees to assist HMC in the conduct of any such audit and to provide HMC with any information or documents in its possession that HMC may reasonably request. Branch Manager further acknowledges that any failure to cooperate in any such audit or any discrepancies found by HMC during such audits are grounds for immediate termination. In addition, upon discovery of such discrepancy, HMC may notify the applicable state or federal agency of such discrepancy.

Financial and Other Information

Branch Manager acknowledges that from time to time Branch Manager shall furnish to HMC information as HMC shall reasonably request, including confirmation of the continuing compliance by Branch Manager and its owners, officers, partners, agents or employees with all applicable state and local licensing, registration, qualification and certification requirements, together with any other information reasonably requested by HMC to confirm that Branch Manager remains solvent.

Exclusive Agreement

a. This agreement contains the sole and entire agreement between the parties, and supersedes any and all other agreements between them. The parties acknowledge and agree that neither of them has made any representation with respect to the subject matter of this agreement or any representations inducing the execution and delivery hereof except such representations as are specifically set forth herein, and each party acknowledges that he or it has relied on his or its own judgment in entering into the agreement. The parties further acknowledge that any statements or representations that may have

heretofore been made by either of them to the other are void and of no effect and that neither of them has relied thereon in connection with its dealings with the other.

b. The relationship between HMC and Branch Manager, as set forth in this Agreement is exclusive. Branch Manager warrants to HMC that Branch Manager shall maintain no other relationships with other lenders or operate under a license with another company name with any state or federal agency and that Branch Manager shall not solicit customers or submit Loan Files to any other lender other than HMC. Any violation of this Agreement shall be grounds for immediate termination, and notification of the violation to the appropriate State and Federal Regulatory authority.

c. In the event Branch Manager solicits consumers for, or submits Loan Files to another lender during the duration of this Agreement, HMC shall be entitled to all actual damages as well as any reasonable attorneys fees for the collection therewith. The remedy for any violation of this provision shall survive the termination of this Agreement

Termination of Agreement

The term of employment shall be at the will of either party. Termination of this agreement may be made by either party with or without cause, or by mutual agreement upon five (5) business days written notice to the non-terminating party. This Agreement will terminate immediately upon notice with no further action required by the terminating party except that all indemnification provisions of either party shall survive this agreement and all property, including but not limited to all intellectual property, computer records, computer hardware and software, computer systems, customer lists, loan records and files, accounting records, stationary, marketing and advertising and any other material produced or obtained during the employment of Branch Manager, shall be returned and provided to HMC. Termination of this Agreement shall not affect Branch Manager's obligations with respect to Loan Files submitted to HMC prior to the effective date of the termination of this Agreement nor extinguish Branch Manager's obligations to indemnify and hold harmless HMC as provided hereinabove. Furthermore, loans previously submitted by Branch Manager to HMC may, at the sole discretion of HMC, be suspended and returned to Branch Manager.

Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the state of Alabama. Any dispute that arises under or relates to this Agreement shall be resolved in any court of competent jurisdiction located in Birmingham, Alabama.

Right to Offset

Amounts owed by Branch Manager to HMC under this Agreement may, at the option of HMC and in its sole discretion, be offset by HMC against any payments then or thereafter owed by HMC to Branch Manager.

Notices

All notices required hereunder shall be in writing and shall be deemed to have been given, made, and received only (a) upon delivery, if personally delivered to a party; (b) one business day after the date of dispatch, if by facsimile transmission; (c) one business day after deposit, if delivered by a nationally recognized courier service offering guaranteed overnight delivery; or (d) three business days after deposit in the United States first class mail, certified mail, postage prepaid, return receipt requested), and any such notice shall be deemed complete upon mailing to the address set forth below:

If to Branch Manager:

If to HMC:

Anita Herring
President
1 Independence Plaza, Ste. 400
Birmingham, Alabama 35209

Attorney's Fees

If any legal action or other proceeding is brought for the enforcement of this Agreement, or because of an alleged dispute, breach, default, or misrepresentation in connection with any of the provisions of this Agreement, the prevailing party or parties shall be entitled to attorneys' fees and other costs incurred in that action or proceeding, in addition to any other relief to which it or they may be entitled.

Assignment

This Agreement may not be assigned without the express written consent of HMC.

Entire Agreement

This Agreement constitutes the entire Agreement between the parties and supersedes all prior and contemporaneous Agreements, representations, and understandings.

Waivers or Remedies and Modifications

The failure or delay of HMC to review any Loan File prior to funding and closing, or to exercise any right or remedy available under this Agreement or at law or equity, shall not act as a waiver of any other right or remedy, nor shall any single or partial exercise of any right preclude any other or further 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, nor 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 nonexclusive. HMC reserves the right from time to time to modify any provision hereof in whole or in part, upon the giving of thirty (30) days written notice of such modification to Branch Manager, provided that no such modification shall serve to reduce the amount of compensation due to Branch Manager with respect to any fully documented Loan that is closed by HMC prior to the receipt of such notice. Loan Files submitted by Branch Manager after the end of the thirty days' notice provided for herein shall be governed by the revised provisions of this Agreement. Furthermore, no evidence of any waiver or modification shall be offered or received in evidence in any proceeding, arbitration, or litigation between the parties arising out of or affecting this agreement, or the rights or obligations of any party hereunder, unless such waiver or modification is in writing, duly executed as aforesaid. The provisions of this paragraph may not be waived except as herein set forth.

Partial Invalidity

If any provision of this Agreement is held invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force and effect.

Further Assurances

Each party shall perform any further acts and execute and deliver any documents that may be reasonably necessary to carry out the provisions of this Agreement.

NOTHING FURTHER ON THIS PAGE

IN WITNESS WHEREOF, the parties have caused their duly authorized representatives to execute this Branch Manager Agreement as of the date first set forth above.

HAMILTON MORTGAGE CORPORATION

By: _____

Its: _____

BRANCH MANAGER

By: _____

Its: _____

EXHIBIT “A”

Appraisal Requirements

Appraisal reports submitted to HMC must be prepared by appraisers that:

1. Are state-licensed or state-certified and in good standing or certified in accordance with the provisions of Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA), and all applicable State laws.
 - a. FIRREA requires the appraisal be prepared by a state-licensed or state-certified appraiser when the total combined loan amounts is less than \$1,000,000, or by a state-certified appraiser only when the total combined loan amount is \$1,000,000 or more.
 - b. Have the knowledge, experience, and expertise about, and access to, the necessary and appropriate data sources and information for the areas in which the appraisal assignments will be located, in accordance with the Competency Rule of the Uniform Standards of Professional Appraisal Practice.
 - c. Do not have a conflict of interest or would constitute a non-arms length transaction with the Branch Manager. A Conflict of interest is a situation in which a person has competing professional and personal interests in a transaction. This includes situations when an individual’s personal interests or concerns may be contrary to his or her responsibilities to HMC. A non-arms length transaction is one where the parties to the loan and/or sales transaction are related, such as family member, employer/employee, or principal/agent. This relationship may influence the transaction.

EXHIBIT “B”
Points and Fees Restrictions

The total combined points and fees charged to the borrower by HMC and the Branch Manager must not exceed the greater of \$1,000 or 5 percent of the loan amount, unless state law is more restrictive. For purposes of this guideline, the following fees are included:

1. Origination fees
2. Discount points (Bona fide discount points used to buy down the interest rate are **not** included)
3. HMC revenue fees (i.e., Administration fees, application fees, broker fees, accounting fees, underwriting fees, processing fees, commitment fees, etc.)
4. Premium pricing (Yield Spread Premium)

For purposes of this guideline, fees and points **DO NOT** include:

1. Bona fide discount points (i.e., points that reduce the par rate per HMC’s applicable rate sheet)
2. Fees paid for actual services rendered to third parties in connection with the mortgage
3. Loan origination (including those paid to affiliates), such as attorney's fees, notary's fees, and fees paid for property appraisal, credit reports, surveys, title examinations, flood certificates, home inspections, etc.
4. The cost of mortgage insurance.
5. The cost of title, hazard, and flood insurance policies.
6. State or local transfer fees or taxes.

EXHIBIT “C”
Fair Lending Policy

HMC is committed to making available meaningful mortgage credit services to all of our customers and potential customers within each of our diverse communities on a fair and equitable basis. We will provide every customer and potential customer an equal opportunity to apply for each of our available mortgage services. We believe that our commitment to fair lending is a good and sound business practice that allows us to serve all of our customers and communities. We believe that our success at serving a wide range of consumer and business credit customers is essential to the economic vitality of HMC. HMC will not tolerate discrimination in its lending or business practices by any of our officers, employees, or approved Branch Managers in serving our customers and potential customers. HMC will always strive to lead by example in assuring that fair lending principles are fully integrated into all of our corporate policies and procedures, our marketing efforts and our relationships with third parties involved in the credit process. We believe that our commitment to fair lending is strengthened and reinforced by our equally strong commitment to the creation of a diverse workforce which will continue to reflect the values, aspirations and spirit of our multi-cultural communities, and thereby allow us to better understand and respond to the legitimate multi-faceted credit needs of our communities. In order to fulfill our commitment, we have empowered each of our officers and employees to use their best personal and professional efforts and resources to continue to make available meaningful services to all of our customers and communities on a fair and equitable basis.

EXHIBIT “D”

Privacy Requirements for Outside Service Providers

Confidentiality. Branch Manager agrees that any proprietary, financial or other non-public information that it obtains directly or indirectly as the result of its working with HMC in connection with the origination of Loans as contemplated by this Agreement regarding actual or potential Borrowers (collectively, the “Information”) shall be “confidential” as of the date that the Branch Manager obtains such Information regardless of whether the Information is received prior to, contemporaneously with, or subsequent to the execution of the Agreement.

Information. Such Information will include, but not be limited to, “nonpublic personal information” as that term is defined in Subtitle A of Title V of the Gramm-Leach-Bliley Act (15 USC §6801) (the “Act”) and the implementing Interagency Privacy Regulations such as 12 CFR Part 40, as each may be amended from time to time.

Limited Usage. The Branch Manager agrees that it will use the Information solely for the purpose for which the Information is disclosed to it by HMC or by any other party or as otherwise permitted under the Act or the implementing Privacy Regulations, including, but not limited to, use under an exception in §14 or §15 of the Privacy Regulations, in the ordinary course of business to carry out the purposes for which the Information was disclosed to Branch Manager. Branch Manager agrees to maintain the confidentiality of the Information at least to the same extent as HMC is required to maintain the confidentiality of the Information under the Act and the implementing Privacy Regulations as each may be amended from time to time. The purpose of this provision is to limit the right of the Branch Manager to disclose such Information solely for the purposes for which HMC has disclosed the Information to the Branch Manager and to preclude the Branch Manager from sharing an actual or potential HMC customer’s “nonpublic personal information” as that term is defined in the Act with others.

Account Numbers. To the extent that Branch Manager is provided with any account numbers or similar code of a potential or actual customer of HMC; Branch Manager agrees that it will only use that Information on behalf of HMC as provided in the terms of the Agreement; and Branch Manager will not share that account number with any other party.

Non-Consumers. In addition, Branch Manager is prohibited from sharing information on any actual or potential customer of HMC, even if the customer relationship with HMC is for business or commercial purposes, without the express written authorization of HMC.

Survival. The promises in this Rider shall survive the termination of the Agreement.

EXHIBIT “E”
Use of Computer Systems

By logging onto and using any computer system made available by HMC, Branch Manager agrees to the following terms and conditions:

1. Branch Manager will take active measures to secure and protect all access devices, including identifications and passwords;
2. Branch Manager will take active measures to ensure that no persons other than those with your specific permission and in your employment will have access to the system;
3. Branch Manager will take active measures to ensure that access devices, including, without imitation, identifications and passwords, are not made available, or do not become available, to any person outside the employment of HMC, including, without limitation, your applicants, customers, clients or borrowers;
4. Branch Manager agrees to immediately notify HMC in the event you are informed of or have reason to suspect a breach of the above requirements has occurred and will cooperate fully in any investigation by HMC, its regulators or any other regulatory or enforcement agency.