<u>Compensation - Commissions & Bonuses for Affiliates</u> <u>of Quest Funding Services (hereinafter, "Company")</u>

The attached commission schedule shall be considered to be an inseparable part of this page

- □ A Base commission is paid for funding applications closed for a borrower new to Quest Funding Services as per Branch Affiliate Agreement commission chart attached, which applies to subsequent fundings for the same borrower provided Affiliate is still part of Quest.
- □ Each Affiliate who executed their Affiliate agreement by October first of that year, and had a minimum total net yield to Company of \$12,000, will receive a year-end bonus of 1% of their total net yield to Company.
- □ Bonuses are based on total quarterly earnings, after the first 2 closings:

The commission rate goes up by for each tier of total quarterly fundings, over the quarterly base (no quarterly bonuses below \$5,000,000), up to the highest tier of commission. At that level of fundings, the maximum tier percentage levels off, but the overall maximum, average base & bonus, commission rate is reached at a slightly higher level of fundings. An attached commission chart details the base & bonus tier levels; tier and total average commission percentages.

The base commission is paid as received by Company and the quarterly bonus is paid by the end of the month following the end of the quarter. No bonus will be paid for the first two months after an Affiliate executes of their Affiliate agreement, until certified through Quest Academy, but (as appropriate, on a one time basis) there will be reduction of tier levels and the maximum base funding level for the first of each Affiliates bonus quarterly calculations to facilitate the payment of a bonus for less than a full quarter. [Note: Highest average commission rate is reached with total quarterly fundings of \$50,000,000.]

- □ A free laptop when Affiliate's personal net earnings first exceed \$10,000
- □ Percent of the funding we obtain for any third-party broker you have referred to Quest (provided we are not already doing business with them) as well as for yields from future fundings they initiate with Quest Funding Services: <u>10% of</u> <u>the net commission to Quest</u>
- □ Referral fees from any closed funding for a borrower which Affiliate referred to another of our Quest Affiliates: <u>15% of the other Affiliate's net commission</u>
- □ Referral fees, if you refer someone to Quest who hires Company to do a business plan or private placement memorandum: <u>15% of Company's service fee</u>
- □ Commission from loans that Quest originates and services for the Quest Fund that are funded by any investor that Affiliate introduced to Quest:

<u>30% of points collected by Quest upon settlement</u> (applies to subsequent loans funded by the same investor) for the duration of Affiliate's tenure as Affiliate

Residual income from the loans mentioned above: <u>15% of the portion of the interest rate</u> received by Quest as the servicer for as long as the loan, and Affiliate, remains in good standing with Company