STATE OF CALIFORNIA — BUSINESS, TRANSPORTATION AND HOUSING AGENCY ARNOLD SCHWARZENEGGER, *Governor*

DEPARTMENT OF REAL ESTATE
PO Box 187000
Sacramento, CA 95818-7000
916 227-0770

December 4, 2008

Frank M. Buda, Attorney
21243 Ventura Blvd Suite 102
Woodland Hills, California 91364

Re: Advance Fee Agreement

Dear Mr. Buda,

This letter will acknowledge our receipt of the advance fee agreement and accounting format you submitted on behalf of Broker Solutions Inc on November 14, 2008.

The Department has no objection to the broker's use of the advance fee agreement and accounting format **after the following corrections are made** and **a copy of the corrected agreement is sent to the Department**.

1. Include information specifying the date the broker agrees to complete the services such as "no later than 10 days from date of agreement" or "no later than 60 days from date of agreement", etc. If there is only one completion date for the services to be performed by the broker, then the trust funds must be held until all services are completed. If all of the described services are not completed, then none of the trust funds can be released to the broker or any other third party. The funds must revert back to the principal.

2. A copy of the verified accounting must be submitted for the Department's review. The accounting must include all of the items required by Regulations Sections 2970 and 2972.

Please note that any changes to the agreement or the accounting format must be submitted to the Department for review before it is used. Any promotional materials that the broker may subsequently wish to use will require our prior review, as well.

This letter does not constitute, nor may the broker make any representation that the Department of Real Estate has endorsed or approved any aspect of the broker's business activities.

Sincerely,

Sylvia I. Yrigollen
Senior Deputy Commissioner
Advance Fee Review Section

NOTE NEGOTIATION ADVANCE FEE AGREEMENT

_____ ("Debtor" or "You" or Your") and **Thebrokernetwork.com**. a registered d/b/a of Broker Solutions Inc., a California Department of Real Estate licensed entity, ("Brokernetwork" or "We" or "Us") having its principal place of business located at 17890 Sky Park Circle #100, Irvine California 92614, enter into this Note Negotiation Fee Agreement this _____day of _____, 2008, the terms of which are as follows:

WHEREAS, the Debtor is a homeowner whose mortgage loan note is subject to adjustment;

WHEREAS, the Debtor desires to modify the terms of their existing mortgage debt with _____ (Lender name, address and loan account #) currently secured by the real property owned by Debtor at _____(Debtor's ❒ Primary Home or ❒ Second Home);

WHEREAS, Broker Solutions Inc. d/b/a Thebrokernetwork.com, is a licensed Mortgage Broker (CA DRE# 01408363) and is in the business of assisting debtors in through negotiating a modification of their existing mortgage loan with their existing mortgage lender(s) where approved by Debtors current lender or alternatively placement of a new mortgage loan in place of their existing mortgage if Debtor and qualifies for such under currently offered lender loan programs; and;

WHEREAS, the Debtor desires Brokernetwork to assist in negotiating a reduction in their present loan note amount or elimination of the interest rate adjustment capability in the note or eliminate or postpone scheduled payments, any or all of which has occurred or is due to occur in the near future (the "Adjustment").

NOW THEREFORE, the Debtor and Brokernetwork agree as follows:

1. **DECLARATION REGARDING FORECLOSURE:** Brokernetwork has informed Debtor that we will not accept any fees in advance of services performed for any Debtor who's Lender has recorded with the county recorders office or court as the case may be, a Notice of Default against the Debtor's Property or if the Debtor's Property has been placed into Foreclosure. In entering into this Agreement, Debtor represents and warrants that the loan(s) and the securing real property that Debtor is seeking loan modification(s) for a loan that has not been placed into Foreclosure. In entering into this Agreement, Brokernetwork has relied in good faith upon this representation by Debtor.

2. **NOTICE:** California Civil Code Section 2945.4 prohibits any real estate licensee from claiming, demanding, charging, collecting or receiving any compensation from a person whose residence is in foreclosure until all of the promised services have been fully performed and completed. **DO NOT SIGN THIS AGREEMENT IF A NOTICE OF DEFAULT HAS BEEN RECORDED AGAINST THE PROPERTY.** _____**Initials** _____**Initials**.

   CLIENT (PRINCIPAL/PROPERTY OWNER) CERTIFIES THAT A NOTICE OF DEFAULT HAS NOT BEEN RECORDED AGAINST THE PROPERTY,
   _____**Initials** _____**Initials.**

3. **CONTRACT TERM:** This Agreement shall be effective and Brokernetwork shall begin performance of services upon all of the following conditions being met:

   a. Debtor executes and returns to a signed copy of this Debt Negotiation Fee Agreement to Brokernetwork who will countersign and return a copy to Debtor for their files,
   Debtor signs and returns the *Borrowers' Certification and Authorization to Release Information form* provided with this Agreement;
   b. Debtor provides to Brokernetwork all requested information concerning the existing mortgage loan(s) on Debtors real property;
   c. Debtor pays to Thebrokernetwork.com the advance fee of $2,995.00 as set forth in Section 4 of this Agreement;

This agreement shall terminate upon the sooner of completion of services as defined by this Agreement, in the event either party breaches the terms of this agreement and such breach is not cured with ten (10) days of notice thereof to the breaching party, or any time upon written notice of termination by Debtor or Brokernetwork to the other of intent to terminate this agreement.

4. **DEBTORS OBLIGATIONS:**

   a. The Debtor agrees to sign the attached *Borrowers' Certification and Authorization to Release Information* authorizing Brokernetwork to contact and negotiate on Debtor's behalf with Debtor's existing mortgage lender or in the alternative, allow Brokernetwork to seek a new loan opportunity on behalf of Debtor.

   a. Debtor agrees and acknowledges that time is of the essence and prompt and effective communication along with accurate information from Debtor is essential to the success of Brokernetwork's negotiations with Debtor's existing lenders. Debtor will promptly and clearly respond to any inquiries or proposals that Brokernetwork sends Debtor. Debtor's failure to cooperate with Brokernetwork in providing necessary information and documentation in a timely manner may prevent Brokernetwork from successfully completing services for Debtor. Such instance shall be considered a breach of this agreement for which Brokernetwork, in their sole discretion, may immediately terminate this Agreement.

   b. The Debtor will provide to Brokernetwork copies of all documents relating to their existing mortgage loan. Debtor further agrees provide any other documents that Brokernetwork may require to prepare the initial loan modification proposal.

   d. Once Brokernetwork contacts your existing lender(s) and presents to them the initial loan modification proposal package, Debtor agrees not to discuss or negotiate the loan modification terms independent of Brokernetwork. If Debtor continues to contact or negotiate with the existing mortgage lender after Brokernetwork submits the initial package which i) undermines or ii) intentionally acts in bad faith to prevent Brokernetwork from completion of services as outlined in this Agreement or iii) in the event Debtor intentionally acts in circumvention of this Agreement to independently negotiate a loan modification all or substantially all of which is based upon the Loan Modification Plan or new loan terms with an existing lender(s) or with a new lender prepared by Brokernetwork, Debtor will be obligated to pay Brokernetwork the full amount of the completion fee regardless of whether Brokernetwork actually completes the negotiation with the Lender(s).

5. **PAYMENT OF FEES*:**

a. The Debtor will pay to Brokernetwork for services rendered a fee of $2,995.00. Debtor agrees to pay the Brokernetwork an Advance Fee no later than 12:00 noon on the 3rd business day following the signing of this agreement. The Advance Fee will be placed on deposit with *Commercial Bank of California, 695 Town Center Drive, Suite 100, Costa Mesa, CA 92626 in trust account # 0001306687* for your benefit at, and shall be used only for payment to Brokernetwork for services actually rendered on your behalf as set forth in this Agreement. The advance service fees held in the trust account remain the property of the Debtor. Should this agreement be cancelled by either party and to the extent that any portion of the advance services fees are not expended for services specified in this agreement, Brokernetwork shall refund the unused portion of the service fee held in the trust account to the Debtor. Upon completion of each milestone as set forth in the table below, Brokernetwork shall have earned that portion of the Advance Fee indicated in the chart below. Debtor hereby authorizes Brokernetwork, upon completion of each milestone, to withdraw from the trust account that portion of the fee designated as earned at the conclusion of each milestone according to the table below. Upon payment at each milestone, Brokernetwork shall provide Debtor(s) a full accounting of the services performed on their behalf to date, the amount of the payment from the trust account and the balance remaining in the trust account for Debtor(s) benefit the form of which shall be in compliance with Business and Profession Code 10146 and Section 2972 of the Regulations of the Commissioner.

b. Any portion of the advance fee paid by Debtor that is unearned by Brokernetwork shall be refundable in the event this agreement is cancelled by either party. In the event the any portion of the services as set forth in this section 3(d)(2) below are not performed by Brokernetwork, Brokernetwork shall refund to Debtor(s) the total amount of the unearned fees held in trust for Debtor(s) not later than five (5) business days following Brokernetwork's cessation of work or receipt of Debtor(s) cancelation of contract and demand for a refund of fees for services not performed.

c. Payment, of fees as set forth herein, is due when the work is completed by Brokernetwork.

d. Debtor understands and agrees that third party fees may be incurred in addition to the fees Debtor paid to Brokernetwork in the event a new loan with an existing lender or new lender is established for Debtor. Such fees vary depending upon your lender or that of a new lender as the case may be and may include, but are not limited to, appraisal fees, property inspection fees, credit history reporting fees, loan fees, title fees, document recording fees and escrow fees, all of which, if applicable to your transaction, will be disclosed by your Lender(s) prior to the close of any transaction. Debtor shall be solely responsible for such third party fees and shall be paid by Debtor directly to such third party.

{This Section Intentionally Left Blank}

6. **BROKERNETWORK SERVICES:**

All services performed by Brokernetwork shall be completed on or before midnight of the 180th day following Debtor's execution of this Agreement. Brokernetwork agrees to only disburse the advance fee to fund specified services for the Debtor's benefit. The services to be performed by the Brokernetwork shall consist of the following:

I. Educate borrower regarding the loan modification process. {See Section 6c below}

Brokernetwork agrees to the following completion date: no later than 10 days from the date of the agreement.

II. Contact Lender to determine specific requirements to complete the loan modification submission for borrower. {See Section 6d below}

Brokernetwork agrees to the following completion date: no later than 14 days from the date of the agreement.

III. Verify asset and income documentation, assemble package on behalf of borrower complete with all lender specific components. {See Section 6d and 6e below}

Brokernetwork agrees to the following completion date: no later than 21 days from the date of the agreement.

IV. Submit package to investor and follow up to confirm receipt. {See Section 6h below}

Brokernetwork agrees to the following completion date: no later than 35 days from the date of the agreement.

V. Follow up through queue disposition until submitted with negotiator. {See Section 6g and 6h below}

Brokernetwork agrees to the following completion date: no later than 63 days from the date of the agreement.

VI. Facilitate acquisition and submission of required follow up documents. {See Section 6e through 6h below}

Brokernetwork agrees to the following completion date: no later than 77 days from the date of the agreement.

VII. Present Lender offer to borrower and assist Customer with document signing. {See Section 6k below}

Brokernetwork agrees to the following completion date: no later than 84 days from the date of the agreement.

a. The advance fee of $2,995.00 shall be apportioned and disbursed as follows:
10% to be disbursed upon completion of (I) above;
15% to be disbursed upon completion of (II) above;
10% to be disbursed upon completion of (III) above;
15% to be disbursed upon completion of (IV) above.
15% to be disbursed upon completion of (V) above;
15% to be disbursed upon completion of (VI) above; and
20% to be disbursed upon completion of (VII) above.

b. For the purposes of this Agreement, a successful conclusion of services shall be defined as a result where Brokernetwork receives Lender's final refusal to negotiate the note or in the event Brokernetwork receives Lender's acceptance of the Loan Modification Plan Proposal and/or any amendment thereof which occurred during negotiations on the condition that (i)

the negotiated modification is of Debtor's current mortgage loan(s) on terms favorable to Debtor(s) and Debtor(s) approve the plan with the Lender(s) and/or (ii) Brokernetwork is able to obtain a new mortgage loan on terms more favorable to Debtor(s) than the existing mortgage(s), the terms of which have been approved by Debtor(s).

c. The Brokernetwork will educate the Debtor on how the loan modification process is structured. Many Debtors are not aware of how a loan modification is processed. Educating the debtor is a time consuming a crucial part of the loan modification process.

d. The Brokernetwork determines what lender specific documentation is needed from the Debtors current lender. Most lenders of specific requirements for the loan modification process. The Brokernetwork must contact the Debtors lender and gather all requirements for a successful initial submission. Lenders can change requirements which can increase this tasks workload.

e. Brokernetwork will review and analyze Debtors existing loan obligations, provide a current property market evaluation, review Debtors worksheet and any other supporting documentation provided by debtor within three weeks following receive of all documentation from Debtor.

f. Based upon the representations of Debtor and the information gathered, Brokernetwork will formulate a proposal regarding an appropriate loan modification adjustment to the existing mortgage loans for Debtor's approval.

g. Brokernetwork will assist Debtor by supplying the appropriate information to your lender to negotiate the appropriate measures to modify the term(s) of your mortgage ("Initial Package") and our negotiation staff will apply proven strategies in order to secure a fair and beneficial loan modification from your lender. These strategies may include a proposal to lower the interest rate, lower the principal balance, and/or extend the term of the loan resulting in lower payments.

h. Brokernetwork agrees to submit the Loan Modification Plan proposal package to the existing mortgage lender(s) at the earliest opportunity per the terms of this Agreement.

i. Within the scope of authority granted by Debtor to Brokernetwork, we will act as an intermediary between Debtor and the current lender(s) to negotiate the terms of the loan modification proposal.

j. Brokernetwork will promptly pass on to Debtor all communications from lenders, potential lenders, title insurance companies and escrow companies, among others.

k. Brokernetwork will assist Debtor in completing necessary documentation relating to the loan modification once approved by the lender(s).

7. **LEGAL AND ACCOUNTING:** Debtor understands that Thebrokernetwork.com is not an attorney or an accountant and will not be responsible for providing Debtor any income tax, local recording tax, legal or accounting issues that might arise as a result of Brokernetwork's negotiations on behalf of the Debtor. Debtor is advised to seek independent legal and accounting counsel regarding such questions or concerns.

8. **INDEMNIFICATION:** Debtor shall hold Brokernetwork, its employees, officers, directors, and agents harmless from any claim, suit, action or demand made by any of my creditors and any other person, which in any manner arising from any false or incorrect statement in the materials that Debtor provides to Brokernetwork or which may arise from Debtor's creditors in connections with any services rendered by Brokernetwork in reliance upon any false representation or fraudulent omission of material facts by Debtor.

9. **BROKERNETWORK DOES NOT GUARANTY IT WILL BE SUCCESSFUL IN ITS ATTEMPTS TO NEGOTIATE A MODIFICATION OF AN EXISTING LOAN OR A NEW LOAN ON YOUR BEHALF OR THAT THAT WE CAN SUCCESSFULLY ASSIST YOU IN ANY WAY, INCLUDING BUT NOT LIMITED TO THE PREVENTION OF FORECLOSURE OR NEGATIVE CREDIT HISTORY REPORTING.** Brokernetwork shall use commercially reasonable efforts on behalf of Debtor to negotiate an amendment to the Adjustment or to obtain a commitment for an acceptable new mortgage loan for Debtor. Brokernetwork will not be responsible for any consequential or punitive damages that might result to Debtor if Brokernetwork is unable to amend the loan or obtain a new loan for Debtor.

10. **GOVERNING LAW AND VENUE:** The Agreement will be interpreted in accordance with the laws of the State of California, without regard to the conflicts of laws principles thereof. Brokernetwork and Debtor agree that any and all disputes, claims or controversies arising out of or relating to the Agreement that are not resolved by their mutual agreement, whether based on contractual or tort claims, shall be brought in the Superior Court of California, County of Orange and Brokernetwork and Debtor agree to waive any objection to such an action based on personal jurisdiction, venue or inconvenient forum. If any litigation proceeding is commenced in connection with this Agreement, the prevailing party will be entitled to reasonable attorney fees, costs and necessary disbursements incurred in such action or proceeding, as determined by the court.

11. **MISCELLANEOUS:**

    a. The term Debtor shall refer to all listed parties existing on title to the real property in the event such property is owned jointly or as community property or if there is more than one Debtor or a Debtor and a guarantor on the existing mortgage note.

    b. The terms of this Fee Agreement apply only to first mortgage loans secured by residential real property that the Debtor uses as a principal residence or a secondary residence. The terms of this Fee Agreement will not apply to rental real estate or to commercial property.

    c. This Agreement and the attached *Borrowers' Certification and Authorization to Release Information* may be signed in counterparts, including electronically transmitted counterparts, each of which shall be treated as an original and together shall be treated as a single agreement.

    d. **NOTICE: THE AMOUNT OR RATE OF FEES SPECIFIED IN THIS AGREEMENT FOR SERVICES IS NOT FIXED BY THE CALIFORNIA LAW. FEES ARE SET BY EACH BROKER INDIVIDUALLY AND ARE SUBJECT TO NEGOTIATION BETWEEN THE CLIENT (PRINCIPAL) AND THE BROKER.**

IN WITNESS WHEREOF, the Debtor and Thebrokernetwork.com have entered into this Note Negotiation Fee Agreement as of

Dated:_____

THEBROKERNETWORK:

By: _____
Vincent Theodore Paglia
Designated Officer,
Broker Solutions Inc.
dba Thebrokernetwork.com

Dated:_____

Debtor(s):

_____
Signature:

_____
Signature

Address:

Address:

Broker Solutions Inc. dba Thebrokernetwork.com
California DRE License #01408363
Vincent Theodore Paglia, Designated Officer
California DRE License # 00241916
17890 Sky Park Circle, #100
Irvine, CA 92614
1-800-426-5626
949-502-6550 (fax)

_____

_____

_____

Thebrokernetwork.com - Verified Accounting

Advance Fees are deposited into a Trust Account Maintained at Commercial Bank of California - Account No. 0001306687

Client/Property Owner (s): Matt Smith
Mailing Address:
Phone Number:
Property Address:
Advance Fee Collected: $2,500.00
Service to be Rendered: Loan Modification

Lender - 1st TD:
1st TD Loan No:
Lender's Address:
Lender - 2nd TD:
2ndTD Loan No:
Lender's Address:

Date of Deposit or Date of Disbursement/Activity	*Received From or Paid To*	*Description of Service Provided*	*Check Number or Receipt Number*	*Amount Received*	*Amount Disbursed*	*Account Balance*
11/13/08	Matt	Advance Fee Deposit	123	2,500.00		2,500.00
12/18/08		Submitted Package to Lender				

I certify that the above accountings are true and accurate:

Dated: _____

_____
Vincent Theodore Paglia, Designated Officer for
Broker Solutions Inc., D.B.A. Thebrokernetwork.com