



Lendwise Mortgage, Inc.
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NMLS #2702455 | DRE #02282825 | www.lendwisemtg.com

LOAN OFFICER COMPENSATION AGREEMENT

Independent Contractor Compensation Structure

LOAN OFFICER INFORMATION

Name:	Wayne Davis
Address:	833 W 55th Street, Los Angeles, CA 90037
Phone:	(310) 918-8071
Email:	waynedavis123@yahoo.com
DRE License:	01141349
NMLS ID:	2283807
Position:	Loan Officer
Start Date:	2025-10-27

EMPLOYMENT CLASSIFICATION

Your employment classification for tax purposes:

W-2 Employee or 1099 Independent Contractor (determined by state regulations)

Employment classification (W-2 vs 1099) is determined by applicable state and federal regulations. Your specific classification will be confirmed based on your work location and applicable regulatory requirements. Tax withholding and reporting will be handled accordingly.

COMPENSATION STRUCTURE

Your compensation operates in two phases based on total loans funded (brokered + correspondent combined):

PHASE 1: TRAINING PERIOD (First 5 Funded Loans - Any Combination)

Work with Tony Nasim as your mentor for your first 5 funded loans (brokered and/or correspondent combined). Tony Nasim is a Partner at Lendwise Mortgage and serves as your designated mentor during the training period.

CORRESPONDENT LOANS (Phase 1):

- **You receive:** 75 BPS (0.75%) of loan amount
- **Tony Nasim receives:** 75 BPS (0.75%) of loan amount

Example: \$500,000 correspondent loan = You: \$3,750, Tony Nasim: \$3,750 (Total: 150 BPS)

Maximum Cap: \$37,500 per loan for your portion during Phase 1

BROKERED LOANS (Phase 1):

- **You receive:** 50% of brokered commission
- **Tony Nasim receives:** 50% of brokered commission

Example: \$10,000 brokered commission = You: \$5,000, Tony Nasim: \$5,000

PHASE 2: STANDARD COMPENSATION (After 5 Funded Loans)

After funding your first 5 loans (any combination of brokered and correspondent), you automatically transition to standard compensation. Tony Nasim no longer receives any split.

CORRESPONDENT LOANS (Phase 2):

- **You receive:** 150 BPS (1.50%) of loan amount on all closed correspondent loans

Examples: \$500,000 loan = \$7,500 | \$1,000,000 loan = \$15,000

Maximum Cap: \$75,000 per loan

BROKERED LOANS (Phase 2):

- **You receive:** 85% of brokered commission
- **LendWise Mortgage receives:** 15% of brokered commission

Example: \$10,000 brokered commission = You: \$8,500, LendWise: \$1,500

1. PAYMENT TERMS & TIMING

Commissions are paid on the **1st and 15th day of each month**, depending upon the loan purchase date by the investor.

Payment is made via direct deposit to Loan Officer's designated bank account.

Minimum payment threshold: \$100. Amounts under \$100 will be carried forward to next payment period.

No commission is earned until loan successfully funds and all conditions are satisfied.

2. RECAPTURE/CLAWBACK PROVISIONS

Lendwise Mortgage reserves the right to recapture commissions paid under the following circumstances:

- Loan is paid off, refinanced, or satisfied within six (6) months of funding date.

***Note:** The six (6) month recapture period is standard, but may fluctuate depending on the specific lender to whom the loan will be sold. The applicable recapture period for each loan will be determined by the investor/lender requirements.*

- Loan fails to fund due to Loan Officer error, misrepresentation, or failure to disclose material information.
- Borrower defaults within the first three (3) payments after loan funding.
- Loan is rescinded during right of rescission period or subsequently canceled.

Recapture Amount: Full commission amount paid to Loan Officer will be subject to recapture.

Collection Method: Recaptured amounts will be deducted from future commission payments. If Loan Officer terminates employment before full recapture, any remaining balance becomes immediately due and payable.

Fraud and Misconduct: The recapture provisions above apply only to commission amounts. In cases of fraud, misrepresentation, negligence, or willful misconduct by Loan Officer that results in damages to Lendwise Mortgage, borrowers, or third parties, Loan Officer shall be liable for and shall indemnify Lendwise Mortgage for all damages, losses, costs, and legal fees incurred. This indemnification obligation is separate from and in addition to commission recapture rights.

3. CORRESPONDENT LOAN COMPENSATION STRUCTURE

BROKERED LOANS vs CORRESPONDENT LOANS:

Brokered Loans: Lendwise Mortgage acts as an intermediary, connecting borrowers with third-party lenders. The third-party lender provides the funds and owns the loan. Lendwise receives a gross commission from the lender, which is split 85% to Loan Officer and 15% to Lendwise (per Phase 2).

Correspondent Loans (Correspondent Loans): Lendwise Mortgage originates the loan using its own capital and acts as the direct lender. Lendwise initially owns the loan before selling it to an investor. Compensation is calculated as basis points (BPS) on the loan amount, not as a percentage split of gross commission.

KEY DISTINCTION: Brokered compensation is a % split of whatever commission the lender pays Lendwise. Correspondent compensation is a fixed 150 BPS (1.50%) calculated directly on the loan amount.

Phase Structure Application:

Phase 1 (Training): Your first 5 funded loans (any combination of brokered and correspondent) are compensated at training rates with 50/50 split to mentor Tony Nasim.

Phase 2 (Standard): After completing 5 funded loans, all subsequent loans (both brokered and correspondent) are compensated at standard rates. No mentor split applies.

Correspondent Loan BPS Calculation Examples (Phase 2):

- \$300,000 loan × 150 BPS = \$4,500 commission
- \$500,000 loan × 150 BPS = \$7,500 commission
- \$750,000 loan × 150 BPS =

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1,250 commission

Maximum Cap: Correspondent loan commissions are capped at \$75,000 per loan in Phase 2 (\$37,500 for your portion in Phase 1).

Correspondent Loan BPS Calculation Examples (Phase 1):

- \$300,000 loan × 75 BPS = \$2,250 to you, \$2,250 to Tony Nasim
- \$500,000 loan × 75 BPS = \$3,750 to you, \$3,750 to Tony Nasim
- \$750,000 loan × 75 BPS = \$5,625 to you, \$5,625 to Tony Nasim

4. COMPLIANCE & LICENSING REQUIREMENTS

Loan Officer must maintain active **NMLS ID #2283807** and **DRE License #01141349** at all times.

Continuing Education: Loan Officer must complete required continuing education hours annually (20 hours NMLS, 45 hours DRE) and provide proof of completion to Lendwise Mortgage.

License Lapse: If license lapses, expires, or is suspended, Loan Officer's origination rights are immediately suspended. No commissions will be paid on loans originated during period of invalid licensure.

Compliance Training: Loan Officer must complete all mandatory compliance training provided by Lendwise Mortgage.

5. AT-WILL EMPLOYMENT & TERMINATION

At-Will Relationship: This agreement is at-will and may be terminated by either party with thirty (30) days written notice without penalty.

Pipeline Handling: Upon termination, Loan Officer retains commission rights on loans that close and fund within sixty (60) days after termination date, provided all loan files are properly transferred and in good standing.

Pending Applications: Loans that fail to close within 60 days revert to Lendwise Mortgage, and no commission is owed to departing Loan Officer.

Immediate Termination: Company reserves right to terminate immediately for cause including but not limited to: fraud, regulatory violations, license suspension, or material breach of agreement.

6. PERFORMANCE EXPECTATIONS

Quality Standards: Loan Officer must maintain quality standards including accurate loan applications, timely disclosures, and complete documentation. Repeated quality issues may result in corrective action or termination.

Customer Service: Loan Officer must provide excellent customer service, respond to borrower inquiries within 24 hours, and maintain professional communication at all times.

Regulatory Compliance: Loan Officer must comply with all CFPB, TILA-RESPA, ECOA, Fair Housing, and state regulations. Violations may result in immediate suspension or termination.

7. EXPENSES & FEES

Loan Officer Expenses: Loan Officer is responsible for maintaining their own professional licenses (NMLS, DRE), continuing education, errors & omissions insurance, and personal marketing materials.

Company-Provided: Lendwise Mortgage provides CRM system access, loan origination software, processing, underwriting, compliance review, and closing coordination at no cost to Loan Officer.

Marketing Co-Op: Company may offer marketing co-op funds on case-by-case basis. Pre-approval required for reimbursement.

8. INDEPENDENT CONTRACTOR RELATIONSHIP

Classification: Loan Officer is an independent contractor, not an employee of Lendwise Mortgage, Inc. for all purposes including but not limited to: tax withholding, benefits, workers' compensation, and unemployment insurance.

Control: Loan Officer maintains control over the manner and means of performing services, subject to compliance with applicable lending regulations and company quality standards. Loan Officer determines own work schedule and location.

Tax Obligations: As detailed in Section 12, Loan Officer is solely responsible for all federal and state tax obligations including quarterly estimated tax payments.

9. CONFIDENTIALITY & DATA PROTECTION

GLBA Compliance: Loan Officer must comply with Gramm-Leach-Bliley Act safeguards for protecting nonpublic personal information (NPI). Unauthorized disclosure may result in immediate termination and legal action.

Data Security: Loan Officer must use secure, password-protected devices; encrypt sensitive documents; never transmit borrower data via unsecured email; and immediately report any data breach to compliance officer.

Post-Termination: Confidentiality obligations survive termination. Loan Officer must return all company data, borrower files, and proprietary information within 48 hours of separation.

10. DISPUTE RESOLUTION

Arbitration: Any dispute arising from this agreement shall be resolved through binding arbitration under California Arbitration Act (CCP §1280 et seq.) rather than litigation.

Venue: Arbitration shall be conducted in Los Angeles County, California, with each party bearing their own attorney fees unless arbitrator awards fees to prevailing party.

Governing Law: This agreement is governed by California law without regard to conflict of laws principles.

11. PIPELINE OWNERSHIP

Lead Ownership: All leads generated through company marketing, company website, or company-provided resources remain property of Lendwise Mortgage and may be reassigned upon Loan Officer departure.

Self-Generated Leads: Leads generated through Loan Officer's personal marketing efforts and relationships are considered personal leads. Loan Officer retains commission rights on these loans if they close within 60 days of departure.

Database: Loan Officer may not download, copy, or remove company CRM database or borrower contact lists upon termination. Violation may result in legal action and forfeiture of pipeline commissions.

12. INDEPENDENT CONTRACTOR STATUS

Tax Classification: Employment classification (W-2 Employee vs 1099 Independent Contractor) is determined by applicable state and federal regulations. Your specific classification will be confirmed based on your work location and applicable regulatory requirements.

W-2 Employee Status: If classified as W-2, Loan Officer receives Form W-2 for tax reporting. Lendwise Mortgage withholds income tax, Social Security, and Medicare taxes. Employee benefits may apply per company policy.

1099 Independent Contractor Status: If classified as 1099, Loan Officer receives Form 1099-NEC for tax reporting. No income tax, Social Security, or Medicare taxes are withheld. Loan Officer is solely responsible for paying all federal and state income taxes, self-employment taxes, and quarterly estimated tax payments.

Business Expenses: Regardless of classification, Loan Officer may be responsible for maintaining professional licenses (NMLS, DRE), continuing education, errors & omissions insurance, and personal marketing materials.

13. COMPENSATION LOCK & MODIFICATION

Compensation Lock: The compensation structure applicable to any loan is determined by the agreement in effect on the date Lendwise Mortgage receives a complete loan application from the borrower. Any subsequent amendments to this compensation agreement shall not affect compensation for loans already in the pipeline (application received prior to amendment).

Quarterly BPS Adjustments: Loan Officer's correspondent loan compensation rate is currently set at 150 BPS (1.50%) on all closed correspondent loans. This rate may be modified on a quarterly basis (January 1, April 1, July 1, and October 1) or at any time prior to Loan Officer submitting their first loan application, upon mutual written agreement between Loan Officer and Lendwise Mortgage. Any rate adjustments will apply prospectively to new loan applications only, in accordance with the compensation lock provision above.

Amendments: As stated in the Legal Provisions section, this agreement may only be amended by written document signed by both parties. No verbal modifications are valid.

Good Faith: Both parties agree to negotiate any compensation modifications in good faith and with reasonable advance notice (minimum 30 days) to allow Loan Officer to complete pipeline under existing terms.

14. INTELLECTUAL PROPERTY & WORK PRODUCT

Company Property: All marketing materials, presentations, templates, systems, processes, training materials, and other work product created by Loan Officer during the term of this agreement using company resources, time, or confidential information are the exclusive property of Lendwise Mortgage, Inc.

License to Use: During the term of this agreement, Loan Officer is granted a non-exclusive license to use company-owned materials solely for the purpose of originating loans on behalf of Lendwise Mortgage.

Return of Materials: Upon termination, Loan Officer must immediately cease using all company materials and return or destroy all copies (physical and digital) within 48 hours. This includes but is not limited to: marketing presentations, rate sheets, borrower education materials, email templates, and social media content.

Personal Materials: Loan Officer retains ownership of marketing materials created entirely on their own time using their own resources and not incorporating any Lendwise confidential information, provided such materials do not use the Lendwise name, logo, or branding.

15. LEGAL PROVISIONS

Severability: If any provision of this agreement is found to be unenforceable or invalid, the remaining provisions shall remain in full force and effect.

Entire Agreement: This agreement constitutes the entire understanding between Lendwise Mortgage and Loan Officer and supersedes all prior agreements, whether written or oral, relating to compensation.

Amendments: This agreement may only be amended or modified by a written document signed by both parties.

16. AGREEMENT TERMS

By signing below, both parties acknowledge and agree to the compensation structure outlined above.

PHASE 1 (Training - First 5 Funded Loans Total):

- Correspondent loans: LO receives 75 BPS, Tony Nasim receives 75 BPS (cap: \$37,500 per loan for LO)
- Brokered loans: LO receives 50%, Tony Nasim receives 50%

PHASE 2 (Standard - After 5 Funded Loans):

- Correspondent loans: LO receives 150 BPS (1.50%) of loan amount (cap: \$75,000 per loan)
- Brokered loans: LO receives 85%, Lendwise Mortgage receives 15%

Tony Nasim receives no compensation after Phase 1 completion.

The Loan Officer is an independent contractor, not an employee of Lendwise Mortgage, Inc. All compensation is subject to successful loan closing and funding, and compliance with all applicable state and federal regulations.

LOAN OFFICER ACKNOWLEDGMENT

Before signing this agreement, please initial each statement below:

- ☐ I have read and understand the compensation structure: Correspondent loans (150 BPS flat, \$75k cap) and Brokered loans (Phases 1 & 2 with mentor split)
- ☐ I acknowledge the Recapture/Clawback provisions (Section 2) - commissions may be recaptured if loan pays off within 6 months or borrower defaults
- ☐ I understand the Confidentiality requirements (Section 9) - GLBA compliance required
- ☐ I acknowledge my Independent Contractor status and tax responsibilities (Section 12)
- ☐ I understand this is an at-will agreement with 30-day notice (Section 5)
- ☐ I am entering into this agreement voluntarily and have had opportunity to ask questions

SIGNATURES

LOAN OFFICER Name: Wayne Davis Title: Loan Officer Signature: _____ Date: _____	COMPANY REPRESENTATIVE Name: Tony Nasim Title: Sr. Loan Officer / Partner Signature: _____ Date: _____	COMPANY REPRESENTATIVE Name: David Young Title: President of Business Development / Partner Signature: _____ Date: _____
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