

**Broker Agreement**

By virtue of its signature below, and, as of the date indicated below

\_\_\_\_\_ willfully represents and warrants to  
**(Company Name)**

FK Capital Fund, Inc. (FK) the following:

- Broker is licensed and/or legally permitted to participate in the business of brokering real estate loans and shall provide FK with all required/requested documentation supporting said assertion.
- Broker has and will comply with all local, state and federal laws and regulations as it relates to the conducting of its business.
- All documentation submitted to FK by Broker is, to the best of Brokers knowledge, true, complete and accurate.
- Broker hereby authorizes FK to forward to Broker any and all documentation via its facsimile number or e-mail address whether said documentation is or is not specific transaction related, including but not limited to any marketing material FK may choose to forward to Broker.
- Unless otherwise agreed upon by FK, FK is not responsible or liable for fees or commissions due to Broker from borrower.
- In the event any litigation is to materialize between FK and Broker both parties agree that said litigation shall be decided in a/the State of California system of jurisdiction and the prevailing party shall be entitled to receive all costs and fees due or incurred as a result of said litigation including but not limited to reasonable attorney fees.
- This agreement shall be governed by the laws of the State of California and all parties agree, by virtue of this agreement and execution thereof, to waive the right to a trial by jury should litigation result in the need for and of a trial.

**Please print the following clearly:**

Legal Company Name: \_\_\_\_\_

DBA (if different from above): \_\_\_\_\_

License #: \_\_\_\_\_ License Agency: \_\_\_\_\_

Printed Name: \_\_\_\_\_ Title: \_\_\_\_\_

Address: \_\_\_\_\_ City/State: \_\_\_\_\_ Zip: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

Email: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**FK Capital Fund, Inc.**



Nicholas Lekas, President

**“LOAN FRAUD” ZERO TOLERANCE ACKNOWLEDGEMENT**

All approved Brokers and Clients must be aware that the licensed real estate broker bears the responsibility for all actions of his or her employees or licensees. The broker is responsible for the content and quality of each application taken and each loan submitted to FK Capital Fund, Inc. The submission of a loan application containing false information is a crime.

**TYPES OF LOAN FRAUD** (including but not limited to):

1. Submission of inaccurate information, including false statements on loan application(s) and falsification of documents purporting to substantiate credit, employment, deposit and asset information including identity, rent roll, ownership/non-ownership of real property, etc.
2. Forgery of any documents.
3. Lack of due diligence by broker/loan office/processor, including failure to obtain all information required by the application and failure to request further information as dictated by Borrower's response to other questions.
4. Unquestioned acceptance of information or documentation, which is known, should be known, or should be suspected to be inaccurate.
5. Broker's non-disclosure of relevant information.

**CONSEQUENCES OF LOAN FRAUD**

"Loan Fraud" is costly to all parties involved. FK Capital Fund, Inc. stands behind the quality of its loan production. Fraudulent loans damage our reputation with our investors and customers. The price paid by those who participate in "Loan Fraud" is even more costly. Following is a list of a few of the potential consequences that may be incurred:

**CONSEQUENCES TO BROKER**

1. Criminal prosecution.
2. Loss of Real Estate Broker's License, NMLS or other professional license.
3. Loss of lender access due to exchange of information between lenders, mortgage insurance companies, including submission of information to investors (FHLMC/FNMA/GNMA), Police Agencies, and the Bureau of Real Estate.
4. Civil action by FK.
5. Civil action by applicant/Borrower.
6. Loss of approval status with FK.

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Initial