

BROKER AGREEMENT

This Agreement (this "Agreement") is dated as of the ____ day of _____, 20____, by and between Liberty Savings Bank, FSB, a federally chartered savings bank (hereinafter referred to as "LSB") and _____ (hereinafter referred to as "Seller").

In consideration of the terms and conditions contained in this Agreement, LSB and Seller agree as follows:

1. REPRESENTATIONS AND WARRANTIES

Seller makes the following representations and warranties:

- (a) That Seller is a (corporation) / (banking association) / (partnership) / (proprietorship) / (limited liability company/partnership) [cross out inapplicable choices] duly organized, validly existing and in good standing under the laws of the state of its formation or domicile or under Federal law; that Seller is authorized to do business in each state where it makes mortgage loans or where a property securing any of its mortgage loans is located; that all corporate or other actions and approvals necessary for the execution and performance of this Agreement have been taken and/or received; and that no consent from any third party is required for the execution, delivery and performance of this Agreement.
- (b) That, if required by applicable law, Seller is the holder of valid lender, broker or other applicable license(s) bearing number(s) _____ issued by the State(s) of _____, which Seller shall maintain in good standing throughout the term of this Agreement, and Seller is in compliance with any mortgage lender or broker or other laws applicable to its activities under this Agreement. Seller agrees to provide LSB with copies of all such license(s) upon request by LSB.
- (c) If Seller is a partnership, proprietorship or limited liability company that the owners, members and/or senior officers of Seller consent to allow LSB to periodically investigate their backgrounds. At LSB's discretion, the scope of such background checks may include, without limitation, obtaining credit bureau reports. Seller acknowledges and shall notify all such owners, members and/or senior officers of LSB's right to obtain updates to all such background information on a periodic basis and the aforesaid individual(s) will, upon written request by LSB, execute all documents or authorizations necessary to obtain such updates.
- (d) That Seller is thoroughly familiar with and will comply with all applicable Federal, State and local laws and regulations directly or indirectly relating to its activities under this Agreement (including, without limitation, involvement of individuals convicted of crimes involving dishonesty or breach of trust).
- (e) That Seller does not believe, nor does it have any reason or cause to believe, it cannot perform every covenant contained in this Agreement or continue to carry on its business substantially as now conducted; that Seller is solvent and the sale of Loans will not cause it to become insolvent; that no action, suit, proceeding or investigation pending or threatened against Seller (either alone or in the aggregate) may result in its inability to carry on its business substantially as now conducted; and that the sale of Loans under this Agreement is not undertaken with the intent to hinder, delay or defraud any of its creditors.
- (f) That Seller does not currently and will not in the future employ any entity or individual on the HUD, LDP, or the FHLMC exclusionary list or other such similar lists.
- (g) That neither this Agreement nor any statement, report or other information provided or to be provided pursuant to this Agreement (including, without limitation, the statements and information contained in the documentation for each Loan purchased by LSB) contains or will contain any misrepresentation or untrue statement of fact or omits or will omit to state a fact necessary to make the information not misleading.
- (h) That the documentation for each Loan sold to LSB shall be duly executed by the borrower(s) and shall create a valid and legally binding obligation of such borrower and if specified, a first lien on the property securing the Loan; that the Loan shall be fully enforceable and originated in accordance with acceptable standards as

defined by LSB, and if applicable, serviced in accordance with FNMA, FHLMC, or FHA requirements and industry standards; and subject to no defects, including, without limitation, damage to the property securing the loan, lien imperfections or environmental risk.

- (i) That Seller will immediately notify LSB if it (i) fails to maintain any licenses in violation of (b) above; and/or (ii) becomes subject to any enforcement and/or investigative proceeding by any licensing or regulatory authority or agency.
- (j) That Seller will promptly respond to or otherwise comply with LSB's reasonable request(s) for periodic financial statements of Seller and/or any of its principal owner(s) or members.

2. ADVERTISING

Seller may advertise to the public the availability of lending programs, but may not in any way identify LSB in any advertising unless otherwise required by applicable law and LSB has given its advance written approval, which may be withheld for any reason.

During the first twelve (12) months after the date any Loan is purchased by LSB, Seller represents and warrants that Seller, its employees, agents and/or affiliates will not, without the prior written consent of LSB, which may be withheld for any reason (a) use targeted advertising, solicit or otherwise directly encourage or incent the Loan mortgagor(s) to refinance such Loan.

3. TERM

This Agreement is for an initial one (1) year term and shall automatically renew for successive one-year terms, unless otherwise terminated pursuant to Section 5 of this Agreement.

4. RELATIONSHIP BETWEEN LSB AND SELLER

This Agreement will not create any agency between Seller and LSB. Seller shall conduct its business under this Agreement as an independent contractor and shall have the rights and responsibilities of an independent contractor.

LSB shall not be responsible for any actions or omissions by Seller. Seller agrees it does not have the authority, whether expressed or implied, to act on behalf of LSB and Seller further agrees that it will not represent, orally, in writing, by implication or otherwise, that it can act in any capacity on behalf of LSB.

LSB is not prescribing a marketing plan for Seller and exercises no control over the methods, operations and practices of Seller except as provided in this Agreement and the Manual (hereinafter defined). Seller understands that LSB may, from time to time, solicit borrowers for other products and services. Seller further understands that no compensation will be due Seller for any subsequent transactions between LSB and any such borrower.

Seller acknowledges it is not selling or distributing LSB services, and LSB has made no promise, representation or warranty regarding the profitability of any arrangement with Seller.

Seller acknowledges LSB will be providing Seller with valuable proprietary information ("Confidential Information"), including, without limitation, information regarding LSB's products, programs, underwriting policies, procedures and customers. Except as necessary to perform its obligations under this Agreement or as required by law, Seller will not disclose any Confidential Information to any person outside Seller's organization and will limit access to such Confidential Information within its organization on a strict "need to know" basis. Seller will require all of its employees, former employees, and other agents to meet its obligations under this Agreement regarding Confidential Information.

Specifically, Seller agrees that it is prohibited from disclosing or using any Confidential Information that LSB has provided (including without limitation any "nonpublic personal information" and any "personally identifiable

financial information" as those terms are defined in Section 573.3 of Title 12 of the Code of Federal Regulations) for any purpose other than to carry out the purposes for which LSB disclosed the information and that such information shall remain the sole property of LSB. Seller further agrees to maintain adequate security measures that are consistent with the foregoing provision regarding the security of the information provided by LSB and to provide to LSB upon request, copies of audits and/or test result information to assure LSB that said security measures are adequate. Seller further agrees to comply with any and all applicable Federal, state and local laws and regulations concerning privacy of information.

5. TERMINATION

LSB may immediately terminate this Agreement without notice and LSB then will have no further obligations under this Agreement upon (a) the failure of Seller to perform or abide by any term or obligation contained in this Agreement; (b) any representation or warranty made by Seller, its agents, employees, or any third party being found by LSB to be false or incorrect in any material respect; (c) commencement by or against Seller of any bankruptcy, insolvency or similar proceedings (whether voluntary or involuntary); (d) LSB's determination that Seller's actions contravene the terms of this Agreement or adversely impact LSB's activities or reputation; or (e) the failure of Loans sold or referred by Seller to LSB pursuant to this Agreement to satisfy LSB's expectations regarding loan quality and/or performance. Either party may terminate this Agreement for any other reason upon ten (10) days' prior written notice to the other. In the event of termination, Seller shall fully cooperate with and assist LSB in obtaining the documentation necessary to complete the processing and full resolution of all matters (including, without limitation, the delivery of all applications and/or closed loan documents) relating to registered applications eligible for closing and all closed loans.

6. ASSIGNMENT

Seller may not assign this Agreement or any of its responsibilities under this Agreement. LSB reserves the right, upon notice, to assign its obligations and responsibilities under this Agreement to any affiliated entity engaged in the business of residential financing.

7. NON-EXCLUSIVE AGREEMENT

Seller's rights under this Agreement are on a non-exclusive basis. LSB shall be free to market its products and services to, and to contract with, other parties and customers as it deems appropriate. Seller is under no obligation to submit or refer Loans for purchase by LSB and LSB is under no obligation to purchase Loans from Seller.

8. INDEMNIFICATION

Seller agrees to indemnify and hold LSB harmless from any and all claims, actions and costs, including reasonable attorneys' fees and costs, arising from Seller's performance or failure to perform under the terms of this Agreement or arising from Seller's advertisements, promotions or other activities. This indemnification shall extend to any action or inaction by employees, officers, agents, independent contractors or other representatives of Seller and shall survive the expiration and termination of this Agreement.

9. GOVERNING LAW

This Agreement shall be governed by the laws of the State of Ohio and applicable Federal law. Any action or proceeding brought with respect to this Agreement shall be brought in Clinton County, Ohio. The parties to this Agreement waive any and all personal jurisdiction and venue objections.

10. NOTICE

All notices shall be in writing and shall be sent by registered, certified or first-class mail, postage fully prepaid. All notices addressed to LSB should be sent to:

Liberty Savings Bank, FSB
3435 Airborne Rd, STE. B
Wilmington, OH 45177
Attention: Broker Approval

Or another address may be designated in writing by LSB from time to time.

All notices addressed to Seller should be sent to its office at:

Attention: _____
E-Mail Address: _____

or such other address as may be designated in writing by Seller from time to time.

11. ADVERSE ACTION NOTICE REQUIREMENTS

Seller agrees to provide adverse action notices as appropriate in accordance with the requirements of the Federal Equal Credit Opportunity Act and Federal Reserve Regulation B. In accordance with Regulation B §202.9(g), Seller agrees that in the event LSB reviews a loan application prior to closing by Seller and the application is not approved by LSB or Seller, Seller shall provide an adverse action notice and identify each creditor, including LSB, on whose behalf the notice was given.

12. MODIFICATION, MERGER, NO WAIVER OF RIGHTS

This Agreement may not be modified by Seller. This Agreement (including the Manual and all amendments and bulletins thereto) contains the entire agreement of the parties and supersedes all previous agreements (including all amendments thereto) between the parties hereto. Any representations, promises or agreements not contained in this Agreement shall have no effect. The failure of either party to exercise any right given to it under this Agreement or to insist on strict compliance of any obligation under this Agreement shall not constitute a waiver of any right, including the right to insist on strict compliance in the future. This Agreement may be changed by LSB with 10 day written notice to Seller.

In the event of a merger by and between Seller and another entity, the terms and conditions of this Agreement shall remain in effect for its successors and assigns. Seller may then continue to deliver new Loans to LSB under the terms of this Agreement with written approval by LSB which may be withheld for any reason. Seller agrees to provide LSB with any documentation required by LSB to give such approval.

13. CUSTOMER CONTACT

Prior to the purchase of the related Loan, LSB may contact any loan mortgagor if LSB considers such contact reasonably necessary and appropriate for processing the Loan purchase request.

14. ON-SITE REVIEW

Seller shall permit any employee or designated representative of LSB, at any reasonable time during regular business hours and upon reasonable advance written notice by LSB, to examine and make audits of any of the

processes implemented and documents kept by Seller regarding any Loan purchased by LSB pursuant to this Agreement and to reproduce and obtain copies of any such documents.

15. AUTHORITY TO EXECUTE AGREEMENT

Seller represents and warrants that it has all requisite power, authority and capacity to enter into this Agreement and to perform all obligations required of it hereunder. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have each been duly and validly authorized by all necessary action(s). Seller shall upon request by LSB, execute such supplemental resolutions, acknowledgements and/or certifications as may be reasonably necessary to evidence such power, authority and capacity.

16. PURCHASE AND SALE OF MORTGAGE LOANS

From time to time, Seller may sell to LSB, and LSB may purchase from Seller, one or more mortgage loans (collectively the “Loans” or individually a “Loan”) in accordance with the procedures and pursuant to the terms and conditions set forth in (a) the LSB Policies and Procedures Manual, as amended from time to time for each type of loan (collectively the “Manual”); and/or (b) this Agreement.

With respect to each Loan proposed to be sold by Seller to LSB, Seller will deliver to LSB certain loan documentation in accordance with the procedures and requirements set forth in the Manual. LSB may purchase Loans with or without a complete review of the corresponding Loan documentation. Notwithstanding, LSB’s review of, or failure to review, any Loan documentation shall not affect LSB’s rights to demand repurchase of a Loan or other relief provided by this Agreement.

For each Loan LSB agrees to purchase, LSB shall pay the amount agreed upon by LSB and Seller in accordance with the procedures set forth in the Manual (the “Purchase Price”). LSB may offset against the Purchase Price any outstanding fees or other amounts owing from Seller to LSB in connection with the particular purchase or other transactions.

As of the respective date LSB purchases each Loan, Seller hereby transfers to LSB all of Seller’s right, title and interest in, to and under the Loans, including, without limitation, all documents held or subsequently acquired by LSB relating to a particular Loan.

17. COSTS

Seller shall pay all costs and expenses incurred in connection with the transfer and delivery of Loans, including, without limitation, assignment preparation and recording fees, fees for title policy endorsements and continuations, and Seller’s attorneys’ fees.

18. EARLY PAYOFFS

The recapture period for any Loan exceeding FNMA/FHLMC conforming loan limits will be within twelve (12) months after the Loan close date. The recapture period for all other Loans will be one hundred-fifty (150) days after the Loan Close Date. LSB will require Seller to refund the following amounts.

1. All of the service release premium previously paid to Seller by LSB for the Loan; plus
2. The amount of the purchase price for the mortgage Loan in excess of par.

The early pay off does not apply if the Loan is refinanced by a third party other than the original seller.

19. TERMINATION

In the event of termination, LSB will process loan registrations made on or before termination date provided all such registrations comply in all material respects with LSB's loan origination and/or closing requirements related

to each such loan registration and that Seller is in compliance with Section 1 (Representations and Warranties) of this Agreement.

20. CURE OR REPURCHASE

If LSB, in its sole and exclusive discretion, determines any Loan purchased pursuant to this Agreement:

- (i) was originated in violation of any term or condition of this Agreement and/or the Manual and all amendments and bulletins thereto which was (or were) in effect as of the Loan closing date;
- (ii) was or is capable of being rescinded by the applicable mortgagor(s) pursuant to the provisions of any applicable Federal or state law or regulation including but not limited to the Federal Truth-In-Lending Act; and/or
- (iii) must be repurchased from any secondary market investor (including, without limitation, FNMA and FHLMC) due to a breach by Seller of any representation or warranty contained in this Agreement and/or the Manual and all amendments and bulletins thereto;

Seller will, upon notification by LSB and/or such secondary market investor (i) immediately correct or cure such defect within the time prescribed by LSB and/or any such secondary market investor; or (ii) repurchase such defective Loan from LSB or such secondary market investor at the price required by LSB or such secondary market investor (the "Repurchase Price"). If LSB or such secondary market investor requests such repurchase, Seller shall, within ten (10) business days of Seller's receipt of such repurchase request, pay to LSB and/or such secondary market investor the Repurchase Price by cashier's check or wire transfer of immediately available federal funds. If such defective Loan is owned by LSB at the time of repurchase by Seller, LSB shall, upon receipt of the Repurchase Price in immediately available funds, release to Seller the related Loan file and shall execute and deliver such instruments of transfer or assignment, in each case without recourse or warranty, as shall be necessary to vest in Seller or its designee title to the repurchased Loan.

Seller agrees and acknowledges that the provisions of this Section do not, in any way, eliminate, diminish or impair Seller's indemnification obligations contained in Section 8.

21. SOLICITATION

Seller understands that LSB, in the normal course of business, will solicit bank customers for all bank products and services. There is nothing in this Agreement or relationship with Seller that precludes LSB from doing so.

22. COMPLIANCE

At all times relevant to this Agreement, Seller agrees to be and remain, in compliance with all laws, rules, regulations, and/or provisions of (i) the Dodd/Frank Wall Street Reform and Consumer Protection Act; and (ii) the Federal Reserve Board, in each case as the same may be enacted and/or amended from time to time. Seller's failure to be and remain in compliance with this Section shall constitute a breach of this Agreement thereby entitling LSB to each and/or any remedy set forth in this Agreement and/or by law or in equity.

23. FEES

LSB fees to be paid to Seller are:

Clearly designate the appropriate fee and minimum option:	
<input type="checkbox"/> 1.00 %	<input type="checkbox"/> 2.00 %
<input type="checkbox"/> 1.25%	<input type="checkbox"/> 2.25%
<input type="checkbox"/> 1.50 %	<input type="checkbox"/> 2.50 %
<input type="checkbox"/> 1.75%	<input type="checkbox"/> 2.75%
And must choose a minimum of--	
<input type="checkbox"/> Opt Out of Minimum	<input type="checkbox"/> \$1000 <input type="checkbox"/> \$1500

The parties agree that these fees will remain in place for a period of three (3) months (1 calendar quarter) at which time such fees can be adjusted prior to the end of each quarter on a go forward basis by Seller completing, executing and delivering to LSB a Broker Comp Change Form, substantially in the form as attached hereto as Exhibit "A". Seller agrees that any such Broker Comp Change Form shall be fully completed and delivered to LSB ten (10) business days prior to the end of the current calendar quarter to be effective for the subsequent quarter.

NOTE: THE TEXT OF THIS AGREEMENT MAY NOT BE CHANGED IN ANY MANNER WHATSOEVER WITHOUT THE PRIOR WRITTEN CONSENT OF LIBERTY SAVINGS BANK, FSB, WHICH MAY BE WITHHELD FOR ANY REASON.

IN WITNESS WHEREOF, the parties have signed this Agreement as of the date set forth above.

LIBERTY SAVINGS BANK, FSB:

SELLER:

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Email: _____

Date: _____