

EXCLUSIVE AGENT CONDITIONS OF LICENSURE

RECITALS

I. _____ (“Company”) is a licensed mortgage lender, mortgage broker, or mortgage lender and mortgage broker (“licensee”) under Chapter 16 of Title 6.2 (§ 6.2-1600 *et seq.*) of the Code of Virginia (“Chapter 16”), and the Company wishes to use the services of certain individuals (“exclusive agents”) in the conduct of its licensed business. The exclusive agents will negotiate, place, or find mortgage loans for others on behalf of the Company, but they are not employees of the Company.

II. Section 6.2-1601 A of the Code of Virginia provides that subject to such conditions as the State Corporation Commission (“Commission”) may prescribe, a licensee's exclusive agents may negotiate, place, or find mortgage loans without being licensed under Chapter 16 as mortgage brokers. The authority to prescribe such conditions has been delegated by the Commission to the Commissioner of Financial Institutions.

III. The conditions of licensure prescribed herein are designed to promote the purposes of Chapter 16 by (i) enabling the Commission to hold the Company accountable for its exclusive agents, and (ii) establishing limitations and other protections comparable to those applicable when individuals who are employees of a licensee engage in mortgage loan brokering activities on the licensee's behalf.

DEFINITIONS

“Employee” has the meaning set forth in § 6.2-1700 of the Code of Virginia.

“Mortgage loan” and “person” have the meanings set forth in § 6.2-1600 of the Code of Virginia.

“Mortgage loan brokering” means directly or indirectly negotiating, placing, or finding mortgage loans for others, or offering to negotiate, place, or find mortgage loans for others.

CONDITIONS

The following conditions of licensure are hereby prescribed pursuant to § 6.2-1601 A of the Code of Virginia:

1. Only the following individuals shall engage in mortgage loan brokering activities on behalf of the Company: (i) individuals who become and remain exclusive agents of the Company pursuant to a written agreement with the Company, and (ii) individuals who are employees of the Company.

EXCLUSIVE AGENT CONDITIONS OF LICENSURE

PAGE 2

2. When engaging in mortgage loan brokering activities, an exclusive agent shall act solely on behalf of the Company. Accordingly, an exclusive agent shall not engage in mortgage loan brokering activities on his or her own behalf or on behalf of any other person while he or she is an exclusive agent of the Company.
3. Each exclusive agent shall (i) be and remain licensed as a mortgage loan originator under Chapter 17 of Title 6.2 (§ 6.2-1700 *et seq.*) of the Code of Virginia (“Chapter 17”), and (ii) comply with Chapter 17 and the Commission's regulations governing mortgage loan originators, 10 VAC 5-161-10 *et seq.* (“MLO regulations”).
4. The acts and omissions of the exclusive agents in the course of their mortgage loan brokering activities shall be deemed acts and omissions of the Company.
5. The exclusive agents shall be covered by a surety bond that is continuously maintained by the Company in accordance with §§ 6.2-1604 and 6.2-1703 of the Code of Virginia and the Commission’s MLO regulations.
6. In addition to the grounds set forth in §§ 6.2-1619, 6.2-1622, and 6.2-1624 of the Code of Virginia, violation of any of these conditions of licensure shall be grounds for imposition upon the Company of any or all of the sanctions authorized by such statutes.
7. In the event of a conflict or inconsistency between these conditions of licensure and any written or verbal agreement or understanding between the Company and its exclusive agents, these conditions of licensure shall supersede and prevail over such conflicting or inconsistent agreement or understanding.
8. These conditions of licensure shall not be construed as superseding, waiving, or modifying any statute, regulation, or order that is applicable to the Company or its exclusive agents.
9. These conditions of licensure shall supersede and replace any conditions of licensure relating to exclusive agents that were previously agreed to by the Company.

E. J. Face, Jr. Date
Commissioner of Financial Institutions

EXCLUSIVE AGENT CONDITIONS OF LICENSURE
PAGE 3

AGREEMENT AND CERTIFICATION

The Company hereby agrees to the conditions of licensure prescribed above, and the undersigned certifies that he/she is duly authorized by the Company to execute this Exclusive Agent Conditions of Licensure.

Company Name (including any d/b/a)

Virginia License #

BY:

Signature

Title

Printed Name

Date

Sworn to and subscribed before me this _____ day of _____, _____.

Notary Public

Registration Number of Notary: _____

My Commission Expires: _____