

Mortgageport Settlement Commission Plans

Overview

To recognise when Mortgage Consultants achieve their minimum sales budget, we pay a one off up front commission on each settled loan in addition to their base remuneration (if any) and ongoing /trailing commission (if any) they may be entitled to. All Commission payments are a discretionary payment and trailing income is only payable while an employee of Mortgageport.

The settlement commission plans are risk adjusted, so that those mortgage consultants that have a lower base salary have the opportunity to earn a higher rate of commission.

The right to earn commission is built on the fundamental principle that the individual achieves their sales budget. This acts as a financial incentive for individual to perform at a high level throughout the year. All upfront commissions are subject to 100% clawback provisions.

We recognise that annual leave needs to be taken and we encourage our mortgage consultants to take annual leave when the opportunity to write business is at its lowest point and to be active in busy periods.

Late December and early January each year is usually the quietest periods, so the commission plan has been designed to provide an incentive for mortgage consultants to take leave at this time of the year.

Commission Plan A – Base Salary Range \$75,000

Commission Rate - an Upfront Commission equal to 10% of the Net Upfront Commission earned on loans that the mortgage consultant writes provided they meet the qualifying criteria.

Qualifying Criteria – except for the calendar month of January each year, or where a loan is exempt as detailed below, the mortgage consultant must meet their loan approval budget for the month which is \$3,000,000. This budget is reviewed and is set at Mortgageport's discretion.

Residential home loans lodged throughout that calendar month qualify provided:

- The correct application fee has been banked into Mortgageport's bank account during that calendar month for that loan and
- The loan has NOT been withdrawn or declined or marked as not proceeding and
- The loan meets Mortgageport's strict compliance procedures and
- The loan has been lodged for approval with Advantedge, Adelaide Bank or FirstMac (this does not include loans referred or lodged with 3rd party lenders) and
- The mortgage consultant is employed and has not given notice of intention to terminate their employment

If ALL of the above qualifying criteria have been met then the mortgage consultant qualifies for commission on ALL loans that they provided credit advice for (sold) that settled during that same month, which includes loans written with other lenders. For the sake of clarification this includes loans settled with 3rd party lenders where the consultant has acted as a mortgage broker (e.g. a Westpac loan)

Exempt Loans

From time to time Mortgageport may make some loans Exempt from the approval budget qualifying rules. If this is the case then commission on these loans will be paid at the agreed commission rate regardless of whether the approval budget was met in any given month. In cases where a loan is Exempt from the approval qualification rule, those loans still qualify as part of the approval budget to determine other commissions, unless specified otherwise.

NB: The loans that settle for the month are not the same loans that are approved for the month, it is two separate measures. Net commission is the amount of upfront commission retained by Mortgageport after it has paid referral fees and met any other costs associated with that individual loan.

Example:

Criteria	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
Approvals	\$0	Free Month	\$3,000,000	\$2,800,000	\$5,000,000	\$2,000,000	\$3,500,000	\$4,000,000
Settlements	\$4,000,000	\$1,000,000	\$2,200,000	\$600,000	\$2,200,000	\$4,000,000	\$2,000,000	\$3,200,000
Commission	0%	10%	10%	0%	10%	0%	10%	10%

Commission Plan B – Base Salary Range \$55,000

Commission Rate - an Upfront Commission equal to 20% of the Net Upfront Commission earned on loans that the mortgage consultant writes provided they meet the qualifying criteria.

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Settlements	\$4,000,000	\$1,000,000	\$2,200,000	\$600,000	\$2,200,000	\$4,000,000	\$2,000,000	\$3,200,000
Commission	0%	20%	20%	0%	20%	0%	20%	20%

Commission Plan C – Base Salary Range \$0

Commission Rate - an Upfront Commission equal to 50% of the Net Upfront Commission earned on loans that the mortgage consultant writes provided they meet the qualifying criteria.

Qualifying Criteria – except for the calendar month of January each year, or where a loan is exempt as detailed below, the mortgage consultant must meet their loan approval budget for the month which is \$1,000,000. This budget is reviewed and is set at Mortgageport's discretion.

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Settlements	\$4,000,000	\$1,000,000	\$2,200,000	\$600,000	\$2,200,000	\$4,000,000	\$2,000,000	\$3,200,000
Commission	0%	50%	50%	0%	50%	0%	50%	50%

Which loans are Exempt?

Exempt Loans effective from the 19th May 2014 are:

- All loans written through Advantedge
- All loans referred by Metricon, subject to our signed referral agreement.

Mortgageport reserves the right to change the status of these exempt loans without notice but will honour the exemption provided the application has been lodged within 3 days of the loan status being changed.