

Employee Handbook

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Section 1. WELCOME

Welcome Aboard!

We're on an adventure to make the most of life. We believe that we can make the most of life through work by providing opportunities to learn, grow in responsibility, contribute to others, and develop meaningful relationships.

We are grateful that you have decided to be a part of this journey.

We would like to take this opportunity to personally welcome you and introduce you to some of our policies and procedures.

Again, welcome to our team. We're proud to have you with us.

Sincerely,

Richard A. Weidel III, CEO

Employee Handbook

This employee handbook has been prepared to help familiarize all employees with some of PMC's guidelines, policies and procedures. It also outlines many of the benefits and services provided to you as an employee. This handbook does not include all Company guidelines, policies and procedures. Should you have any questions, please discuss them with your immediate Manager or the President.

PMC reserves the right to revise its policies, programs and benefit plans at any time, without advance notice. PMC also reserves the right to make individual exceptions to these policies and procedures. Any exception granted by PMC is not intended to prevent and does not restrict its right to insist on adherence to the policy or practice in the future. Violation of any of PMC's policies and/or procedures may result in disciplinary action up to and including termination.

Employment Status

The policies and procedures presented in this handbook are in no way to be interpreted or construed as a contract of employment or guarantees of continued employment for any specific period of time. No verbal communication or written document will provide such a contract, assurance, or guarantee unless specified in writing and signed by a Company official who is authorized to enter into such agreement.

Your compensation, hours of employment, and all other terms and conditions of employment are subject to modification by PMC at its discretion. This information is confidential and should never be discussed with another employee.

We recognize that you have voluntarily joined PMC, your employment is "at will", and that you are free to discontinue your employment at any time and for any reason. PMC reserves a similar right. Therefore, both you and PMC have the right to terminate your employment at any time, with or without advance notice and with or without cause.

An employee providing false, incomplete or misleading information on the employment application or at any time in the employment process will be subject to immediate dismissal.

Evaluation Period

The first three (3) months of employment is considered an evaluation period. During this time a manager will continuously evaluate the employee's performance, attendance, attitude, and conduct to determine compatibility with the requirements of the position. Should an employee's performance, attendance, attitude, or conduct not meet the Standards, they will be released from employment. Release or voluntary resignation during this period will not have an adverse effect on an employee's records.

Section 2. OPERATING

1. Standards of Conduct

PMC is committed to conducting its business affairs honestly and with integrity. This commitment applies to our relationships with competitors, customers, vendors and employees. Each employee must maintain the highest standards of personal and professional ethics. These rules, practices and policies concerning conduct and behavior ("Standards") are instrumental to the continued success of PMC.

An employee should not conduct business that is not in the full spirit of honest and ethical behavior, nor should an employee cause another employee, or non-employee, to act or behave in such a manner, either through inducement, suggestion, or coercion. Furthermore, an employee should not furnish Company, employee or competitor information to any individual, business or entity without first consulting with and acquiring the approval of their manager.

Each employee is expected to report dishonest activities by other employees to their manager. Failure to report such activities is considered a violation of the Standards. Knowingly submitting false information is also considered a violation of the Standards.

Initiating or encouraging reprisal action against an employee or other person who, in good faith, reports known, or suspected Standards violations is prohibited.

2. Employee Responsibilities

Employee must know, remain familiar with, and comply with all applicable laws, regulations and industry standards, as well as all company rules, procedures and policies. Employee is responsible for abiding by all lending laws and may not mislead, alter, falsify or fraudulently change any documentation or commit fraud in any manner with relation to any loan file at any stage of the loan process. Employee may not steer customers to loans in order to increase or maximize personal compensation. Employee should have a good faith belief that the loan product is in the customer's best interest. Employee may not assist a customer in closing a loan if Employee has sufficient reason to believe the customer has provided materially false information in connection with the mortgage application.

Employee shall immediately report any Employee conduct in violation of these responsibilities which s/he becomes aware to the head of People Operations or the CEO.

Employee shall immediately report any loan misrepresentation or red flag concerns in which s/he becomes aware to compliance@princetonmortgage.com.

Employee must immediately report to the Head of People Ops or CEO, any lawsuits, complaints, investigations or other similar actions which involve Employee's duties on behalf of the Employer and/or which could potentially affect Employee's licensing status or ability to perform his/her job for the Employer.

All marketing, use of the Employer's name or a facsimile of in any marketing, advertising of a product sold by the Employer, representations on behalf of the Employer on any social networking, blog or Internet site concerning the Employer, or its products and/or services must be done so in accordance with all laws, regulations, and company Policies and Guidelines.

3. Responsibilities specific to Loan Originator

In addition to the above Employee Responsibilities, Loan Originator must at all times be able to meet any and all applicable qualifications and standards required for Loan Officer licensure under the Secure and Fair Enforcement for Mortgage Licensing Act ("SAFE Act"). Employee must remain current on any and all applicable registration, licensing and training obligations required under the SAFE Act, any amendments thereto, and/or any other state, federal or local laws pertaining to loan officer certification or standards. Employee is not entitled to commission on any loan originated at any time when Employee was not properly licensed. Employee may only originate loans in the state where s/he is licensed and Employee and/or his/her Branch are physically located.

4. Employee Conduct and Work Performance

Employees are expected to conduct themselves in a professional manner at all times; demonstrating a positive attitude, respect for co-workers, our customers and their property.

The following guidelines have been developed to communicate the Standards of PMC. Each employee is expected to:

- Report to work punctually, as scheduled, and be at the assigned work station, ready for work, at the assigned starting time;
- Notify the appropriate manager when unable to report to work, or unable to report for work on time;
- Actively work during all work hours;
- Comply with all performance/conduct and safety/security policies and procedures;
- Wear appropriate business attire for and in accordance with the work being performed;
- Perform assigned tasks efficiently and correctly;
- Address fellow employees, customers and visitors in a professional, courteous and respectful manner;
- Maintain work place and work area cleanliness;
- Refrain from behavior or conduct deemed offensive or undesirable;
- Obtain approval from a manager before removing any Company property for Company or personal use.
- Limit Personal telephone calls to a minimum during business hours.
- Limit Internet Activity to Business Related tasks.

As our workforce continues to operate with some or all employees working at locations other than PMC offices, the following expectations for employees are being clarified to avoid issues that may cause disruption to the workday and/or during virtual meetings.

General Remote Work Expectations

- Remote employees are expected to be available and communicative during scheduled work hours.
- PMC work rules and other policies continue to apply to offsite work locations.
- Consumption of alcohol during work hours is never acceptable.
- Employees should seek a quiet and distraction-free working space, to the extent possible.
- Employees are expected to maintain their workspace in a safe manner, free from safety hazards.

Virtual Meetings

- While distractions are often unavoidable, try to keep them to a minimum. No music or television in the background during meetings.
- Turning on video is strongly encouraged.
- Smoking or vaping is not permitted during a video conference.
- Casual dress is acceptable; however, use discretion. No pajamas or other apparel that would not be appropriate to wear outside of your home.
- Avoid multi-tasking. Give you full attention to the meeting as if you were face-to-face.

The following definitions and classifications are examples of violations for which corrective counseling or other disciplinary action may be taken.

Examples of performance issues include, but are not limited to:

- Excessive absenteeism, tardiness or failure to come to work;
- Failure to meet performance and work quality standards;
- Abusive or unauthorized use of Company supplies and equipment;
- Failure to adhere to safety/security regulations, procedures and policies;
- Reckless driving on Company property;
- Failure to immediately report an accident or job-related injury.

Examples of inappropriate behavior and misconduct include, but are not limited to:

- Reporting to work intoxicated / under the influence of alcohol or non-prescribed drugs;
- Irresponsible use of alcoholic beverages on Company property or while representing the Company;
- Consumption of alcoholic beverages while engaged in Company business, except where authorized;
- Falsifying employment or any other Company records;
- Submitting a fraudulent injury claim;
- Failure to maintain the confidentiality of Company information or business records;
- Discrimination;
- Harassment, sexual or otherwise;
- Solicitation of outside work from customers;
- Fighting or otherwise physically assaulting another employee, customer or vendor;

- Use of obscene, abusive, or threatening language and/or gestures;
- Theft or misappropriation of property from co-workers, customers, PMC or visitors of PMC;
- Misuse, abuse or destruction of Company property;
- Gambling on Company property;
- Possession, sale or use of firearms or other weapons on Company premises or while on Company business;
- Refusal to follow management's directions or instructions concerning any job-related function;
- Insubordination;
- Deliberate concealment of another employee's misconduct;
- Posting, removing or defacing notices, signs or writings on Company property without proper permission;
- Embezzlement/theft of any money or property belonging to PMC;
- Violation of or failure to adhere to the rules of operation or conduct established by PMC;
- Any behavior or practice, whether or not mentioned in this Handbook, inconsistent with the ordinary and reasonable conduct necessary for a productive work atmosphere.

Examples of inappropriate social media behavior and misconduct include, but are not limited to:

- Posting sensitive, private or confidential company information on any social media platforms
- Disrespecting customer privacy, posting or sharing personal customer information on any social media platforms
- Posting negative comments about coworkers on any social media platforms
- Posting comments about a coworker, customer or vendor that could be perceived as harassing, threatening, retaliatory or discriminatory on any social media platforms
- Posting content that disrespects CFPB guidelines, disclosures, and triggering terms

From time to time, each employee's performance will be evaluated. A sample performance evaluation is included in the appendix of this handbook. This sample evaluation is intended only as a guide. PMC, at its sole discretion, reserves the right to modify all evaluation forms. PMC also reserves the right to utilize other performance evaluation forms or methods.

5. Availability for Work

Employees are hired, in part, based on their availability to work. If, for any reason, there is a change in an employee's availability, PMC should be notified in writing at least ten days prior to the change. PMC will make a reasonable attempt to modify, temporarily, the employee's work schedule if possible. New work schedule must be approved by immediate manager.

It is expected that Employees should be available to assist customers from the hours of 8:30am – 5:00pm Eastern, unless other hours are requested by your immediate manager. The normal work week total hours are 40.00. Any additional overtime should be approved by your immediate supervisor in advance.

6. Absenteeism and Punctuality

Employees must notify the proper management personnel when they will be absent from or late to work. In the event of an unexpected emergency, management should be notified as early as possible.

Calls from individuals other than the employee will not be accepted as appropriate notice unless approved by management.

7. Personal Appearance

Employees are expected to dress appropriately for their position and work environment. If you have any questions concerning appropriate attire, contact your manager.

A neat appearance is required in line with the core values of Princeton.

All employees are required to maintain high standards relating to personal hygiene including regular bathing, clean hands and fingernails. The use of colognes for both men and women, and cosmetics for women (including hair coloring, nail polish, face makeup) should be subtle and in good taste.

If you have any questions about these standards or difficulty in meeting them, you are encouraged to discuss your concerns with your supervisor.

8. Neatness of Work Area

It is PMC's policy to keep all areas of the business neat, clean and professional in appearance. Each employee is responsible for keeping his/her personal work area clean and uncluttered.

Inappropriate or distasteful pictures, posters or calendars are not permitted to be visible in meetings or on company property.

9. Communication – Problem Resolution

The cornerstone of effective communication is the employee-supervisor relationship. If an employee has a problem or concern, he or she should discuss it with their immediate supervisor.

If, after discussing the problem or concern with the supervisor, the employee feels that their problem or concern was not properly addressed, they should contact their supervisor's immediate manager, CEO, or Head of People Operations.

10. Employee Relations

Having complete confidence in its management staff and employees, PMC is confident that any issues that arise in the workplace will be handled fairly and professionally without the intervention of outside parties.

11. Disciplinary Guidelines

An employee's failure to follow these rules, practices, policies, guidelines or other Company standards or policies not specifically mentioned in this Handbook will result in disciplinary action. Any action taken will be at the sole discretion of PMC. Disciplinary action options include informal or verbal counseling, written counseling, suspension, and termination of employment.

12. Use of Personal Vehicles

Employees using their personal vehicles for company business when authorized to do so, will be reimbursed at current IRS guidelines or as per the terms of an employment agreement.

13. Conflicts of Interest

A conflict of interest exists when an employee engages in any activity that may compromise him/her, another employee, PMC or PMC's relationship with a customer, vendor, or competitor. Potential conflicts of interest with a customer, vendor, or competitor may include soliciting business for personal gain, accepting gifts other than those of nominal value, requesting favors, discounts, or services.

Employees are required to disclose any potential conflict of interest. Failure to disclose a potential conflict of interest or engaging in a practice determined to be a conflict of interest may result in disciplinary action up to and including termination.

14. Confidentiality of Company Information

Safeguarding PMC's confidential information, including systems, software, procedures and technology is essential. Caution and discretion are required in the use of such information. Confidential information should be shared only with those in PMC having a legitimate business need to know.

Confidential information obtained as a result of employment with PMC is not to be used for personal gain. Unauthorized use or disclosure of confidential information can result in civil and/or criminal penalties, for both the employee and PMC.

Employee should maintain physical control (locked cabinet) of any hard copy company information whether on company property or remote work environment.

Inquiries regarding current or former employees should be referred to our CEO, Head of People Ops, or their designee.

15. Safety

Great care has been taken to provide a safe workplace, including monitoring and complying with both federal and state laws and regulations.

Specific safety and health rules will be posted. All employees are required to be familiar with PMC's safety rules and/or policies. Each employee is responsible for remaining aware of and following safe working practices/procedures. Failure to follow safety and health rules may result in disciplinary action up to and including termination.

A brief review of these guidelines:

- Report any unsafe conditions or practices immediately to your supervisor;
- Report all personal injuries to your supervisor immediately;
- Alert your supervisor if you become sick while at work;
- Employees are required to keep their work area clean and free from hazard;
- Never remove guards or safety devices from equipment. Report any broken or missing devices immediately;
- Smoking is prohibited except in designated areas.

16. Violence and Weapons Policy

Any and all acts or threats of violence by or against any Company employee, customer, vendor, or other visitor to PMC's facilities are strictly prohibited. This policy applies to all Company employees whether on or off Company property.

Possession or use of any and all weapons, including but not limited to, knives, handguns and martial arts weapons, regardless of licensure or concealment, is prohibited on Company property. The exceptions to this policy: contracted, licensed security officers and law enforcement officers.

Company employees are prohibited from possessing or using a weapon of any type while conducting off-site business on behalf of PMC.

17. Workplace Monitoring and Searching

Company property, including but not limited to, desks, computers, files, e-mail, and other property owned or operated by PMC is subject to monitoring, interception and review. Reasons for monitoring, interception and review include, but are not limited to, theft investigation, improper disclosure of confidential or proprietary information, personal abuse or monitoring workflow and productivity.

Computers, e-mail and other communications systems are to be used for business purposes only.

Any attempt to gain access to restricted files by use of unauthorized codes or passwords is prohibited and will subject the employee to disciplinary action up to and including termination.

All communications conducted with Company resources, including e-mail, are subject to monitoring and review at any time.

Employee has no expectation of privacy by utilizing Company property.

PMC retains the right to conduct searches of Company property at any time. A search of Company property is not an allegation or accusation of criminal conduct.

PMC also retains the right to search any locked or secured areas on the premises. This includes the use of computer pass codes, which must be available to PMC at all times.

When PMC determines the safety of individuals or Company property may be at risk, PMC may, at its sole discretion, conduct unannounced searches of Company property as well as an employee's personal property on Company premises. Employees are expected to cooperate when searches are conducted. Searches may occur at any time.

18. Substance Abuse

Each employee is required to perform his/her duties unimpaired by any legal or illegal substance. Substance abuse includes the possession, use, purchase, manufacture or sale of drugs and/or alcohol on company property. Substance abuse also includes reporting to work under the influence of drugs or alcohol. Violation of this policy will result in disciplinary action up to and including termination.

Any employee reporting to work impaired will not be allowed to work and will be subject to drug and/or alcohol testing. Employees who voluntarily admit to substance abuse problems, prior to PMC identifying a problem, and request assistance from a rehabilitation program will be granted an unpaid leave of absence, up to three months, to participate in the rehabilitation program. A leave of absence for this purpose will be available one time only and will be conditional upon the employee's full compliance with the terms of the rehabilitation program. Any benefits for which the employee may have been eligible will continue in accordance with the Leave of Absence Policy. However, seniority will not continue to accrue for benefits Eligibility purposes during the rehabilitation period.

Legally prescribed medications/drugs may be taken during working hours. Employees should notify their supervisors if the use of prescribed medications/drugs might affect their performance. Abuse of prescription medications/drugs will not be tolerated.

PMC may conduct pre-employment screening examinations designed to prevent the hiring of individuals who use illegal drugs.

In certain jobs or positions, an employee's use of alcohol and/or drugs can pose a significantly higher risk to the safety of the employee, co-workers, or Company property. Accordingly, as a condition of employment, applicants for these designated positions may be required to take a pre-employment physical, including a test for the presence of illegal drugs or alcohol. Refusal to submit to the test within the time specified may result in termination of the application process.

PMC will also conduct drug and alcohol testing if and when there is reasonable cause to suspect an employee is under the influence of drugs and/or alcohol while on Company property. An employee's refusal to submit to the test at the time requested may result in disciplinary action up to and including termination.

Any employee involved in a work-related accident may, at PMC's discretion, be required to consent and submit to a drug and/or alcohol test(s) immediately thereafter, but in no case later than thirty-two (32) hours after the accident. If, due to injuries, the employee cannot submit to testing within the prescribed time, the employee will provide PMC with necessary authorization required to obtain hospital reports and other documents that would indicate the presence or non-presence of any drugs and/or alcohol in the employee's system at the time of the accident.

PMC may report information with regards to possession, distribution, or use of illegal drugs to law enforcement officials. Also, any suspect substances found during a search of Company property or an employee's personal property on Company premises may be turned over to law enforcement officials. Employees convicted of drug or alcohol involvement may be in violation of PMC Substance Abuse Policy.

Company, customer, or supplier sponsored activities which may include the service of alcoholic beverages are not included in this policy. However, all employees are viewed as representatives of PMC, whether at work or participating in these events. PMC expects that such consumption will be in moderation so as not to reflect negatively on PMC's professional reputation or expose PMC to undue legal liability. An employee should not operate a motor vehicle or otherwise engage in any hazardous activity if the alcohol consumed would impair their ability to safely perform those functions.

19. Solicitations and Contributions

Solicitation and distribution of materials on Company premises is prohibited without the prior approval of management. Employees may request permission to solicit other employees during non-working hours and in non-working areas of PMC.

Any request to solicit or sell on Company premises must be referred to your supervisor, manager or CEO for approval prior to solicitation. Management may designate a time and area in which solicitation may occur.

20. Company Property

All desks, file cabinets, computers, furniture, etc. are the property of PMC and must be accessible to management at all times. The use of personal locks on Company offices, furniture, file cabinets or other property is not permitted.

PMC assumes no liability for personal property including electronic equipment, tools, toolboxes, etc. brought onto Company premises or parking lots.

21. Office Equipment

Fax machines, copiers, computers, and other office equipment are for Company business use only and should not be removed from the premises without the expressed consent of PMC.

22. Tools and Equipment

PMC provides specialized equipment when needed. Much of this equipment is designed to perform a specific task easier and faster than it could be done manually. This equipment should only be used for the purpose designed.

Any employee abusing Company tools and equipment will be subject to disciplinary action, up to and including termination.

23. Mandatory Meetings

Employees are required to attend periodic employee meetings. These meetings are held to discuss team performance, policies, procedures, new products, events, promotions, etc.

24. Personal Telephone Calls

We must maintain communications with our customers and business associates. Since the telephone is our primary method of communication, it is necessary to limit its use to Company business only. Accordingly, the telephones should not be used for personal telephone calls except in cases of emergency.

Except in the case of an emergency, employees are asked to discourage friends and relatives from calling them at work. Personal phone calls should be made during lunch or break periods.

25. Personal Mail

Employees should not use PMC's address for personal business including the delivery of personal mail.

Company stationary should not be used for personal correspondence. Any communication sent out on Company stationary must be official Company business.

26. Severe Weather

When weather conditions create dangerous travel conditions to and from the PMC offices, the following practices and policies will prevail:

Management will decide then communicate via the best available method by 8:30 AM Eastern the opening and/or closing status of the office.

If open and the employee chooses to delay or not to travel to the office, there will be no compensation for the time lost.

If it is a delayed opening, the employee will be compensated for the entire day.

If the office closes early, the employee will be compensated for the entire day.

If open and the employee departs early, the employee will not be compensated for the time lost unless Management approves the early departure contingent upon the associate bringing work home for completion.

27. Suggestions

Employees are encouraged to submit suggestions concerning quality, working conditions, procedures, sales, marketing and policies. Refer to the Idea Board at <https://suggestionox.com/r/PMC>

Section 3. EMPLOYMENT

1. Orientation

New employees will be required to provide documentation of identity and employment eligibility in accordance with federal law. On the first day of work you will be required to fill out the following forms:

- Personal Information
- Emergency Information
- I-9 with Proper Identification
- W-4 for Payroll withholding purposes
- Direct Deposit form if desired
- Insurance Waiver Form

Specific employees filing an application for employment may be required to consent to a credit and background check

Once received by the H.R. department an individual file is maintained for each employee and any changes will have to be requested in writing.

New employees will receive a copy of the employee handbook on their first day of employment. They are to be given the opportunity to read the entire handbook and once completed, sign the acknowledgment of understanding form. The signed acknowledgment of understanding form will be placed in their personnel folder.

2. Equal Employment Opportunity

PMC (the "Company") is an equal opportunity employer and is committed to equal opportunity without regard to race, religion, color, sex, age, national origin, citizenship, disability or any other basis of discrimination prohibited by applicable local, state or federal law.

In addition to compliance with federal EEO statutes, PMC complies with applicable state and local laws governing nondiscrimination. This policy applies to all terms and conditions of employment, including but not limited to the following:

- Recruitment, hiring, placement, transfer, promotion, and demotion;
- Training, development, and educational assistance;
- Compensation and benefits;
- Educational, social, and recreational programs;

- Discipline;
- Termination of employment.

Employment decisions, subject to the legitimate business requirements of PMC, are based solely on the individual's qualifications, merit, behavior and performance.

3. Harassment

Harassment is conduct focused on a person or group of persons including, but not limited to: physical abuse, verbal abuse, or abuse conducted through company resources, unwelcome activity of a sexual nature and retaliation; as well as any behavior or action which interferes with an individual's ability to perform assignments or which creates a hostile or intimidating work environment.

The following, though not all-inclusive, is a list of various types of harassment.

- Verbal Abuse - any language that degrades or berates others, including, but not limited to, racial, religious, or sexual comments, jokes, sexual innuendoes, or threats of any kind.
- Physical Abuse - includes touching, hitting, slamming, throwing, kicking or threatening another person, including restraining by force or blocking the path of another.
- Interference or Hostile Environment - any behavior or action which interferes with an employee's ability to perform work assignments or which results in or creates a hostile or intimidating work environment.
- Sexual Harassment - includes, but is not limited to, sexual advances, requests for sexual acts or favors and other physical conduct of a sexual nature when:
 - (a) Submission to such conduct is made either explicitly or implied as a term or condition of an individual's employment;
 - (b) Submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting the individual; or
 - (c) Such conduct is severe and pervasive, and has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive work environment.
- Retaliation - any adverse action or threat of adverse action taken or made because an individual has exercised or attempted to exercise any rights under state or federal employment laws or under the policies of PMC. Retaliation includes, but is not limited to:
 - (d) Verbal abuse;

- (e) Threats of withholding or withdrawal of pay, promotions, training or other employment opportunities.

In addition to the above forms of harassment, any behavior or action which interferes with an individual's ability to perform job duties or which results in or creates a hostile or intimidating work environment is considered harassment.

PMC will not tolerate the discrimination or harassment of employees and/or applicants.

Comments, conduct, off color jokes and innuendoes that may be perceived as offensive or harassing are strictly prohibited and will not be tolerated.

In addition, PMC will not tolerate the harassment of Company personnel by non-Company personnel on Company premises. Non-Company personnel include, but are not limited to, customers, vendors, guests and regulators.

Any employee who feels he/she is the victim of discrimination or harassment has a responsibility to report it. Reporting of the incident should be made verbally or in writing to their immediate supervisor or the Head of People Operations immediately. A written complaint should include the specific nature of the incident, date and place of incident, names of all parties involved as well as a detailed report of all pertinent facts. Complaints of harassment will be promptly and carefully investigated. Investigations will include interviews with all relevant persons, including the accused and other potential witnesses.

Any employee, who, in good faith, files a complaint of harassment, will be free from any and all reprisal or retaliation as a result of filing the complaint. Investigators will make every effort to strike a balance between the parties' desires for privacy and the need to conduct a fair and effective investigation.

Harassment shall subject an employee to disciplinary action up to and including termination. Likewise, there will be disciplinary measures if in fact it is determined that the incident and thus the accusation were fabricated.

4. Criminal Convictions

PMC reserves the right not to employ or retain in employment anyone convicted of a criminal offense involving dishonesty or breach of trust.

Conviction of a crime will not automatically result in a rejection of employment. All relevant circumstances, such as length of time and the crime involved will be considered in relation to specific job requirements.

Employee shall inform employer of any new conviction after hire.

5. Personnel File

The information contained in personnel files is considered confidential information. No information will be placed in an employee's personnel file unless there is a clear business reason to do so.

Due to the confidential nature of personnel files, the Head of People Ops is responsible for controlling all access to them. Personnel files are not to be copied or removed from the premises.

An employee may review his/her personnel file in the presence of the Head of People Ops during normal business hours. Under no circumstances may an employee alter or remove any document in the file.

It is the sole responsibility of each employee to inform PMC of any changes in personal status that may alter his/her payroll or benefits status. Such information includes, but is not limited to:

- Last Name
- Address
- Emergency Contact
- Marital Status
- Telephone Number
- Gain or Loss of Dependents
- Beneficiaries
- W-4 Deductions

6. Employment References

Information concerning former or current employees is considered confidential. All mail and telephone inquiries are to be directed to the Head of People Ops. Employees are strictly prohibited from providing any information regarding former or current employees.

Information released by the Head of People Ops will include dates of employment and position(s) held only. Unless required by court order or subpoena, the employee must provide a signed release to the Head of People Ops before additional information will be disclosed.

7. Employment of Relatives

Family members (relatives) of current employees may be considered for employment if:

- The applicant meets the requirements of the position and successfully competes the application process; and

- The hiring of the applicant will not create an actual or perceived conflict of interest.

If the hiring of an employee's family member (relative) creates an actual or perceived conflict of interest, one of the employees may be requested to transfer to another position, if an available job exists. If no suitable vacancy exists, one of the employees may be terminated.

Relatives will not be employed in positions which:

- Actual or perceived conflicts of interest would be created;
- A supervisory relationship would exist between the parties;
- Relatives would work in the same department;
- The employee would have access to the personnel records or salary information of their relative.

On occasions when the relationship occurs after employment, management will determine the disposition of the affected employees. In situations such as described above, employees may be requested to transfer to other positions, if available jobs exist. As previously stated, if no suitable vacancy exists, one of the employees may be terminated.

Exceptions can be granted by the Head of People Ops or CEO.

8. Disclosure of Related Interest

Employee shall advise People Ops of any familial or personal relationship with any current or proposed vendor which can raise the appearance of impropriety.

9. Outside Employment

Outside employment, which interferes with an employee's productivity or which, may result in a conflict of interest and should be avoided.

An employee should notify their immediate supervisor if any outside employment is obtained. If the employee's supervisor is notified of the employee's outside employment, it is the responsibility of both the employee and supervisor to notify either the Head of People Ops or CEO. All outside employment should be disclosed in writing to the Head of People Ops or CEO. The Head of People Ops and/or CEO have discretion to deem what outside employment is permissible.

Disclosure of outside employment is a continuing obligation during employee's term of employment.

Employees should carefully consider the demands of any additional work activity. Outside employment will not be considered an excuse for poor job performance, absenteeism, tardiness, leaving early, refusal to travel, refusal to work overtime or refusal to work different shifts.

Accepting employment with any employer that competes with any activity of PMC is prohibited.

Performing services for customers during non-working time that are normally performed by Company personnel during working hours is strictly prohibited.

Employees are not to conduct any outside business during paid working time.

10. Rehiring Former Employees

Applications received from former employees will be processed according to the same procedures and given the same consideration afforded all other applicants. Prior performance records and circumstances surrounding prior termination will be considered.

Any employee that leaves/left PMC without providing sufficient notice (10 business days) or is/was discharged by PMC for reasons of performance or misconduct will not be considered for rehire.

Exceptions can be granted by the Head of People Ops or CEO.

11. Jurisdiction and Governing Law

Employee hereby consents to the exclusive jurisdiction of the State or Federal courts located in the State of New Jersey in Mercer County, New Jersey, and the parties agree that, subject to Company's selection otherwise, all actions or proceedings arising out of Employee's employment with the Company and/or the offer letter or this addendum thereto shall be litigated in exclusively in Mercer County, New Jersey. In the event that either you or the Company commences litigation to resolve any dispute, including but not limited to claims for breach of contract, unpaid wages or commissions, common law or statutory employment discrimination, civil rights, and/or wrongful termination, arising out of Employee's employment or arising out of the Offer of Employment, the ONLY and EXCLUSIVE LOCATION for the forum which addresses the dispute will be in Mercer County, New Jersey. Employee waives any objection which s/he may have based on improper venue or *forum non conveniens* to the conduct of any proceeding in such court. Nothing contained in this paragraph shall affect the right of Company to bring any action or proceeding against Employee in the courts of any other jurisdiction. If a claim is filed in any other venue, jurisdiction, forum, or agency, upon presentation of this Agreement the claim will be dismissed without prejudice and subject to transfer or refile in Mercer County, New Jersey.

All questions relating to the validity, interpretation, performance or enforcement and any matters arising out of Employee's employment with the Company shall be governed by and construed in accordance with the laws of the State of New Jersey, and without the aid of any canon, ~~canon~~ or rule of law requiring construction against draftsman.

Section 4. COMPENSATION

1. Employment Classification

PMC categorizes all employees with respect to position and federal / state regulations. Summary definitions are:

1. Exempt Employee - any salaried executive, administrative, professional, or contracted position. These employees are exempt from both the minimum wage and overtime provisions of FLSA.
2. Nonexempt Employee - any salaried or hourly employee who is not exempt from the minimum wage or overtime provisions of FLSA.
3. Salaried Employee - employee whose wages are computed on an annual basis.
4. Hourly Employee - employee whose wages are computed on an hourly basis.

Employees are also classified as one of the following three:

- Full-time - any employee who is regularly scheduled to work 30 or more hours per week. Full-time employees are eligible for all standard Company benefits.
- Part-time - any employee who is scheduled to work less than 30 hours per week. Part-time employees are not eligible for standard Company benefits.
- Temporary - any employee scheduled to fill a temporary job assignment that has a predetermined beginning and ending date. Temporary employees are not eligible for standard Company benefits.

2. Hours of Work

The standard workweek for full-time employees is five days. Business operating hours are Monday – Friday, 8:30AM – 5:00PM Eastern, unless other hours are requested by your immediate manager. Work schedules are based on the needs of PMC. An employee is not to deviate from the assigned work schedule without permission from their manager. The Standard work week is 40.00 hours. Any overtime needs to be approved by the Department Manager.

3. Lunch Breaks

Employees working more than four (4) consecutive hours are provided a lunch break of a minimum of thirty (30) minutes. Lunch periods are non-compensated time. Nonexempt employees will be compensated for breaks of less than thirty (30) minutes. Managers may determine employee lunch and break periods.

Breaks must be on a scheduled or staggered sequence to insure an acceptable level of customer service at all times.

4. Recording Time

All nonexempt employees are required to record their hours worked each day, including "time in" and "time out". Employees will utilize the computerized timecard in their computer. The employee and his/her supervisor must approve changes to an employee's timecard. **The Direct Manager is required to approve each timecard before it can be entered into Payroll.**

5. Overtime

Employees are expected to work overtime when the need arises. Nonexempt employees will be paid in accordance with State and Federal laws for any hours exceeding 40 during the weekly pay period as approved in writing prior to work by management.

Overtime is paid at time and a half for all hours physical worked in excess of 40 hours per week.

Holiday, sick leave, and vacation time is not considered physically worked hours for determination of overtime at time and a half. Overtime hours not eligible for time and a half will be paid at the regular hourly rate.

6. Salary and Wage Increases

Salary and wage increases are granted on the basis of performance and/or promotion. All salary or wage increases will be reviewed and approved by the CEO.

7. Payroll

Per federal and state laws, withholding will be withheld from each employee's pay or wages.

Additionally, voluntary deductions, such as 401k contributions, insurance premiums and state mandated garnishments will be withheld from each employee's pay or wages. If you have any questions regarding deductions from your pay, contact the Head of People Ops.

Payroll payments will be paid via direct deposit as instructed by the employee within the payroll system. In the event of payment by check, payroll checks will not be released to anyone other than the employee without prior written authorization to the Head of People Ops. This includes the employee's family members.

Pay and compensation should only be discussed with members of management.

8. Bonus Plans

From time to time, PMC may institute bonus or incentive plans. Employees will receive details of any Bonus Plan or Incentive Plan as they are announced.

As of October 1st, 2022, all bonus and incentive programs are put on hold.

9. Branch Expenses

PMC, as part of its normal course of business, charges certain expenses to the branches for support services provided. PMC in its sole discretion can change the expenses at any time but strives to make the changes on a quarterly basis. Below are the expenses charged to the branches as of March 2023:.

Branch Allocations:

Type	Amount	Allocation Method
Vendor Costs	\$ 495.00	Per Loan
Processing Charge	\$ 450.00	Per Loan (if corporate processing option)
Marketing	\$ 300.00	Per MLO
Technology	\$ 195.00	Per Branch Employee
Optimal Blue Access	\$ 45.00	Per MLO

Cost Per Loan Allocations:

Loan Expense	Current	Notes
MERS	\$ 24.95	Per closed loan
POS (Mortgage Hippo)	\$ 40.00	Per closed loan
Smart Fees	\$ 10.58	Per closed loan
Investor Funding Fees	\$ 200.00	Per closed loan
Flood	\$ 17.26	Per disclosed loan - collected amount at closing
Fraud Guard	\$ 25.50	Per UW loan
Tax Transcripts	\$ 53.46	Per UW loan

Credit Plus	\$ 125.00	Number of credit reports run vs. closed loans subtracted out the amount at closing to come up with a best guess
TOTAL	\$ 496.75	

Cost per loan to branch:	\$ 495.00
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Processing		
If no branch processing	\$ 450.00	Average cost of processing costs / loan

Marketing Allocations:

Branch Expenses (charged per LO monthly)	
Website	\$ 5.00
CRM (Total Expert)	\$ 130.00
Customer Surveys (Experience.com)	\$ 20.00
Pre-Approval / Refi Cookies	\$ 40.00
TOTAL	\$ 195.00

Monthly Add-Ons: Marketing Technology

Type	Amount	Allocation / Month
MBS Highway	\$ 59.00	Monthly
PM Phone App (Simple Nexus)	\$ 17.00	Monthly
MMI	\$ 25.00	Monthly

Project Add-Ons: Marketing

Type	Amount	Allocation / Project
13 in 30	\$ 10.00	Per use / per LO
Custom Social Graphic	\$ 15.00	Per use / per LO

Custom Email	\$ 50.00	Per use / per LO
Custom Postcard	\$ 75.00	Per use / per LO
Custom Flyer	\$ 100.00	Per use / per LO
Custom Flyer Re-work	\$ 50.00	Per use / per LO
Custom presentation (up to 10 slides)	\$ 150.00	Per use / per LO
Event marketing toolkit - email invitation and reminder - social graphic with event info - leave behind flyer - follow-up email	\$ 200.00	Per use / per LO
Total Expert Journey (4 emails)	\$ 250.00	Per use / per LO
Social Media Management	\$ 300.00	Per Month
Social Media Content Calendar (10 prompts)	\$ 200.00	Per Month

Technology Allocations:

Technology Fees (charged per Branch Employee monthly)	
Hardware Amortization	\$ 91.04
Microsoft 365	\$ 52.00
EIKON (Phone system)	\$ 10.00
All Regs	\$ 18.00
TOTAL	\$ 171.04

Monthly Add-Ons: Technology

Type	Amount
DocuSign	\$ 15.00
Adobe Pro (operations employees only)	\$ 30.00
TOTAL	\$ 45.00

Total Technology	\$ 216.04
Cost to Branch	\$ 195.00

***Hardware branch expense -
onetime cost/LO or LOA (amortized
over two years):**

Type	Amount
Laptop	\$ 1,235.00
Monitors (2)	\$ 400.00
Docking station	\$ 295.00
Keyboard / Mouse	\$ 40.00
Shipping	\$ 75.00
TOTAL	\$ 2,045.00

**Fees passed on to borrowers by
state:**

Section A Fees
New Jersey
Application Fee - \$895
Encompass Technology Fee - \$155
Commitment Fee - \$500
Iowa and Washington
Processing Fee - \$895
Commitment Fee - \$500
All other states
Processing Fee - \$895
UW Fee - \$500

Section B Fees
All states except New Jersey
Encompass Technology Fee - \$155

Credit fees	Amount
Individual tri-merge	\$ 43.65
Joint tri-merge	\$ 87.30
Electronic tradeline updates/supplements	\$ 15.00
Manual tradeline updates/supplements	\$ 20.00
Wayfinder	\$ 6.00
What-If Simulator	\$ 6.50
Score Plus with documentation	\$ 45.00
Score Plus without documentation	\$ 55.00
Rush fee	\$ 30.00
Remerge fee	\$ 12.00

In addition, any other fees as noted outside of the employee handbook and agreed to between the parties.

10. Early Payoff

Loan Originator/Branch is responsible for any Early Payoff fee charged to PMC by an investor up to the amount of the compensation allocated to the Loan Originator and/or Branch. No additional early payoff fee will be charged by PMC outside of what is charged by the investor and servicer. Early Payoff timelines can vary by investor.

11. Early Payment Default and Repurchase

Loan Originator and Branch shall reimburse PMC for any compensation allocated to Loan Originator and Branch for any loan which an investor deems an early payment default or requires repurchase. No additional early payment default fee will be charged by PMC outside of what is charged by the investor and servicer.

12. Fraud

In the event of fraud on a loan, the company reserves all rights in assessing any associated costs on a case-by-case basis.

13. Changes to Loan Originator Compensation

Any request for loan originator compensation changes must be requested in writing and approved by Branch Manager and Sales Support Manager. The approval of the Branch Manager and Sales Support Manager must occur before requesting the start of the official change process with People Operations and documented in an addendum to the compensation agreement fully executed by PMC and the employee.

All changes must be submitted to People Operations in writing via the Change of Status Request Form by the Branch Manager.

Compensation changes will only be made proactively and must be made two weeks in advance of requested effective date. Compensation changes will not be made more frequently than on a rolling three-month basis. Exceptions can be granted by the Head of People Ops or CEO.

14. Performance Reviews

Supervisors and/or managers will be responsible for employee performance reviews. Performance reviews evaluate an employee's job performance, job-related strengths and job-related weaknesses.

The annual performance review shall be conducted with each employee within Q1. During these reviews the employee and the supervisor will outline the employee's performance strengths and areas requiring improvement.

The performance review will be reviewed and approved by the supervisor. The written performance review will be retained in the employee's personnel file.

See appendix for example of prior year's review process.

Section 5. BENEFITS

1. The Benefits Program

Complete information regarding the benefit plans may be obtained from the Head of People Ops. PMC reserves the right to amend or terminate any of these voluntary programs at any time.

In the event of discrepancies between the information contained in this handbook and the official plan document and/or master insurance contracts, the latter will govern in all cases.

2. Benefits Eligibility

Full-time employees (scheduled 30 or more hours per week) are eligible for standard Company benefits starting the first day of the following calendar month after 30 days of employment. Part-time employees are not entitled to participate in PMC's benefits programs.

- Example:
 - Start Date = 8/16
 - 30 days employed = 9/16
 - Benefits begin = 10/1

3. Insurance

For participating employees, PMC provides individual health and dental coverage to all eligible employees. These benefits start the first day of the following calendar month after 30 days of employment.

For complete information regarding PMC's insurance benefit plans, consult the Head of People Ops or the Plan's Account Representative.

4. Insurance Continuation

Provisions under federal law (COBRA) allow employees and covered family members to temporarily extend health insurance coverage at group rates in certain instances where coverage under the plan would otherwise end.

The Head of People Ops or the Plan's Account Representative will provide you with details concerning your rights and responsibilities under COBRA.

5. 401K

PMC offers a 401K program to all employees who satisfy the participation requirements. These requirements are unique to the plan the company has selected and do not relate to the benefit eligibility stated in section V. 2. For details of eligibility and participation, you may request information from the Head of People Ops. PMC offers a 401K program that is administered by Nationwide. To be eligible to join you must be employed by PMC for a Minimum of six months and at least 21 years old.

6. Holidays

PMC will observe the following Holidays for 2023:

HOLIDAY	DATE OBSERVED
New Year's Day	January 2nd (Monday)
Memorial Day	May 29th (Monday)
Independence Day	July 4th (Tuesday)
Labor Day	September 4th (Monday)
Thanksgiving Day	November 23rd (Thursday)
Christmas Day	December 25th (Monday)
2 Floating Holidays	Must be used in calendar year, preapproval required

Full-time employees will receive holiday pay at their regular rate of pay.

Paid holidays hours are not considered as hours worked in the computation of overtime.

Non-exempt employees who are eligible for paid holidays but who work on a Company holiday should record the time they worked in addition to the holiday hours. For example, if they worked 4 hours on a holiday (e.g., Christmas), that date on their timecard (e.g., December 25th) will include 8 paid hours plus 4 hours.

If a Company holiday occurs on an eligible employee's PTO day, the day will be counted as a holiday and not a PTO day.

7. Paid Time Off (PTO)

Paid Time Off (PTO) provides employees with flexible paid time off from work that can be used for such needs as vacation, personal or family illness, doctor appointments, school, religious holidays, volunteering, and other activities of the employee's choice.

Full-time employees scheduled to work more than 30 hours per week will be eligible for PTO, prorated based upon the ratio of scheduled hours to 40. Part-time, temporary, contract employees, and interns are not eligible for PTO. Employees are eligible for PTO based on their length of service with the Company.

PTO is accrued each pay period (semi-monthly). However, PTO may be used prior to being accrued.

PTO is accrued based on employment anniversary (i.e., not calendar year) as follows:

Tier / Anniversary Year	Paid Time Off
Tier 1: Year of Hire	10 Days (pro-rated based on hire date)
Tier 2: 1st-4th Anniversary Year	17 Days
Tier 3: 5th-9th Anniversary Year	21 Days
Tier 4: 10th Anniversary Year +	26 Days

At the end of the employee's PTO accrual year, he or she is eligible to roll over up to five (5) PTO days to the next PTO accrual year.

At the end of the employee's PTO accrual year accrued, unused PTO above 5 days will be forfeited and is not eligible for payout.

Employees should request and schedule PTO in the current time recording system.

PTO should be requested at least two weeks in advance of needing the time-off to allow the Company to plan for their absence. Although it is the Company's practice to accommodate PTO requests, there may be occasions, when due to anticipated workload, PTO requests might be denied.

All employees are not permitted to take off more than two (2) weeks consecutively. All PTO requests during the month of December over a weeklong require approval by the Head of People Ops.

Employees should minimize unplanned call outs to avoid business disruption. In fact, frequent call outs (more than 4 per 12-month period) or patterns of unplanned absences (e.g. Mondays, day before holiday) may result in disciplinary action, up to and including termination of employment.

Employee should contact their manager as soon as they are aware they are unable to report to work. No call-No Show is considered voluntary resignation.

Paid time off may be used as sick leave for an employee's personal illness and well-care. If a team member is absent unexpectedly due to personal illness, the employee must notify their supervisor as soon as reasonably possible and maintain routine communication with their manager regarding their return to work.

An employee who has a sick leave absence for three (3) or more consecutive workdays must present medical documentation for the absence.

Princeton Mortgage reserves the right to require employees to provide a note from a physician verifying an absence was caused by a medical situation and/or to authorize an employee's return to work following a medically related absence. PTO is considered a benefit, not compensation.

Accrued and unused PTO will not be paid out upon separation of employment, regardless of termination reason (unless otherwise required by state or local law).

An employee's notice period provides the Company with time to transition responsibilities and/or to hire a replacement for the departing team member's role. Therefore, regardless of the reason for the employee leaving PMC, PTO may not be used during the notice period.

If you use more PTO days than you earned and resign you will be docked the difference on your final payroll.

8. Bereavement Leave

In the unfortunate event of a death in the immediate family, an employee may be given up to three days of leave. Immediate family members include your spouse, child, parents, brothers, sisters, grandparents, grandchildren, and corresponding in-law relationships.

9. Social Security

The Social Security Administration and PMC require your current name and correct social security number. If you have a name change or notice an incorrect social security number, please notify both parties.

10. Pre-Tax Deductions

PMC may establish a salary reduction program so that a dependent's health, dental and vision insurance contributions are made on a pre-tax basis. This means that an employee's contribution to insurance premiums will not be included as taxable income for withholding purposes (federal and some state income taxes, social security and Medicare taxes). Consult the Company Controller or Chief Financial Officer for updates.

11. Military Leave

Members of the U.S. Military Service will be granted time off (unpaid) for the performance of their service duties, including initial training, active duty, inactive duty training and full-time National Guard duty.

Reserve Military Duty - Employees will be granted time off (unpaid) for Reserve Military Duty. The employee may, however, choose to use paid vacation time. Employee must give advance notice prior to leaving for active duty.

Failure to report back to work immediately after reserve duty or your military discharge will be regarded as a voluntary resignation.

12. Medical Leave of Absence

If employee is out longer than three consecutive days for illness or hospitalization, a physician's note is required. PMC provides employees disability insurance by participating in the programs through the State of NJ. If employee is out sick longer than one week, it may be advisable to file for NJ Disability. Forms can be obtained from the Head of People Ops.

Eligible full-time employees may be granted a medical leave of absence if temporarily disabled due to illness or injury. A medical leave of absence can be granted for up to twelve (12) weeks. Proper documentation by a physician will be required. Documentation must include the date on which the disability began, the reason the employee is not able to perform his or her duties, and the estimated date the employee will return to work. A Request for Leave of Absence form must be completed and approved by the supervisor and the Head of People Ops.

Seniority for benefit eligibility purposes will not accrue during a medical leave of absence.

Group benefit coverage provided by PMC will be continued for up to three months of the disability. Employees will be required to continue their contributions for group medical and optional benefits through direct payment to the payroll department.

A written (unrestricted) release from the employee's physician must be presented to the Head of People Ops prior to returning to work.

13. Family Leave of Absence

Family Leave of Absence will be adhered to by the applicable current Federal and State laws. Up to 12 weeks (unless state law provides additional time) of leave may be granted in any 12-month period. Family Leave of Absence may be granted for one or more of the following:

- Birth of a child;
- Placement of a child in the employee's home for adoption or foster care;

- Caring for a spouse, child or parent with a serious health condition.

Maternity leaves are included in this policy. Extended maternity leaves that are not medically required will be considered personal leaves of absence.

Employees requiring Family or Medical Leave of Absence should consult the Head of People Ops for further details.

Employees on Family Leave of Absence are required to contact PMC within three working days of Leave expiration.

PMC cannot guarantee placement within the same position or availability of a position at the conclusion of a personal, family, or medical leave of absence. Every effort will be made to reinstate an employee into the position that he/she held prior to the leave. If the same position is not available upon their return, PMC, at its sole discretion, may offer the employee another available position.

Employees who elect not to accept an alternative position after return from a leave of absence will be terminated. However, they will be eligible for rehire if their original position becomes available at a later date.

Engaging in employment during a leave of absence will be considered a voluntary resignation.

14. Employee Discounts

PMC may institute an employee discount program. If and when such a program is implemented, details will be available through their immediate manager. Abuse of any employee discount program will be considered cause for disciplinary action up to and including termination.

PMC reserves the right to change or discontinue the employee discount program at any time.

15. Workers' Compensation

All job-related injuries and accidents, regardless of the severity or lack thereof, must be immediately reported to your manager. Your manager will complete the appropriate report and submit it to the Head of People Ops.

All workers' compensation payments will be made directly to the employee. Employees are required to provide a copy of all workers' compensation payments to the Head of People Ops as soon after receipt as possible.

Employees are expected to return to work immediately upon release by their doctor. Employees on workers' compensation leave who have completed one year of continuous service with PMC will be allowed to return to the same or comparable position if released within 12 weeks after injury.

16. Jury Duty

PMC will grant an employee time off for mandatory jury duty. Employees will also be granted time off when required to appear as a result of a court order or subpoena. The employee must provide a copy of the court order, subpoena, or jury summons to their manager.

Hourly employees will receive eight hours pay per approved day of jury duty. Maximum of five days of compensation.

PMC will not compensate an employee that is a party to any civil or criminal litigation.

17. Unemployment Compensation

Employees are eligible for unemployment compensation as specified by the state unemployment compensation laws.

18. Travel Expenses

Company travel expenses are reimbursable with appropriate receipt documentation. PMC will only reimburse reasonable expenses incurred while traveling on Company business. PMC reserves the right to pay for travel expenses on a per diem basis. Employment Agreements that include auto allowances or other travel provisions will prevail.

CEO, CFO, or Head of People Ops have final discretion over approval.

19. Reimbursable Expenses

Expense reports will be used to reimburse employees for their out-of-pocket expenses on PMC's behalf. Expense reports must include all receipts from lodging, airfare, meals and other transactions.

Expense reports are due within the first 10 days following the month just ended. Expense reports must be reviewed and approved by your immediate manager and finally by the CEO, CFO, or Head of People Operations before submission for payment. Payment will be made in accordance with suitable timetables as determined by the Head of People Ops. (All Employment Agreement(s) terms will supersede this language).

For Loan Officers: Expense reports should be completed and forwarded to the Genius Bar after the previous month has ended. The Genius Bar will review for proper documentation and then forward to the Accounting Team and CFO for approval before the reimbursement is processed.

Section 6. SEPARATION

1. General

Employment with PMC is on an at-will basis. Employees are free to terminate their employment at any time, with or without cause. In addition, PMC may terminate the employment relationship at any time, with or without cause.

2. Job Abandonment

Two consecutive days of absence without properly notifying PMC will be considered a voluntarily resignation (abandonment). The effective date of termination will be the last day the employee reported to work. In the event an employee abandons their job, they will not be entitled to any accrued vacation pay.

3. Voluntary Resignation

Employees are required to provide a minimum of two weeks (10 business days) written notice prior to the effective date of their resignation. PMC may permit an employee to continue employment during the two-week (10 business days) notice period or accept their resignation immediately.

4. Performance-Based Release

A performance-based release is a separation initiated by PMC for unacceptable job performance.

5. Loan Originator Minimum Standards

All loan originators are required to meet minimum standards of five funded loans per quarter. If loan originator does not meet the minimum standards two quarters in a row, PMC will terminate the employment relationship.

5. Acts of Misconduct

A termination for misconduct is a termination initiated by PMC for unacceptable conduct or behavior.

6. Other Forms of Separation

An individual's employment with PMC may also be terminated for, but not limited to, any of the following reasons:

- Reduction in PMC's workforce;
- Elimination of the employee's position;
- Retirement;
- When deemed appropriate for reasons other than job abandonment;
- Performance based release;
- Act of misconduct.

7. Termination Procedures

At PMC's request, employee's are required to return all company tools, equipment, keys, memoranda, notes, records, drawings, manuals, computer files, software and/or other documents, including all copies of such items, which in any way relate to the business or affairs of PMC or any of its employees, customers, consultants, or agents. This includes other Company property such as corporate credit cards, computers (in working condition), etc.

Any employee leaving PMC, regardless of separation reason or method, will generally be given the option of an exit interview with the Head of People Ops. During this exit interview the employee will be given the opportunity to ask questions and/or make comments regarding their job. Additionally, other issues, including the following, may be discussed:

- Reason for termination;
- Status of insurance and other benefits;
- Final pay;
- Return of keys and other Company property;
- Correct forwarding address.

Terminated employees will receive a company issued payroll check subject to any employment agreements.

8. Severance

In the event of an involuntary termination due to a reduction in force/downsizing, change in company direction, job elimination or termination for performance, Princeton Mortgage provides a severance benefit for the affected employees. This applies to all exempt and

nonexempt, full-time employees. This does not apply to terminations for cause, refusal to be reassigned or refusal to be relocated.

The rate of severance is based on length of service with Princeton Mortgage:

- If employee was hired prior to January 1, 2018, employee will receive one month of severance
- If employee was hired January 1, 2018, or later, employee will receive two weeks of severance

Severance is calculated on base pay only. Any benefits or PTO employees were enrolled in or accrued will be administered in accordance with the Employee Handbook.

Exceptions may be made on a case-by-case basis as determined by the CEO or Head of People Operations.

APPENDIX

1. Sample Performance Evaluation

2023 PERFORMANCE REVIEW OVERVIEW

At Princeton Mortgage we complete our Performance Review process in Q1 each year. This overview addresses:

- Performance Review - Manager
- 360 Performance Review
- Overall Impact Rating
- Self-Reviews
- Career Conversations
- Compensation Review
- Performance Review Template

Feedback is foundational to fostering an environment where motivated people can thrive and is an exciting tool for identifying opportunities for career development and personal growth.

The fundamental purpose of the performance review is: to improve the individual's performance through self-awareness and feedback. The review is dedicated to two things:

- 1) The skill level of the team member, to determine what skills are missing and to find ways to remedy that lack; and
- 2) To intensify the team member's motivation in order to get them on a higher performance curve.

We have a two-part performance review: One completed by your manager and one completed by coworkers at all levels that you work with consistently.

PERFORMANCE REVIEW – MANAGER

Managers will write their performance reviews in Paycor in February and deliver to team members at a performance review meeting in March.

The contents of a performance review should not be a surprise because managers should be giving constant, candid feedback to their team members.

The review process represents the most formal type of institutionalized leadership. It is the only time a manager is formally mandated to act evaluator and judge: managers are

required by the organization to make a judgment regarding a fellow employee and then to deliver that judgment to him or her, face to face. Team members will receive their reviews prior to meeting with their manager so that they can review and digest the information and have a more productive meeting.

We strive to administer thoughtful and careful reviews. Performance review success depends on:

- The manager's willingness to complete a constructive and objective assessment
- The team member's willingness to respond to constructive suggestions for improvement
- The team member working with his or her manager to identify and establish goals and objectives that eliminate performance barriers and heighten the ability to achieve results.

360 PERFORMANCE REVIEW

We behave as a team. Not a club team, but a professional sports team. 360 feedback allows reviewees to understand their effectiveness as team members and how they are viewed by others. This part of the review is part of our social contract – we are responsible to each other, and we are only as strong as our weakest link. The goal is to strengthen teamwork and develop accountability amongst the team.

The 360 Review will be a survey that is sent to 3-5 of your colleagues to anonymously complete. Managers will choose the 360 reviewers, reviewees will know who was in their group, but the feedback will be anonymous.

OVERALL IMPACT RATING

The overall score at the conclusion of the evaluation represents the individual's culture fit and ability to achieve results. The overall score is not the average of the individual performance scores. We expect the company scores to approximate the following:

<5%	5- Distinguished Performance
20%	4- Superior Performance
50%	3- Fully Successful Performance
20%	2- Partially Successful Performance
<5%	1- Unsuccessful Performance

Clearly, therefore, the majority of people will fall under the "fully successful" category, meaning that performance consistently meets the critical requirements of the position and

the individual continually performs at the level expected. In general, a “fully successful” score, or 3 in our ranking system, is something to be proud of and celebrated. Sustained scores of 4 and 5 may indicate strong future potential for promotion and advancement.

SELF-REVIEW

We do not utilize a self-review before being reviewed by his or her manager. The reason is that if an employee prepares a review and then gives it to their manager, often the manager simply changes the format, retypes it, and gives it back to the direct report. Reviewing the performance of direct reports is a formal act of leadership. If supervisors permit themselves to be prompted in one way or another, their leadership and their capacity for it will begin to appear false. So the integrity of the manager’s judgment must be preserved at all costs, and they must commit themselves through an up-front judgment of their direct report’s performance if the health and vitality of the review process are to be maintained.

CAREER CONVERSATIONS

In March, following the performance review, your manager will complete a three- part Career Conversation with you to help understand your motivations and ambitions to help you move in the direction of your dreams. The goal of the Career Conversation is to get to know you better, learn what your aspirations are, and plan how to help you achieve those dreams. The career conversations will be conducted during your weekly 1:1.

- Conversation 1 - Life Story: The first conversation is designed to learn what motivates you. We don’t believe that motivation is something one person does to another. Rather, we believe that the company must foster an environment where motivated people can thrive. To do that, your manager must have a deep understanding of what drives you.
- Conversation 2 – Dreams/Twelve Month Plan: The second conversation moves from understanding what motivates you to understanding your dreams – what you want to achieve at the apex of your career, how you want to feel when you imagine life at its best. We chose the word “dreams” very consciously. Bosses usually ask about “long-term goals” or “career aspirations” or “five-year plans,” but each of these phrases, when used by a boss, tends to elicit a certain type of answer: a “professional,” and not entirely human, answer. It also invites a response that the person imagines the boss wants to hear rather than a description of what the person really wants to achieve.

COMPENSATION

There are three factors that drive compensation: market, company performance and individual performance.

1. **Market Adjustment:** The most fundamental is the external economic component, which represents the change in the labor market over the past year. This change is the result of the influence of supply and demand in the labor market and is called a Market Adjustment. It is important to note that the market rate of compensation change differs by job function, so not everyone in the company receives the same Market Adjustment. The market compensation for different job functions changes at different rates based on supply and demand for that job function and can go up, down or remain relatively the same. Princeton Mortgage will compile and share compensation studies / comparisons to share with the team.
2. **Company Performance:** The company output, or performance, is the combined output of the employees. A major factor of employee compensation is the performance of the company and the ability to fund compensation increases without jeopardizing the ability of the company to remain competitive in the long-term.
3. **Individual Performance:** This is the recognition of meritorious efforts, capabilities, and skills, and most importantly, results, that are above what is expected performance in the position on day-to-day basis. Individual Performance increases or decreases in pay will be discretionary, but primarily based on the Manager Performance Review Overall Impact Rating, with consideration given to the 360 Review Overall Impact Rating. Management discretion and flexibility will be exercised for specific situations.

In 2022, we saw mortgage demand [hit 22-year lows](#) due to rising interest rates and decreased inventory. With decreased demand, the industry faced some hard realities. We incurred [layoffs industry wide](#) (Princeton included), and saw potentially just the [beginning of closures, mergers, and acquisitions](#).

Because of this market attrition, Princeton experienced origination highs of \$136 M in January 2022 and origination lows of \$33 M in December 2022. Princeton responded with early and aggressive cost cutting efforts, mid-year salary decreases, and multiple rounds of

layoffs to right-size the organization based on current demand. Despite efforts, 2022 was an unprofitable year for Princeton Mortgage.

In response to market conditions and company performance, Princeton will not be making compensation changes (increases or decreases) as a part of this performance review cycle. We need to hold fast to our focus on attaining company profitability (financial principle #1).

Moving forward, our goal will be to get the company in a financial spot where we feel it makes sense from a market standpoint and a company performance standpoint to bring back bonus compensation and overtime opportunities. As of right now, we cannot make any promises or speculation as to when that will be.

2. IT Security Policy

Information is a critical company asset comparable with other assets in that there is a cost in obtaining it and a value in using it. Shared information is a powerful tool and loss, or misuse can be costly, if not illegal. The intent of this Security Policy is to protect the information assets of the organization.

In addition, in this policy, the main objective is to establish and maintain adequate and effective security measures for users, to ensure that the confidentiality, integrity and operational availability of information is not compromised.

Sensitive information must therefore be protected from unauthorized disclosure, modification, access, use, destruction, or delay in service.

Each user has a duty and responsibility to comply with the information protection policies and procedures described in this document.

1. Purpose

The purpose of this policy is to safeguard information belonging to Princeton Mortgage within a secure environment. This policy also informs Princeton Mortgage staff and other persons authorized to use Princeton Mortgage facilities of the principles governing the retention, use and disposal of information.

2. Scope

This policy applies to all employees of Princeton Mortgage who use computer systems or work with documents or information that concerns Borrowers, suppliers, or any other partner for whom the organization has collected information in the normal course of its business.

3. Goals and Objectives

The goals and objectives followed of this policy are:

- Protect information from unauthorized access or misuse.
- Ensure the confidentiality of information.
- Maintain the integrity of information.

- Maintain the availability of information systems and information for service delivery.
- Comply with regulatory, contractual, and legal requirements.
- Maintain physical, logical, environmental and communications security.
- Dispose of information in an appropriate and secure manner when it is no longer in use.

4. Authorized Users of Information Systems

All users of Princeton Mortgage's information systems must be formally authorized by the company's IT department. Authorized users will be in possession of a unique user identity. Any password associated with a user's identity must not be disclosed to any other person.

Authorized users shall take all necessary precautions to protect Princeton Mortgage's information in their personal possession. Confidential, personal, or private information must not be copied or transported without consideration of:

- The permission of the owner of the information (PMC).
- The risks associated with loss or falling into the wrong hands.
- How the information will be secured during transport to its destination.

5. Acceptable Use of Information Systems

User accounts on the company's computer systems must only be used for the Princeton Mortgage's business and must not be used for personal activities during working hours.

During breaks or mealtimes, limited personal use is permitted, but use must be legal, honest, and decent while considering the rights and sensitivities of others.

- Users shall not purposely engage in activity with the intent to: harass other users; degrade or modify the performance of the system; divert system resources to their own use; or gain access to company systems for which they do not have authorization.
- Users shall not attach unauthorized devices on their PCs or workstations unless they have received specific authorization from the company's IT designee. Users shall not download unauthorized software from the Internet onto their PCs or workstations.

Unauthorized use of the system may constitute a violation of the law, theft and may be punishable by law. Therefore, unauthorized use of the company's computer system and facilities may constitute grounds for corrective action, dismissal and/or civil or criminal prosecution.

6. Access Control

The fundamental element of this security policy is the control of access to critical information resources that require protection against unauthorized disclosure or modification.

Access control refers to the permissions assigned to persons or systems that are authorized to access specific resources. Access controls exist at different layers of the system, including the network. Access control is implemented by username and password and backed by Conditional Access. At the application and database level, other access control methods can be implemented to further restrict access. Finally, application and database systems can limit the number of applications and databases available to users based on their job requirements.

7. Normal User Identification

All users must have a unique username and password to access the systems. The user's password must remain confidential and under no circumstances should it be shared with management, supervisory staff, any other employees, or anyone outside of the organization. Also, all users must comply with the following rules regarding password creation and maintenance:

- Password should not use a common noun, noun, verb, adverb or adjective. These can be easily cracked using standard "hacking tools".
- Passwords should not be displayed on or near computer terminals or be easily accessible in the terminal area.
- Passwords should not be shared with other users or kept in a shared drive that can be accessed by others.
- Logon IDs and passwords will be suspended after 30 of days without use.

Below, you will find some additional important points to remember:

- Users are not allowed to access password files on any network infrastructure component. Password files on servers will be monitored for access by unauthorized

users. Copying, reading, deleting or modifying a password file on any computer system is prohibited.

- Users will not be allowed to log on as a System Administrator. Users who need this level of access to production systems must request a Special Access account.
- Employee Logon IDs and passwords will be deactivated as soon as possible if the employee is terminated, fired, suspended, placed on leave, or otherwise leaves the employment of the company office.
- Employees who forget their password must call the IT department to get a new password assigned to their account. The IT Team may ask for identifying information to confirm the identity of the individual requesting access.
- Employees will be responsible for all transactions occurring during Logon sessions initiated by use of the employee's password and ID. Employees shall not logon to a computer and then allow another individual to use the computer or otherwise share access to the computer systems.

8. Confidentiality of Information

Any information or documents that are not to be made public are designated as "Confidential Information". This information is invaluable to the company and therefore, all employees who, in the course of their duties, handle this type of information are expected to behave as follows:

- All confidential documents should be stored in locked file cabinets or rooms accessible only to those who have a business "need-to-know."
- All electronic confidential information should be protected via firewalls, encryption, passwords and File Access Permissions.
- Employees should clear their desks of any confidential information before going home at the end of the day. This applies to employees who work remotely as well.
- Employees should refrain from leaving confidential information visible on their computer monitors; when they leave their workstations their computer should be locked.
- All confidential information, whether contained on written documents or electronically, should be marked as "confidential."

- All confidential information should be disposed of properly (e.g., employees should not print out a confidential document and then throw it away without shredding it first.)
- Employees should refrain from discussing confidential information in public places.
- Employees should avoid using e-mail to transmit certain sensitive or controversial information.
- Limit the acquisition of confidential client data (e.g., social security numbers, bank accounts, or driver's license numbers) unless it is integral to the business transaction and restrict access on a "need-to-know" basis.
- Before disposing of an old computer, IT will use software programs to wipe out the data contained on the computer or have the hard drive destroyed.

9. Information Security

Information stored on computer systems must be regularly backed-up so that it can be restored if or when necessary.

All care and responsibility must be taken in the destruction of sensitive information. Electronic information relating to customers, administrative and commercial information must be disposed of in a secure manner.

Sensitive or confidential paper documents must be placed in the shredding bins or destroyed in the manner indicated to you by your department head.

10. User Responsibilities

Any security system relies on the users of the system to follow the procedures necessary for upholding security policies. Users are required to report any weaknesses in the company computer security, any incidents of misuse or violation of this policy to their immediate supervisor.

Employees are therefore expected to:

- Comply with security procedures and policies.
- Protect their user ID and passwords.

- Inform the IT department of any security questions, issues, problems, or concerns.
- Assists the IT department in solving security problems.
- Ensures that all IT systems supporting tasks are backed up in a manner that mitigates both the risk of loss and the costs of recovery.
- Be aware of the vulnerabilities of remote access and their obligation to report intrusions, misuse, or abuse to the IT department.
- Be aware of their obligations if they store, secure, transmit and dispose of vital information concerning the activities or operations of the company, customers, partners or strategic information on the company's products and services

11. Monitoring of Systems

The company has the right and capability to monitor electronic information created and/or communicated by persons using company computer systems and networks, including, but not limited to, e-mail messages and usage of the Internet. It is not the company policy or intent to continuously monitor all computer usage by employees or other users of the company computer systems and network.

However, users of the systems should be aware that the company may monitor usage, including, but not limited to, patterns of usage of the Internet (e.g., sites accessed, on-line length, time of day accessed), and employees' electronic files and messages to the extent necessary to ensure that the Internet and other electronic communications are being used in compliance with the law and with company policy.

12. System Administrator

System administrators, network administrators and security administrators will have access to the host systems, routers, hubs, and firewalls necessary to perform their tasks.

All system administrator passwords will be deleted immediately after an employee who has access to these passwords has been terminated, dismissed, or otherwise left the company's employment.

13. Managers Responsibility

Supervisors / Managers shall immediately and directly contact the company IT Manager to report any change in employee status that requires terminating or modifying employee logon access privileges.

3. Marketing and Advertising Policy

1. Marketing and Advertising Checklist

Any marketing or advertising collateral or platform promoting Princeton Mortgage or soliciting Princeton Mortgage services or products (print or digital) must have –at a minimum - the following information displayed clearly and conspicuously:

- Originator's full name and NMLS number
- Full legal name of company (Princeton Mortgage Corporation or Princeton Mortgage)
- Company NMLS # (113856)
- Full, physical, licensed business address
- Business/office phone number (LO Office phone number, 609.737.1000 or 800.635.0977)
- URL: nmlsconsumeraccess.org or princetonmortgage.com/legal
- Equal housing lender verbiage and logo (when able): Princeton Mortgage Corporation is an Equal Housing Lender and a supporter of Equal Housing Opportunity.

2. Standard Disclosures

Disclosures should be listed as outlined in this document on all print and digital materials. The Princeton Mortgage standard disclosures should appear on all printed and digital materials as a minimum. For digital materials, a link to the standard disclosure is acceptable.

- © 2023 Princeton Mortgage Corporation, NMLS #113856 | 439 Grand Avenue, Ewing, NJ 08628 | (609) 737-1000 | All loans are subject to credit approval and individual review. Rates and fees are subject to change without notice and may vary depending on loan scenario. Equal Housing Lender and supporter of Equal Housing Opportunity. For more information, please visit (nmlsconsumeraccess.org) or (princetonmortgage.com/legal).

Advertising Policy

Princeton Mortgage follows the Advertising Policy as outlined by the CFPB:

1. Actually Available Terms

To the extent that an advertisement mentions specific credit terms, it may state only those terms that the creditor is actually prepared to offer.

2. Clear and Conspicuous Standard

A clear and conspicuous standard is necessary for all disclosures. The credit terms need not be printed in a certain type size nor appear in any particular place in the advertisement – but should be clear and conspicuous.

- Internet Advertisements: Disclosures should not be obscured by techniques such as graphical displays, shading, coloration, or other devices and comply with all other requirements for clear and conspicuous disclosures.
- Televised Advertisements: Disclosures should not be obscured by techniques such as graphical displays, shading, coloration, and other devices. They should be displayed in a manner that allows a consumer to read the information required to be disclosed, and comply with all other requirements for clear and conspicuous disclosures.
- Oral Advertisements: Whether by radio, television, or other mediums, disclosures should be given at a speed and volume sufficient for a consumer to hear and comprehend them.

3. Annual Percentage Rates

Advertised rates must be stated in terms of an annual percentage rate. Even though state or local law permits the use of add-on, discount, time-price differential, or other methods of stating rates, advertisements must state them as annual percentage rates.

4. Simple or Periodic Rates

The advertisement may not simultaneously state any other rate, except that a simple annual rate or periodic rate applicable to an unpaid percentage rate. An advertisement for credit secured by a dwelling may not state a periodic rate, other than a simple annual rate, that is applied to an unpaid balance.

5. Buydowns

When a third party (such as a seller) or a creditor wishes to promote the availability of reduced interest rates (consumer or seller buydowns), the advertised annual percentage rate must be determined and disclosed. The seller or creditor may advertise the reduced simple interest rate, provided the advertisement shows the limited term to which the reduced rate applies and states the simple interest rate applicable to the balance of the term.

6. Discounted Variable-Rate Transactions

The advertised annual percentage rate for discounted variable-rate transactions must be determined and disclosed.

- A creditor or seller may promote the availability of the initial rate reduction in such transactions by advertising the reduced simple annual rate, provided the advertisement shows with equal prominence and in close proximity the limited term to which the reduced rate applies and the annual percentage rate that will apply after the term of the initial rate reduction expires.
- Limits or caps on periodic rate or payment adjustments need not be stated.
- The advertisement may also show the effect of the discount on the payment schedule for the discount period, but this will trigger the additional disclosures.

7. Advertisement of Terms that Require Additional Disclosures:

Whenever certain triggering terms appear in credit advertisements, the additional credit terms must also appear.

- **Downpayment:** The dollar amount of a downpayment or statement of the downpayment as a percentage of the price requires further information. It includes such statements as:
 - Only 5% down
 - As low as \$100 down
 - Total move-in costs of \$800
 - This provision applies only if a downpayment is required, statements such as no downpayment or no trade-in required do not trigger the additional disclosures.
- **Payment period:** The number of payments required or the total period of repayment includes such statements as:
 - 48-month payment terms
 - 30-year mortgage
 - Repayment in as many as 36 monthly installments
 - But it does not include such statements as “pay weekly”, “monthly payment terms arranged” or “take years to repay”, since these statements do not indicate a time period over which a loan may be financed.
- **Finance charge:** The dollar amount of the finance charge or any portion of it includes statements such as:
 - “\$500 total cost of credit.”
 - “\$2 monthly carrying charge.”
 - “\$50,000 mortgages, 2 points to the borrower.”
 - In the last example, the \$1,000 prepaid finance charge can be readily determined from the information given. Statements of the annual percentage rate or statements that there is no particular charge for credit (such as “no closing costs”) are not triggering terms under this paragraph.
- **Additional Terms:**
 - **Disclosure of downpayment.** The total downpayment as a dollar amount or percentage must be shown, but the word “downpayment” need not be used in making this disclosure.
 - **Disclosure of repayment terms.** The phrase “repayment terms” generally has the same meaning as the “payment schedule” and is required to be disclosed. Repayment terms must reflect the consumer’s repayment obligations over the full term of the loan, including any balloon payment.

- **Balloon payment, disclosure of repayment terms.** If a balloon payment will occur when the consumer only makes the minimum payments specified in an advertisement, the advertisement must state with equal prominence and in close proximity to the minimum payment statement the amount and timing of the balloon payment that will result if the consumer makes only the minimum payments for the maximum period of time that the consumer is permitted to make such payments.
- **Annual Percentage Rate.** The advertised annual percentage rate may be expressed using the abbreviation “APR.” The advertisement must also state, if applicable, that the annual percentage rate is subject to increase after consummation.
- **Use of Examples.** A creditor may use illustrative credit transactions to make necessary disclosures. That is, where a range of possible combinations of credit terms is offered, the advertisement may use examples of typical transactions, so long as each example contains all of the applicable terms required.

8. Catalog or Other Multiple-Page Advertisements, Electronic Advertisements

- **General.** All credit information must be in one place in a catalog or other multiple-page advertisement or in an electronic advertisement (such as an advertisement appearing on an Internet Web site). The rule applies only if the advertisement contains one or more of the triggering terms.
- **Representative Examples.** The table or schedule must state all the necessary information for a representative sampling of amounts of credit. Thus must reflect amounts of credit the creditor actually offers, up to and including the higher-priced items.
- **Electronic Advertisement.** If an electronic advertisement (such as an advertisement appearing on an Internet web site) contains the table or schedule permitted there must clearly be a link that takes the consumer to the all additional disclosures including triggering term disclosures or full schedule of repayment.
- **Disclosure of Rates and Payments in Advertisements for Credit Secured by a Dwelling.** These requirements are for loans where more than one simple annual rate of interest will apply. A clear and conspicuous disclosure of each payment

that will apply over the term of the loan must be present. In determining whether a payment will apply when the consumer may choose to make a series of lower monthly payments that will apply for a limited period of time, the creditor must assume that the consumer makes the series of lower payments for the maximum allowable period of time.

- **Fixed-Rate Conversion Loans.** If a loan program permits consumers to convert their variable-rate loans to fixed rate loans, the creditor need not assume that the fixed-rate conversion option, by itself, means that more than one simple annual rate of interest will apply to the loan and need not disclose as a separate payment as the payment would apply if the consumer exercised the fixed-rate conversion option.
- **Preferred-Rate Loans.** Some loans contain a preferred-rate provision, where the rate will increase upon the occurrence of some event, such as the consumer-employee leaving the creditor's employ or the consumer closing an existing deposit account with the creditor or the consumer revoking an election to make automated payments. A creditor need not assume that the preferred-rate provision, by itself, means that more than one simple annual rate of interest will apply to the loan and the payments that would apply upon occurrence of the event that triggers the rate increase need not be disclosed as a separate payment.
- **Rate reductions.** Some loans contain a provision where the rate will decrease upon the occurrence of some event, such as if the consumer makes a series of payments on time. A creditor need not assume that the rate reduction provision, by itself, means that more than one simple annual rate of interest will apply to the loan
- **Equal prominence, close proximity.** Information required to be disclosed immediately next to or directly above or below the simple annual rate or payment amount (but not in a footnote) is deemed to be in close proximity to the listing. Information required to be disclosed that is the same type size as the simple annual rate or payment amount is deemed to be equally prominent.
- **Clear and conspicuous standard.** When making any comparison in an advertisement between actual or hypothetical credit payments or rates and the payments or rates available under the advertised product, the advertisement must state all applicable payments or rates for the advertised product and the time periods for which those payments or rates will apply, as required by this section.

- **Comparison in Advertisements.** When making any comparison in an advertisement between actual or hypothetical payments or rates and the payments or rates available under the advertised product, the advertisement must state all applicable payments or rates for the advertised product and the time periods for which those payments or rates will apply, as required by this section.
- **Application to variable-rate transactions – disclosure of rates.** In advertisements for variable-rate transactions, if a simple annual rate that applies at consummation is not based on the index and margin that will be used to make subsequent rate adjustments over the term of the loan the requirements must be displayed with equal prominence and close proximity.
- **Reasonably current index and margin.** For the purpose of this section, an index and margin is considered reasonably current if:
 - For direct mail advertisements, it was in effect within 60 days before mailing;
 - For advertisements in electronic form it was in effect within 30 days before the advertisement is sent to a consumer's email address, or in the case of an advertisement made on an Internet Web site, when viewed by the public; or
 - For printed advertisements made available to the general public, including ones contained in a catalog, magazine, or other generally available publication, it was in effect within 30 days before printing.
- **Disclosure of Payments**
 - Amounts and time periods of payments. It is required to disclose the amounts and time periods of all payments that will apply over the term of the loan.
 - Application to variable-rate transactions – disclosure of payments. In advertisements for variable-rate transactions, if the payment that applies at consummation is not based on the index and margin that will be used to make subsequent payment adjustments over the term of the loan all payments must be disclosed.
- **Alternative Disclosures – Television or Radio Advertisements**
 - Multi-purpose telephone number. When an advertised telephone

number provides a recording, disclosures should be provided early in the sequence to ensure that the consumer receives the required disclosures.

- Statement accompanying telephone number. Language must accompany a telephone number indication that disclosures are available by calling the telephone number, such as "call 1-800-000-0000 for details about credit costs and terms."

9. Prohibited Acts or Practices in Advertisements for Credit Secured by a Dwelling

- **Comparisons in advertisements.** The requirements of misrepresenting a government endorsement apply to all advertisements for credit secured by a dwelling, including radio and television advertisements. A comparison includes a claim about the amount a consumer may save under the advertised product.
- **Misrepresentation about government endorsement.** A statement that the Federal Community Reinvestment Act entitles the consumer to refinance his or her mortgage at the low rate offered in the advertisement is prohibited because it conveys a misleading impression that the advertised product is endorsed or sponsored by the Federal government.
- **Misleading claims of debt elimination.** The prohibition against misleading claims of debt elimination or waiver or forgiveness does not apply to legitimate statements that the advertised product may reduce debt payments, consolidate debts, or shorten the term of the debt. Examples of misleading claims of debt elimination or waiver or forgiveness of loan terms with, or obligations to, another creditor of debt include: "Wipe-Out Personal Debts!", "New DEBT-FREE Payment", "Set yourself free; get out of debt today", "Refinance today and wipe your debt clean!", "Get yourself out of debt Forever!", and "Pre-payment Penalty Waiver."

4. Princeton Mortgage Social Media Employee Policy

Whether or not you are acting on behalf of Princeton Mortgage, or using your personal social media account or blogs to talk about our company and products, always use good judgement and follow these guidelines:

- Don't post sensitive, private or confidential company information.
- Respect customer privacy. Never give out personal customer information (e.g., personal addresses, phone numbers or credit information).
- Do not post negative comments about customers.
- Don't post comments about a coworker, customer or vendor that could be perceived as harassing, threatening, retaliatory or discriminatory.
- You are legally responsible for the content you post, so respect all CFPB guidelines, disclosures, and triggering terms. Do not post any false claims.
- Follow terms and conditions for social networking sites.
- Do not alter any graphics or videos provided by Princeton Mortgage that contain our logo on them.

5. Acknowledgement of Receipt and Understanding

Employee Handbook Acknowledgement of Receipt and Understanding

I hereby certify that I have read and fully understand the content of the Employee Handbook, including the Appendix. Furthermore, I have been given the opportunity to discuss any information contained therein or any concerns that I may have. I certify that my employment and continued employment is based in part upon my willingness to abide by and follow PMC's policies, rules, regulations and procedures. My signature below certifies my knowledge, acceptance and adherence to PMC's policies, rules, regulations and procedures and that PMC's offer of employment was based on my promise to abide by and follow said policies, rules, regulations and procedures.

I further certify that my application and subsequent acceptance of employment is true and bona fide, and I am honestly interested in working in the position(s) for which I have been employed. Furthermore, I certify that I have sought and obtained employment with this company solely to provide me with the benefits of a job and for no other purpose.

I acknowledge that PMC reserves the right to modify or amend its policies at any time, without prior notice. These policies do not create any promises or contractual obligations between this Company and its employees. At this Company, my employment is at will. This means I am free to terminate my employment at any time, for any reason, with or without cause, and this Company retains the same rights. I further understand and agree that the CEO and Head of People Ops of this Company are the only people who may make an exception to this, including the at-will status of my employment, and it must be in writing and duly executed by the CEO or Head of People Ops of this Company.

Employee Name _____

Signature _____

Date _____

If applicable to my employment, I have read and understood the notice regarding polygraph tests and my rights under this state's law.

AUTHORIZATION TO RELEASE INFORMATION: I authorize the references and/or employers listed on my employment application, or any other documents I have provided to this Company, to give PMC any and all information concerning my previous employment and pertinent information they may have, personal or otherwise, and release all parties from all liability for any damage that may result from furnishing such information to this Company. I agree and understand that this Company and its agents may investigate or seek information

concerning my background and/or previous employment, whether of record or not. I further agree and understand that if employed, PMC may at any time seek any information from whatever source, which in its discretion, it deems relevant to my employment. I also understand that any investigation or information sought regarding my previous employment or consumer records may not be completed or in possession of this Company and thus my continued employment may be affected by such information once received. I hereby acknowledge, confirm, convey, agree and grant this Company's right to act on any additional information received including, at PMC's sole discretion, termination of my employment.

NO DRUG USE POLICY: PMC does not hire persons who use illegal drugs. All persons seeking employment or employed with PMC may be required to take and pass a screen for illegal drugs, and may be subject to periodic tests for illegal drugs. I hereby voluntarily consent to provide a urine specimen (or blood specimen as required for alcohol testing only) at a collection facility designated by PMC, and further consent to have the specimen tested at a laboratory selected by PMC.

I hereby certify that I:

(Check one)

Do _____ or do not _____ use illegal drugs.

Employee Name _____

Signature _____

Date _____