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ELECTRONICALLY FILED
Superior Court of California,
County of San Diego
08/15/2022 at 03:24:30 PM
Clerk of the Superior Court
By Gabriel Lopez, Deputy Clerk

Attorneys for Plaintiffs,
Michael Lawrence Stowers, Meredith Stowers,
Troy Rogers, Kent Palmer, Jonathan Fuller, Kim
Moffat, and Peter Imming

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN DIEGO – CENTRAL DIVISION

MICHAEL LAWRENCE STOWERS, an
individual; MEREDITH STOWERS, an
individual; TROY ROGERS, an individual;
KENT PALMER, an individual;
JONATHAN FULLER, an individual;
KIM MOFFAT, an individual; and PETER
IMMING, an individual; on behalf of
themselves and all others similarly situated,

Plaintiffs,

v.

LOANDEPOT.COM, LLC, a Delaware
limited liability company,

Defendant.

Case No.: 37-2022-00032897-CU-OE-CTL

COMPLAINT FOR:

**(1) Private Attorney General's Act
("PAGA")**

Plaintiffs, Michael Lawrence Stowers, Meredith Stowers, Troy Rogers, Kent Palmer,
Jonathan Fuller, Kim Moffat, and Peter Imming (collectively, "Plaintiffs") allege as follows
against Defendant, LOANDEPOT.COM, LLC ("loanDepot"):

INTRODUCTION

1. Over the past year, it has become increasingly apparent that loanDepot's practice
of prioritizing profits over its customers and employees in disregard of the law is prevalent
throughout the nationwide company. loanDepot's increasing obsession with profits and
questionable tactics not coincidentally aligns with the lead up to loanDepot's initial public

1 offering on February 16, 2021. loanDepot's schemes are now coming to light.

2 2. A class action lawsuit was filed on behalf of investors against loanDepot in
3 September 2021 alleging that loanDepot misrepresented its business prospects in its initial public
4 offering.¹ This was promptly followed with a lawsuit by loanDepot's own Chief Operating
5 Officer, Tammy Richards, alleging harassment, discrimination, and a "wide scale fraud for profit
6 scheme."²

7 3. Plaintiffs left loanDepot only weeks after Ms. Richards resigned, and likewise
8 were victims of loanDepot's unscrupulous push for profit. loanDepot adopted a policy, which it
9 refused to put in writing, whereby its loan officers were forced to cut their own commissions by
10 mislabeling loans as "corporate-sourced" instead of "self-sourced" in order to offer price
11 exceptions to customers. This policy not only cost Plaintiffs hard earned commission, but violated
12 U.S. Federal Reserve Board Regulation Z, which was enacted to protect consumers by prohibiting
13 loan originators from receiving compensation in an amount that is based on terms of the
14 transaction. loanDepot also failed to reimburse its employees for expenses, misclassified its loan
15 officers as outside salespersons to avoid meeting various Labor Code requirements, including
16 minimum wage and overtime laws, and failed to compensation hourly and commissioned
17 employees for all hours worked.

18 4. In short, although loanDepot boasts on its website that it is "the nation's fifth
19 largest retail mortgage lender and the second largest non-bank retail originator, funding \$275
20 billion since inception," it is clear that behind the scenes loanDepot fosters a company dynamic
21 that prioritizes profits over people, often in violation of the law.

22 5. On July 29, 2021, Plaintiffs provided written notice to the California Labor &
23 Workforce Development Agency ("LWDA") by online filing system of loanDepot's violations of
24 various provisions of the California Labor Code under the Private Attorney General Act
25

26 ¹ *Adam Doban v. loanDepot, Inc. et al.*, Case No. 8:21-CV-01513, U.S. District Court, California Central District.

27 ² *Tamara Richards v. loanDepot, Inc. et al.*, Orange County Superior Court Case No. 30-2021-01222421-CU-WT-
28 CJC

1 (“PAGA”), and sent the written notice to loanDepot and its counsel via certified mail. (Exhibit
2 G.) The LWDA did not provide notice of its intention to investigate the matter within sixty days.
3 Plaintiffs and loanDepot thereafter entered a tolling agreement, which was extended several
4 times, whereby they agreed to toll the running of the statute of limitations on the PAGA claims
5 from October 4, 2021 to August 12, 2022.

6 6. This complaint is subject to binding arbitration under the terms of the Arbitration
7 Agreements which Plaintiffs entered into with loanDepot. Plaintiffs’ counsel has met and
8 conferred with loanDepot’s counsel requesting they agree that the instant PAGA claim be
9 submitted to arbitration, but no agreement has been reached. Plaintiffs file the instant complaint
10 in Superior Court solely to preserve their rights under the statute of limitations. Plaintiffs,
11 however, expressly reserve their right to arbitrate pursuant to the Arbitration Agreements which
12 loanDepot drafted and requested Plaintiffs sign during the course of their employment with
13 loanDepot.

14 **PARTIES AND VENUE**

15 7. Plaintiff Michael Lawrence Stowers is, and at all relevant times herein mentioned
16 was, an individual residing in the County of San Diego, State of California. Michael Stowers is
17 licensed as a Mortgage Loan Originator (“MLO”). He was employed by loanDepot³ as the branch
18 manager of 7777 Alvarado Road in La Mesa, California (the “La Mesa Branch”) from 2008 until
19 he resigned on April 15, 2021.

20 8. Plaintiff Meredith Stowers is, and at all relevant times herein mentioned was, an
21 individual residing in the County of San Diego, State of California. Meredith Stowers is married
22 to Michael Stowers, and was employed by loanDepot as the Branch Marketing Assistant at the La
23 Mesa Branch from 2013 until April 9, 2021.

24 9. Plaintiff Troy Rogers is an individual who resided in San Diego County,
25 California, until approximately November 2020, at which time he moved to Idaho, where he
26 currently resides. Troy Rogers was paid by loanDepot at all relevant times under California law

27 _____
28 ³ The company was imortgage until 2013 when it merged with loanDepot.

1 and treated as a California employee. He is, and was at all relevant times, a licensed MLO. He
2 was employed by loanDepot as a Loan Consultant at the La Mesa Branch from April 2014 until
3 his resignation on April 15, 2021.

4 10. Plaintiff Kent Palmer is, and at all relevant times herein mentioned was, an
5 individual residing in the County of San Diego, State of California. He is, and was at all relevant
6 times, a licensed MLO. Palmer was employed by loanDepot as a Loan Consultant at the La Mesa
7 Branch from December 2008 until his resignation on April 22, 2021.

8 11. Plaintiff Jonathan Fuller is, and at all relevant times herein mentioned was, an
9 individual residing in the County of San Diego, State of California. He is, and was at all relevant
10 times, a licensed MLO. Fuller was employed by loanDepot as a Loan Consultant at the La Mesa
11 Branch from October 2020 until his resignation on April 22, 2021.

12 12. Plaintiff Kim Moffat is, and at all relevant times herein mentioned was, an
13 individual residing in the County of San Diego, State of California. She is, and was at all relevant
14 times, a licensed MLO. Moffat was employed by loanDepot as a Loan Consultant at the La Mesa
15 Branch off and on from approximately January 2013 through October 2018, and then from
16 November 1, 2019 to her resignation on April 22, 2021.

17 13. Plaintiff Peter Imming is an individual who resided in San Diego County,
18 California until approximately March 2020, when he relocated to Idaho. Peter Imming was paid
19 by loanDepot at all relevant times under California law and treated as a California employee. He
20 is, and was at all relevant times, a licensed MLO. Imming was employed by loanDepot as a Loan
21 Specialist at the La Mesa Branch from approximately May 2016 through September 2019, and
22 from April 5, 2020 through his resignation on April 15, 2021. Imming's wages from loanDepot
23 comprised an hourly rate of pay plus some commission.

24 14. Defendant loanDepot is, and at all relevant times herein mentioned was, a limited
25 liability company organized and existing under the laws of the State of Delaware, with its
26 principal place of business in Orange County, State of California.

27 **RELEVANT FACTS**

Background and Context

15. Plaintiffs incorporate by reference each of the preceding paragraphs as though fully set forth herein.

16. Plaintiff Michael Stowers (“Mike Stowers”) began work with a company called imortgage at the end of 2008 as a Branch Manager at the La Mesa, California branch. imortgage merged into loanDepot in approximately September 2013, and he was employed by loanDepot at that time until he left in April 2021. Mike opened satellite offices in El Centro and Mission Valley. He also managed a small group within the East Lake Branch, an internal satellite office. He worked as a Producing Branch Manager from December 2008 to 2014, and then as a Non-Producing Branch Manager until about 2018, and then again as a Producing Branch Manager starting in 2019. Mike was paid a combination of salary plus commission.

17. Mike Stowers made the prestigious President’s Club beginning in about 2009 until about 2016, and then made the Chairman’s Elite Club in 2019 and 2020. According to loanDepot founder Anthony Hsieh in an internal press release, “Chairman’s Elite has been designed to recognize our top 250 team members across the business who are the best of the best, day in and day out – our people in the absolute top echelon of performance, consistently reflecting the values on which I founded our company.”

18. Meredith Stowers, Mike Stowers’ wife, started working for the La Mesa Branch in 2013, just before imortgage became loanDepot. She remained employed at loanDepot from that time until she left on April 9, 2021. Meredith had substantial marketing experience prior to working at loanDepot and was brought in to replace a less experienced marketing team. She helped to build out imortgage/loanDepot’s Customer Relationship Management (“CRM”) system, including creating drip campaigns and auto-responses, but also essentially taking the personal contact databases owned and managed by loan officers and pulling them into the loanDepot system.

19. Meredith quickly became the business development and marketing point-person for the branch and helped loan officers with their marketing and salesmanship efforts with

1 realtors, which is where many of the leads for mortgages arise, as well as marketing for the
2 branch itself. She also organized and automated marketing efforts. For example, during refinance
3 booms, she created an automatic report for loan officers to notify them if a past client could
4 benefit from a new refinance. She also purchased databases of homeowners who would benefit
5 from refinancing, and helped with mailers to those homeowners. Meredith Stowers was paid by
6 loanDepot on an hourly basis.

7 20. Mike Stowers teamed with loan officer Troy Rogers in 2020 to form the Stower-
8 Rogers Team within the branch. A team is not a separate business – it is an internal arrangement
9 within a branch that allows its members to share resources while continuing to grow business. A
10 key part of the team’s business is its marketing efforts, which were managed and led by Meredith
11 Stowers. She supported all loan originators and the branch itself. The Stowers-Rogers team
12 focused on helping families, buy, build, renovate, and refinance property, notably Accessory
13 Dwelling Units (“ADUs”).

14 21. The team’s members were comprised of people who Mike Stowers had known for
15 years and come to trust and respect. The team members relevant to this dispute included (1) Peter
16 Imming, the production manager, who went to high school with Mike Stowers’ second son and is
17 a longtime family friend; (2) Troy Rogers, who is a longtime family friend and well known to
18 Mike through his father-in-law, who is a close friend; (3) Kent Palmer, who has worked with
19 Mike Stowers for 17 of the last 20 years, and who worked with him at one of the first imortgage
20 branches in California; (4) Kim Moffatt, who has also worked with Mike Stowers since before
21 imortgage became loanDepot; and (5) Jon Fuller, who Mike Stowers has known since he was a
22 kid, as he went to high school with Mike’s son.

23 22. The loan officers, who include Troy Rogers, Kent Palmer, Kim Moffat, and
24 Jonathon Fuller, earned wages from loanDepot based 100% on commission. Mike Stowers, as the
25 Branch Manager, received a salary plus commission. Peter Imming, who was a Loan Specialist
26 and assisted Mike Stowers, earned wages on an hourly basis plus some commission. Meredith
27 Stowers was paid on an hourly basis.

23. A copy of the Retail Master Incentive Plan (“MIP”) which governed Mike Stowers, Troy Rogers, Peter Imming, Kim Moffat, Kent Palmer, and Jonathon Fuller’s employment at loanDepot is attached to loanDepot’s First Amended Complaint as Exhibits 1 - 6 and incorporated herein by reference. Commissions earned by these Plaintiffs was also governed by the Role Specific Incentive Terms (“RIT”), which identified different levels of pay depending on how the loan was sourced. A copy of the most recent RIT for these Plaintiffs is attached hereto as Exhibits A - F.

24. When Mike Stowers decided to leave loanDepot and move to CrossCountry Mortgage, for a number of reasons which are set forth in detail below, his team members and long-time friends were eager to come with him and continue working with him. In fact, many of them had told Mike that they wanted to leave loanDepot before Mike even considered moving to another company.

25. During the last few years of Plaintiffs' employment at loanDepot, its poor management and increasingly questionable practices impacted both its customers and employees. The situation became so egregious at loanDepot that just a few months ago, on September 21, 2021, loanDepot's own Chief Operating Officer, Tammy Richards, filed a lawsuit against the company, alleging sexual harassment and gender discrimination, as well as the presence of a "wide scale fraud for profit scheme" including that loanDepot closed loans without proper documentation in violation of the Dodd-Frank Title XIV – Mortgage Reform and Anti-Predatory Lending Act ("Dodd-Frank"). (See *Tamara Richards v. loanDepot, Inc. et al.*, Orange County Superior Court Case No. 30-2021-01222421-CU-WT-CJC; see also: <https://www.nytimes.com/2021/09/22/business/loandepot-lawsuit-Anthony-Hsieh.html>.) As alleged in the lawsuit, Ms. Richards resigned from loanDepot on March 30, 2021, only a couple weeks before Plaintiffs also resigned. loanDepot's practice of prioritizing profits over its customers and employees and disregard for the law, was observed not just by Plaintiffs, but, also by its own Chief Operating Officer.

loanDepot Failed to Pay Commissioned Employees Pursuant to their Commission

Agreements.

26. In approximately 2019, loanDepot adopted a compensation policy in violation of the U.S. Federal Reserve Board Regulation Z (12 CFR Part 226 *et al.*), which was enacted to protect consumers from predatory loan practices and provide more transparency in the mortgage loan process. Regulation Z prohibited, amongst other things, loan originators from receiving compensation in an amount that is based on terms of the transaction. loanDepot's policy violated Regulation Z by allowing loan officers to alter their compensation based on the terms of the transaction, and was designed to, and had the effect of, decreasing the loan officer's commission for the benefit of loanDepot.

27. Under loanDepot's policy, loan officers could continue to offer price exceptions to consumers in order to stay competitive with the market but were now also allowed to provide steeper price exceptions to consumers by labelling the loan as "corporate sourced"⁴ or "MSA" – even when the loan was self-sourced – which resulted in cutting the loan officer's compensation by 50%.⁵ In other words, loanDepot actively encouraged loan officers to characterize the loan as "corporate sourced" and cut their own compensation to compete on price. In fact, loanDepot *instructed* its Branch Managers not to put this policy in writing. This policy was likewise never mentioned in the loan officers' commission agreement.

28. Starting in approximately March 2021, loanDepot went a step further by refusing any price exceptions unless the loan officers labeled the loan as "corporate sourced" or where the loan officer agreed not to take any commission. By way of example, many of loanDepot's competitors offer FHA and VA loans. Specifically in the case of a veteran, loanDepot's interest rates were a full 100 basis points higher on VA loans than many competitors. Therefore, the loan originator who self-sources a VA loan is incentivized by loanDepot as a corporate policy, given loanDepot's high interest rate charges for veterans, either to lie by falsely labelling the loan as

⁴ Also called "branch-sourced."

⁵ loanDepot even provided a "Net Income Calculator" to its loan officers, which allowed them to calculate whether a price exception would be granted if they changed the source code (and thus their compensation) for a loan.

1 branch sourced (which will result in a reduction in compensation to the loan officer while
2 offsetting loanDepot's high interest rate) or to charge the self-sourced, higher interest rate to the
3 unsuspecting veteran, which many loan officers consider immoral (which again incentivizes the
4 loan officer to lie and label the loan as branch sourced, thus reducing his own compensation). In
5 short, in order to offer competitive rates, loanDepot's loan officers were required to falsely label
6 loans as "branch sourced" and accept a lower commission. This policy not only resulted in loss of
7 commission to the loan officers, but violated the consumer protections of Regulation Z.

8 29. In addition to adopting an unlawful policy which impacted loan officers'
9 commission, loanDepot also engaged in other improper practices to withhold commission from its
10 loan officers. In particular, loanDepot's Call Center would call loanDepot customers during a
11 refinance transaction, claiming to be "working with" the branch loan officer handling the
12 transaction. The Call Center representative would then offer a better interest rate to lure the
13 customer away from the branch, thereby depriving the loan officer of his or her commission.
14 This practice was so prevalent that complaints about it became public, and many brokers formed
15 an alliance to try to prevent this practice.⁶

16 30. loanDepot further impacted its loan officers' compensation by delaying the
17 processing of certain loans. loanDepot's regional office instructed the loan processors to prioritize
18 certain loans over others, resulting in confusion and substantial delays for customers waiting on
19 loans. The delays became so bad that by December 2020, with numerous loans in the pipeline to
20 close by the end of the year, only one loan closed. These delays resulted in customer
21 dissatisfaction and the loss of commission to loan officers.

22 31. loanDepot willfully failed to provide a written contract to the Commissioned
23 Employees and other similarly situated loan officers that set forth the method by which the
24 commissions shall be computed and paid. In particular, while the commission agreement, the
25 Role Specific Incentive Terms ("RIT"), identified different levels of pay depending on how the
26

27 ⁶ See <https://www.inman.com/2018/11/21/loandepot-originators-email-to-realtor-ignites-blowback/> and
28 <http://www.mortgagedaily.com/stories/WorstWholesalers031218.asp>.

1 loan was sourced, loanDepot only made certain price exceptions available if the loan officer
2 selected “corporate sourced.” This meant that in practice, in order to offer competitive pricing,
3 loan officers had to select corporate sourced and accept a lower commission, even when the loan
4 was self-sourced. This practice was never put in writing and was not reflected in the RIT, or the
5 Retail Master Incentive Plan (“MIP”), which also pertained to loan officer compensation
6 (collectively, the “Plan”).

7 32. The RIT states that “The [Sales Election Calculator] allows the [loan officer] to
8 propose various elective selections for sales and marketing support that will result in an
9 adjustment to the incentive compensation...” but does not identify on what basis the loan officer
10 might make the selections or how it would affect their commission. This vague language
11 demonstrates loanDepot’s apparent modus operandi of shifting costs from the company itself to
12 its loan officers by forcing them to accept less commission to stay competitive in the market and
13 sell loans.

14 33. Likewise, in approximately 2021 when loanDepot’s policy and practice changed
15 again regarding offering price exceptions, further impacting the loan officers’ commission, this
16 practice was not put into writing.

17 34. loanDepot’s practices of using its Call Center to lure customers away from loan
18 officers, of making its loan officers label loans as “corporate sourced,” and of prioritizing the
19 processing of certain loans over others thereby delaying the closing of loans and the payment of
20 commissions, caused Plaintiffs Mike Stowers, Rogers, Palmer, Moffat, Fuller, and Imming to lose
21 wages on commissions earned.

22 **loanDepot Failed to Reimburse Plaintiffs for Reasonably Necessary Expenses.**

23 35. loanDepot failed to pay both its commissioned loan officers and its hourly
24 employees for the use of their personal cell phones in the performance of their duties, which
25 includes calling and emailing current and potential customers, coworkers, and supervisors. See
26 Cochran v. Schwan's Home Service, Inc., 228 Cal.App.4th 1137, 1144 (2014) (employer must
27 pay reasonable percentage of employee’s cell phone bill).

1 36. loanDepot failed and refused to reimburse both its commissioned loan officers and
2 its hourly employees for necessary and reasonable travel expenses incurred as a direct
3 consequence of the discharge of their duties, including the use of their personal vehicles for, in
4 the case of loan officers, visiting customers and potential customers, and in the case of hourly
5 employees, visiting different branches of loanDepot as required for the performance of their
6 duties. See Gattuso v. Harte-Hanks Shoppers, Inc., 42 Cal.4th 554, 567 (2007) (discussing
7 required reimbursement for automobile expenses).

8 37. loanDepot also failed and refused to reimburse commissioned loan officers for
9 necessary marketing expenses for the loan officers to acquire new business. These expenses were
10 at least \$150/month, and often significantly higher.

11 **loanDepot Failed to Pay Rest Breaks and for All Hours Worked**

12 38. The compensation loanDepot paid to Plaintiff loan officers, Rogers, Palmer,
13 Moffat, and Fuller consisted entirely of commissions earned by the individual loan officer. The
14 loan officers' time was not tracked and they were not paid for rest breaks or for nonproductive
15 time, such as attending mandatory branch or company meetings.

16 39. The time the loan officers spent away from loanDepot's place of business (or their
17 remote office at home) was spent attending open houses, lunches, and various events and
18 meetings, as well as work-related educational conferences. In other words, the vast majority of
19 time away was not "selling tangible or intangible items or obtaining orders or contracts for
20 products, services, or use of facilities." (See Wage Order 4-2001, Section 2(M).) Plaintiff loan
21 officers spent less than half their time away from the place of business (either the branch or their
22 home office) engaged in sales activity.

23 40. Moreover, once the state-mandated shut down orders went into effect in March
24 2020, even these activities came to a halt. Plaintiff loan officers thereafter spent almost all of their
25 time working from home or from the branch office. Plaintiff loan officers were not "outside
26 salespersons" under California Labor Code § 1171 and the IWC Order 4-2001 before the
27 pandemic, and they certainly were not after March 2020.

1 41. loanDepot violated California Labor Code § 204 by failing to pay its
2 Commissioned Employees all wages when due. Specifically, loanDepot failed to pay its loan
3 officers Rogers, Palmer, Moffat, and Fuller for time spent engaged in work which does not earn
4 them commission, including, but not limited to, administrative work and attending meetings,
5 conferences, and training. The loan officers were not able to generate commission during these
6 “nonproductive” hours worked and were not compensated for their time.

7 **loanDepot Failed to Pay Minimum Wage**

8 42. loanDepot failed to pay Plaintiffs minimum wage for all hours worked in violation
9 of Wage Order 4-2001 and Labor Code §§ 1194, and 1197, and San Diego’s minimum wage
10 ordinance. Specifically, loanDepot not only failed to pay its commissioned loan officers,
11 Plaintiffs Roges, Palmer, Moffat, and Fuller, at least minimum wage for rest breaks and
12 nonproductive time, but also failed to pay minimum wage for all hours worked, including for pay
13 periods in which the commissions earned by the loan officers were less than minimum wage.
14 loanDepot further did not pay its hourly employee Peter Imming minimum wage for all hours
15 worked, including rest breaks and overtime hours worked off the clock.

16 **loanDepot Failed to Pay Overtime Premiums**

17 43. loanDepot violated California Labor Code § 510 and the IWC Wage Order 4-2001
18 for failing to pay Peter Imming overtime premiums for hours worked in excess of 8 hours a day
19 or 40 hours a week. Imming frequently worked over 8 hours a day, and sometimes in excess of 12
20 hours a day and/or on weekends, but was almost never compensated for the extra hours.

21 44. loanDepot also failed to pay commissioned Plaintiffs Rogers, Palmer, Moffat, and
22 Fuller overtime for hours worked in excess of 8 hours a day or 40 hours a week during pay
23 periods in which the loan officer earned less than 1.5 times minimum wage in commissions
24 during the pay period (thus making the commissioned sales exemption inapplicable).

25 **loanDepot Failed to Keep Accurate Payroll Records of Daily Hours Worked**

26 45. loanDepot has violated California Labor Code §§ 226 and 1174(d) and Wage
27 Order 4-2001 in failing to keep payroll records showing total hours worked, including overtime,
28

1 for hourly employees, Peter Imming and Meredith Stowers, and failed to keep any time records
2 for the commissioned loan officers Rogers, Palmer, Moffat, and Fuller. Under Labor Code §
3 1174(d), employers must keep “payroll records showing the hours worked daily by and the wages
4 paid to . . . employees [. . .].”

5 46. In sum, loanDepot prioritized profits over its customers and employees, which is
6 apparent both from Plaintiffs own experience at loanDepot as well as the experience of
7 loanDepot’s own Chief Operating Officer, Tammy Richardson. loanDepot used internal tactics
8 and schemes to force its loan officers to cut their own commissions to provide customers with
9 price exemptions – a policy in violation of Regulation Z – thereby shifting costs to its employees
10 to maximize its own profits. loanDepot further failed to reimburse its employees for expenses,
11 misclassified its loan officers as outside salespersons to avoid meeting various Labor Code
12 requirements, including minimum wage and overtime laws, and failed to compensation hourly
13 and commissioned employees for all hours worked.

14 **FIRST CAUSE OF ACTION**

15 **Private Attorney General’s Act (“PAGA”)**

16 **(All Plaintiffs Against loanDepot)**

17 47. Plaintiffs incorporate by reference each of the preceding paragraphs as though
18 fully set forth.

19 48. Plaintiffs are aggrieved employees under PAGA because they were employed by
20 loanDepot during the applicable statutory period and suffered one or more of the Labor Code
21 violations set forth in this complaint. Plaintiffs seek to recover on their own behalf, on behalf of
22 the State, and on behalf of all current and former aggrieved employees of loanDepot, the civil
23 penalties provided by PAGA, plus reasonable attorney’s fees and costs in this representative
24 action.

25 49. Specifically, Plaintiffs Michael Lawrence Stowers, Troy Rogers, Ken Palmer,
26 Jonathan Fuller, and Kim Moffat (the “Commissioned Employees”) seek to recover on behalf of
27 themselves and all similarly situated loan officers employed by loanDepot during the statutory
28

1 period. Plaintiffs Peter Imming and Meredith Stowers (the “Hourly Employees”) seek to recover
2 on behalf of themselves and all similarly situated hourly employees employed by loanDepot
3 during the statutory period.

4 50. The California Labor Code requires employers to provide employees a written
5 contract that sets forth the method by which the commissions shall be computed and paid, to pay
6 employees commissions earned, to reimburse its employees for necessary business expenditures
7 or losses, to pay its employees during rest breaks and nonproductive time, to pay all wages when
8 due, to pay minimum wage, and to pay overtime premiums, and to keep accurate payroll records.
9 loanDepot’s failure to comply with these California Labor Code requirements was willful and
10 intentional. Plaintiffs, in their representative capacity, seek civil penalties on behalf of themselves
11 and other aggrieved employees pursuant to PAGA.

12 51. Specifically, Plaintiffs seek penalties pursuant to PAGA for violation of the
13 following California Labor Code sections:

14 a. Failure to pay all commissions owed to the Commissioned Employees and
15 Peter Imming, and all similarly situated aggrieved loan officers in violation of Labor Code § 204;

16 b. Failure to set forth the method by which commissions were to be computed
17 and paid in violation of Labor Code § 2751 with respect to the Commissioned Employees, Peter
18 Imming, and all similarly situated aggrieved loan officers;

19 c. Failure to reimburse for all necessary business expenditures or losses
20 incurred by the Plaintiffs in direct consequence of the discharge of their duties in violation of
21 Labor Code § 2802~~7~~

22 d. Failure to pay rest breaks and non-productive time to the Commissioned
23 Employees and similarly situated aggrieved loan officers in violation of Labor Code §§ 226.7,
24 512 and Wage Order 4-2001;

25 e. Failure to pay all wages when due in violation of Labor Code § 204 and
26 Wage Order 4-2001;

27 f. Failure to pay minimum wage in violation of Labor Code §§ 1194 and
28

1 1197 and Wage Order 4-2001;

2 g. Failure to pay overtime premiums in violation of Labor Code § 510 and
3 Wage Order 4-2001;

4 h. Failure to keep accurate payroll records of daily hours worked in violation
5 of Labor Code §§ 226 and 1174(d) and Wage Order 4-2001.

6 52. With respect to violations of Labor Code § 204, Labor Code § 210 imposes a civil
7 penalty (apart from other penalties) of \$100 for each initial violation and \$200 for each
8 subsequent violation, in addition to 25% of the amount unlawfully withheld.

9 53. With respect to violations of Labor Code § 2802, 226.7, 510, and Wage Order 4-
10 2001, Labor Code § 558 imposes a civil penalty in addition to any other penalty provided by law
11 of fifty dollars (\$50) for initial violations of each underpaid employee for each pay period, and
12 one hundred dollars (\$100) for subsequent violations for each underpaid employee for each pay
13 period. The statute of limitations with respect to penalties under Labor Code § 558 is three years.

14 54. With respect to violations of Labor Code § 226, Labor Code § 226.3 imposes a
15 civil penalty in addition to any other penalty provided by law of two hundred fifty dollars (\$250)
16 per aggrieved employee for the first violation, and one thousand dollars (\$1,000) per aggrieved
17 employee for each subsequent violation of Labor Code 226(a). In addition, loanDepot's failure to
18 keep accurate payroll records was willful, so it is liable for civil penalties under Labor Code §
19 1174.5.

20 55. Labor Code § 2699 imposes a civil penalty of one hundred dollars (\$100) per pay
21 period, per aggrieved employee for initial violations, and two hundred dollars (\$200) per pay
22 period, per aggrieved employee for subsequent violations for all Labor Code provisions for which
23 a civil penalty is not specifically provided.

24 56. With respect to violations of California Labor Code §§201 and 202, California
25 Labor Code §203(a) imposes a penalty, in an amount equal to the wages of each aggrieved
26 employee, from the due date thereof at the same rate for a total of 30 days.

27 57. To the extent applicable, Plaintiffs have satisfied the requirements of Labor Code §
28

1 2699.3.

2 58. Plaintiffs are informed and believe and thereon allege that loanDepot has engaged
3 in other wrongful practices which may become known during discovery. Plaintiffs reserve the
4 right to seek leave of the Judge assigned to this case, to amend this complaint to conform to proof
5 and/or add additional allegations upon discovery.

6 **PRAYER FOR RELIEF**

7 WHEREFORE, Plaintiffs pray for the following relief:

8 1. For all economic and non-economic damages in an amount according to proof at
9 trial of this matter;

10 2. For reasonable costs and attorneys' fees;

11 3. Pre-judgment and post-judgment interest as provided by law;

12 4. For civil penalties as provided by law;

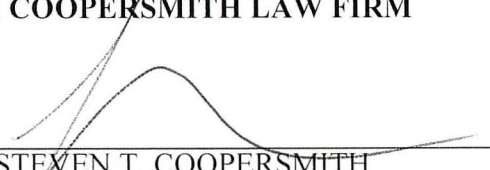
13 5. For such other and further relief as is just and proper.

14 **JURY DEMAND**

15 Plaintiffs demand a trial by jury on all counts so triable.

16
17 DATED: August 15, 2022

THE COOPERSMITH LAW FIRM

18
19 By: 

20 STEVEN T. COOPERSMITH

21 PHILIPPA S. GRUMBLEY

22 Attorneys for Plaintiffs,

Michael Lawrence Stowers, Meredith Stowers,

23 Troy Rogers, Kent Palmer, Jonathan Fuller,

Kim Moffat, and Peter Imming

EXHIBIT A



ATTACHMENT A: Role Specific Incentive Terms

Producing Branch Manager

Michael Stowers

This Attachment A - Role Specific Incentive Terms ("RIT") is incorporated by reference into and subject to the Retail Master Incentive Plan ("MIP"). From and after the Effective Date, this RIT replaces all prior RITs and incentive plans. Capitalized terms not otherwise defined herein shall have the meaning set forth in the MIP.

Effective Date

This RIT is effective **January 1, 2021** ("Effective Date") and shall continue until changed, modified, amended or terminated, at the sole discretion of the Company.

1. All Funded Loans locked through the proprietary product, pricing and eligibility engine ("PPE") will be eligible for Incentive Compensation pursuant to the RIT in effect as of the Lock Date.
2. All Funded Loans, not locked through PPE, will be eligible for Incentive Compensation pursuant to the RIT in effect as of the Funding Date.

Compensation Components

Salary Compensation - the Producing Branch Manager ("PBM") is paid a salary on a semi-monthly basis. Current Salary can be viewed via the Company's HRIS tool, Workday.

Incentive Compensation - refer to terms of the incentive compensation section below. The incentive compensation below defines the level of Basis Points ("BPS") that are utilized to calculate sales incentives on Funded Loan volume prior to any adjustments elected by the Producing Branch Manager in the Sales Election Calculator ("SEC"). The SEC allows the LC, Sales Manager ("SM") or Producing Branch Manager ("PBM") to propose various elective selections for sales and marketing support that will result in an adjustment to the incentive compensation. Any elective selections and adjustments to incentive compensation proposed by the LO will be documented on the SEC election forms. SEC adjustments are calculated based on the elections in place as of the Funding Date (regardless of when the loan was locked and or priced). Incentive compensation is not earned until all adjustments are calculated and made.

Incentive Compensation

A. Qualified Loan Pool

The PBM's Qualified Loan Pool consists of all Self-Sourced Funded Loans originated by the PBM funded during the Measurement Period that are not part of the PBM's Payment Schedule Loan Pool (set forth in Section B below). The Qualified Loan Pool incentives are based on the base BPS Incentive Rate set forth below, subject to any adjustment made in the SEC. Subject to adjustment or change pursuant to the other terms of this Plan, incentives ordinarily will be calculated by multiplying the BPS Incentive Rate by the individual loan amounts of eligible Funded Loans during the Measurement Period, subject to the maximum incentive dollar cap for any individual Funded Loan.

1. Base BPS Incentive Rate for Qualified Loan Pool – **120 BPS**
2. Maximum incentive that can be earned on any individual Funded Loan in the Qualified Loan Pool – **\$7,000**
3. For calculation of incentive pay on simultaneous subordinate-lien mortgages, except for Silent Seconds/Bond Second Loans, the loan amount of the subordinate-lien mortgage shall be added to the loan amount of the first-

lien mortgage, and the total incentive pay is subject to the maximum incentive cap. First-lien mortgages with "piggyback" subordinate-lien loan products qualify as a single unit.

B. Payment Schedule Loan Pool

The Payment Schedule Loan Pool includes the following Funded Loan types, and the PBM is eligible for Incentives at the base incentive compensation rates set forth below, subject to any proposed adjustments made in the SEC approved by the Company. Subject to adjustment or change pursuant to the other terms of this Plan, Incentives ordinarily will be calculated by multiplying the BPS Incentive Rate by the individual loan amounts of eligible Funded Loans during the Measurement Period, subject to the maximum incentive dollar cap for any individual Funded Loan.

1. Brokered Loans (excluding Exempt Open-Ended Brokered Loans): 50 BPS.
2. Corporate-Sourced Loans: Except as specified below under Optional Corporate-Sourced Types, Corporate-Sourced Loans are eligible for an incentive of 50 BPS per loan.
 - a. Optional Corporate-Sourced Election Types:
 - i. MSA: 80 BPS
3. Exempt Open-End Brokered Loans: Exempt Open-Ended HELOC Brokered Loans are eligible for an Incentive of 50% of Company's broker compensation amount. No additional sales incentives/overrides will be payable on brokered HELOC products (e.g. incentives to Sales Support staff and/or overrides to Sales Manager, Branch Manager, Regional Manager, etc).
4. Originator Pending License Transfers: Referring PBM transferring loans is not eligible for any sales incentive compensation. LO who originates the loan is eligible for the standard Corporate-Sourced Loans of 50 BPS incentive compensation for each Funded Loan.
5. Permitted Loan Transfers: To the extent permitted under applicable law and subject to the definition of Permitted Loan Transfers herein, a Direct or Retail Loan Originator ("LO") as defined herein, may transfer certain loans to another LO. When permitted, the LO is eligible for a sales incentive rate of 30 BPS for any Permitted Loan Transfer the LO refers that results in a Funded Loan. The LO is eligible for their Qualified Loan Pool Incentive Base BPS minus 30 BPS for each Funded Loan transferred to and originated by the LO. Calculation of Permitted Loan Transfers Incentive rate (Base BPS minus 30 bps) is based on the receiving LO maximum incentive dollar cap for any individual Funded Loan.
6. Silent Seconds/Bond Second Loans: Silent second-lien loans or other bond program subordinate-lien mortgages for which Company does not receive compensation are not eligible for any sales incentives.
7. Terminated Originator Transfers: The originating LO who the loan is transferred to is eligible to receive 20 BPS for each Funded Loan, not to exceed a maximum dollar cap of \$500 per loan. Departing LC, SM, or PBM is eligible for full BPS compensation, not to exceed the applicable maximum dollar cap, for any loan where the Funding Date is within 30 calendar days of the PBM termination date.
8. Required Refinance: LO are not eligible to earn compensation for a refinance required by the Company because the underlying Funded Loan is unsalable in the normal course.
9. Early Pay-Off ("EPO") Loans: EPO loans that are paid off within 120 days of the original Funding Date as a result of the LC refinancing the prior loan will not be eligible for sales incentive pay. EPO loans paid off between 121 to 180 days of the original Funding Date as a result of the LO refinancing the prior loan will be eligible for a sales

incentive of 50 BPS.

10. Employee Loans: Employee Loans are not eligible for sales incentives.

Unless otherwise provided above, the maximum Incentive that can be earned on any individual Funded Loan in the Payment Schedule Loan Pool will not exceed PBM's Qualified Loan Pool maximum dollar incentive cap, set forth in Section A above.

C. Volume Override

The PBM is eligible to earn an override on each Funded Loan for his/her branch. The override will be calculated on the Funded Loan volume originated by the branch's loan originators ("Managed Production"). The Producing Branch Manager's personal production is not eligible for the volume override. Subject to adjustment or change pursuant to the other terms of this Plan, incentives ordinarily will be calculated by multiplying the Override BPS Incentive by the amount of an eligible Managed Production Funded Loan less any SMO Expense. "SMO Expense" shall be equal to 50% of any Sales Manager Override paid for Managed Production. For example, if PBM's Override BPS Rate multiplied by Managed Production equaled \$5,000 and the Sales Manager employed for PBM Branch earned a \$1,000 Volume Override, the PBM's Volume Override would equal $\$5,000 - (\$1,000 \times 50\%) = \$4,500$.

1. Override BPS Rate— 10 BPS
2. Employee Loans are not eligible for inclusion in Managed Production Funded Loan volume
3. EPO loans (defined above) are not eligible for inclusion in Managed Production Funded Loan volume

Reassignment/Transfer/Promotion/Separation Impact on Eligibility to Earn Incentive Compensation:

If PBM's employment with the Company terminates for any reason whatsoever, or he or she is reassigned, transferred, or promoted to a position that is not eligible to participate in this Plan, and another employee of the Company will have to perform significant work to ensure that any loans for which the application was taken by the PBM are funded, that necessary procedures are followed, and that other conditions regarding the loan are satisfied, the Company reserves the right to modify, reduce, adjust, or eliminate the PBM's sales incentive pay; all such modifications, reductions, adjustments, or eliminations shall be made at the sole discretion of the Company. However, ordinarily the Company will allow the PBM to be eligible to earn sales incentives for loans for which the PBM provided services in accordance with the terms hereafter stated for 30 days after the termination of the PBM's employment or reassignment, transfer or promotion within the company, provided that: (1) all of the conditions precedent under the terms of the Plan for earning the incentives are satisfied during that 30-day period, including the condition that the loan funds within that 30-day period, (2) there are no early payment defaults within 90 days of the Funding Date of any such loan; (3) all loans are sellable, insurable and do not require extensive rework by the Company; (4) Final 10Q3s are signed by an employed, licensed Internal Loan Consultant or Loan Consultant of the Company; and (5) all other terms and conditions of the Plan are satisfied.

D. Definitions

1. Basis Points (BPS): Each based point (1 bps) is 1/100th of 1% or 0.0001.
2. BPS Incentive Rate: The total of Base BPS Incentive Rate adjusted by total SEC election BPS.
3. Brokered Loans: A Funded Loan closed by a third-party lender, except for Exempt Open-End Brokered Loans. The LC may only broker loans in situations in which the Company does not offer an identical or comparable product to that offered by the third-party lender or the loan has been denied under the Company guidelines, and where the third-party lender is a company-approved lender. Brokered loans that do not meet these standards will not be eligible for any sales incentives.

4. Corporate-Sourced Loans: Loans from any source in which the Company has a relationship that has led to a Funded Loan, with the exception of loans that are Self-Sourced by the PBM. Corporate-Sourced Loans include, but are not limited to, loans sourced through Company marketing, affinity agreements, Builder Select Community loans, employer loans from the Company or its affiliates, portfolio refinance programs, and DPLP.
5. DPLP: Means Digital Purchase Lead Program, a loanDepot strategic initiative that incorporates the Company's marketing spend and state of the art contact center to provide warm lead transfers to LC's, SM's and/or PBM's.
6. Early Pay-Off ("EPO") Loans: EPO Loans are defined as loans previously originated by Company that are refinanced within 180 days of the original Funding Date.
7. Employee Loans: Employee Loans are defined as loans made to any Company employee. All Employee loans are originated in accordance with the Company's Employee Loan Policy. Such loans must be transferred immediately to a designated Direct LLO for origination and will be processed, underwritten, and funded by a designated team.
8. Exempt Open-End Loan: A loan that meets the definition of open-end credit under 12 C.F.R. 1026.2(2), including an open-end home equity line of credit ("HELOC") or open-end reverse mortgage, which is not subject to the Regulation Z Loan Originator Compensation Rules under 12 C.F.R. 1026.36(d). This does not include closed-end HELOCs or reverse mortgages.
9. Funding Date: The date when the appropriate funds are drawn from the Company's warehouse lines and transmitted to the escrow agent to fund the loan.
10. Funded Loan: A funded residential mortgage loan that is originated by an LO in accordance with all applicable state and federal law and regulations as well as the Company's policies and procedures. A loan is deemed funded on the Funding Date.
11. HELOC: A home equity line of credit is a loan in which the lender agrees to lend a maximum amount within an agreed period (called a term), where the collateral is the borrower's equity in his/her house.
12. Loan Originator: A licensed Direct LLO, Retail Loan Consultant, Sales Manager, Producing Branch Manager or Producing Area Manager.
13. Lock Date: The date the loan rate and pricing is confirmed as locked by the Company lock desk.
14. Measurement Period: The applicable measurement period for incentive compensation shall be the period of time beginning on the first day of the calendar month and ending on the last day of the calendar month. For purposes of calculating incentive compensation, the eligible Funded Loan population will be determined as of 11:59:59pm PST on the 2nd business day following the close of each Measurement Period.
15. Optional Corporate-Sourced Election Types: Corporate-Sourced Loans from the following optional Company relationships: Marketing Services Agreements ("MSAs"), Partner Space Agreements ("PSAs"), Builder Select Community, and the Lender Express program.
16. Originator Pending License Transfers: If the LO is not licensed and approved to originate on behalf of the Company or their NMLS Temporary Authority to originate has not been granted when loan originator activities commence, the LO is required to transfer those loans to a licensed Internal Loan Consultant ("ILC") or another licensed Retail Originator if an ILC is not available.
17. Payment of Volume Override Incentives for Producing Branch Manager: Under typical circumstances Volume Override Incentives calculable on a monthly basis will be advanced on the 15th day of the month following the

month for which the Volume Override is calculated. Again, incentive payments are a draw, advanced on anticipated final earnings, and are subject to reconciliation (i.e., a true-up) based on actual results. Notwithstanding the foregoing, the Producing Branch Manager must be employed at the time of incentive payment to be eligible to receive any Volume Overrides.

18. Permitted Loan Transfers: To the extent permitted under applicable law and limited to the reasons set forth below, the LO may refer loans to be transferred to another LO or ILC to originate. Any loan transfer outside those defined below is not permissible and not eligible for any sales incentive. "Permitted Loan Transfers" shall include:

- a. Licensed State Transfer: PBM with an MLO license, but not licensed in the state where the property that is the subject of the loan is located may transfer the loan to another originator in the same branch or another branch within the Retail Channel that holds the appropriate state license. If there is not a licensed Retail LO or ILC in the subject property state, the loan should be transferred to a licensed Direct LLO.
- b. Extended Time Away from Office Transfer: If the PBM is out of the office for a permissible purpose for an extended period of time and needs another originator to assist the customer during the extended absence, the PBM may transfer the loan to another licensed originator.
- c. Product Certification Transfer: If the PBM is not certified or qualified to originate the product that best meets the customer's needs, the PBM must transfer the loan to a designated originator.
- d. Customer Requested Transfer: The customer submits a written request to transfer their loan to another originator at the Company.
- e. Protected Builder Account: If PBM receives a loan from a customer within a Protected Builder Account territory, the PBM must transfer the loan to the designated Builder Account LC.
- f. Direct LLO to Retail Originator: To the extent that the Direct channel cannot originate a loan, they may transfer the loan to a Retail LO.

19. PP&E: Is loanDepot proprietary product, pricing and eligibility engine.

20. Self-Sourced Loans: Self-sourced loans are loans that the LC obtains through his or her own relationships, business sources, or marketing. Loans that are not Self-Sourced are not included in the Qualified Loan Pool.

RECEIPT & ACKNOWLEDGEMENT

I have received, reviewed, and accept the terms of this RIT. I also understand and agree that the Company may change, modify, amend or terminate this RIT at any time at its sole discretion. I understand that this RIT does not constitute a guarantee or contract of employment, and nothing in it should be construed to limit or change the at-will employment relationship between the Company and myself which may be terminated at any time, with or without cause or notice, by me or the Company.

PRODUCING BRANCH MANAGER ACKNOWLEDGES THAT HE OR SHE HAS READ THIS RIT AND THE MIP IN THEIR ENTIRETY AND UNDERSTANDS THEIR TERMS AND ACKNOWLEDGES THAT HE OR SHE HAS HAD THE OPPORTUNITY TO CONSULT WITH LEGAL COUNSEL OF HIS OR HER CHOICE AND/OR OTHER PERSONS TO THE FULL EXTENT DESIRED BEFORE SIGNING THIS RIT. PRODUCING BRANCH MANAGER'S ACKNOWLEDGEMENT REPRESENTS THAT HE OR SHE HAS BEEN GIVEN A REASONABLE TIME TO REVIEW AND CONSIDER THE RIT AND THE MIP AND HAS AGREED TO EACH OF THEM OF HIS OR HER OWN FREE CHOICE. IF PRODUCING BRANCH MANAGER HAS ANY QUESTIONS REGARDING THESE TERMS, PLEASE CONTACT RETAIL_HRTEAM@LOANDEPOT.COM

Michael Stowers

Dec 30, 2020 | 10:34 AM PST

Employee Signature

Date

Michael Stowers

Print Name



1/1/2021

Company Representative – John Bianchi

Date

EXHIBIT B



ATTACHMENT A: Role Specific Incentive Terms

Troy Rogers

This Attachment A - Role Specific Incentive Terms ("RIT") is incorporated by reference into and subject to the Retail Master Incentive Plan ("MIP"). From and after the Effective Date, this RIT replaces all prior RITs and incentive plans. Capitalized terms not otherwise defined herein shall have the meaning set forth in the MIP.

Effective Date

This RIT is effective **January 1, 2021** ("Effective Date") and shall continue until changed, modified, amended or terminated, at the sole discretion of the Company.

1. All Funded Loans locked through the proprietary product, pricing and eligibility engine ("PPE") will be eligible for Incentive Compensation pursuant to the RIT in effect as of the Lock Date.
2. All Funded Loans, not locked through PPE, will be eligible for Incentive Compensation pursuant to the RIT in effect as of the Funding Date.

Compensation Components

Salary Compensation - the Retail Loan Consultant ("LC") is an incentive-only position and is exempt from overtime pay. In this position, loanDepot requires that you maintain an active NMLS license¹, regularly spend more than half (greater than 50%) of your working time away from loanDepot's place of business conducting sales calls to create, develop and maintain referral relationships with real estate professionals, builders, and consumers. If at any time you feel that you cannot perform these duties as expected, you must notify your Manager and Human Resources immediately.

Incentive Compensation - refer to terms of the incentive compensation section below. The incentive compensation below defines the level of Basis Points ("BPS") that are utilized to calculate sales incentives on Funded Loan volume prior to any adjustments elected by the Retail Loan Consultant in the Sales Election Calculator ("SEC"). The SEC allows the LC to propose various elective selections for sales and marketing support that will result in an adjustment to the incentive compensation. Any elective selections and adjustments to incentive compensation proposed by the LC will be documented on the SEC election forms. SEC adjustments are calculated based on the elections in place as of the Funding Date (regardless of when the loan was locked and or priced). Incentive compensation is not earned until all adjustments are calculated and made.

Incentive Compensation

A. Qualified Loan Pool

An LC's Qualified Loan Pool consists of all Self-Sourced Funded Loans originated by the LC funded during the Measurement Period that are not part of the LC's Payment Schedule Loan Pool (set forth in Section B below). The Qualified Loan Pool incentives are based on the base BPS Incentive Rate set forth below, subject to any adjustment made in the SEC. Subject to adjustment or change pursuant to the other terms of this Plan, incentives ordinarily will be calculated by multiplying the BPS Incentive Rate by the individual loan amounts of eligible Funded Loans during the Measurement Period, subject

¹ An active Temporary Authority status in NMLS for an initial period of 120 days from approval will be deemed equivalent to an active NMLS license for purposes of this Plan.

to the maximum incentive dollar cap for any individual Funded Loan.

1. Base BPS Incentive Rate for Qualified Loan Pool – **120 BPS**
2. Maximum incentive that can be earned on any individual Funded Loan in the Qualified Loan Pool – **\$7,000**
3. For calculation of incentive pay on simultaneous subordinate-lien mortgages, except for Silent Seconds/Bond Second Loans, the loan amount of the subordinate-lien mortgage shall be added to the loan amount of the first-lien mortgage, and the total incentive pay is subject to the maximum incentive cap. First-lien mortgages with “piggyback” subordinate-lien loan products qualify as a single unit.

B. Payment Schedule Loan Pool

The Payment Schedule Loan Pool includes the following Funded Loan types, and the LC is eligible for incentives at the base incentive compensation rates set forth below, subject to any proposed adjustments made in the SEC approved by the Company. Subject to adjustment or change pursuant to the other terms of this Plan, incentives ordinarily will be calculated by multiplying the BPS Incentive Rate by the individual loan amounts of eligible Funded Loans during the Measurement Period, subject to the maximum incentive dollar cap for any individual Funded Loan.

- Brokered Loans (excluding Exempt Open-Ended Brokered Loans): 50 BPS.
- Corporate-Sourced Loans: Except as specified below under Optional Corporate-Sourced Types, Corporate-Sourced Loans are eligible for an incentive of 50 BPS per loan.
 - a. Corporate-Sourced Election Types:
 - i. MSA 80 **BPS**
- Exempt Open-End Brokered Loans: Exempt Open-Ended HELOC Brokered Loans are eligible for an incentive of 50% of Company's broker compensation amount. No additional sales incentives/overrides will be payable on brokered HELOC products (e.g. incentives to Sales Support staff and/or overrides to Sales Manager, Branch Manager, Regional Manager, etc.).
- Originator Pending License Transfers: Referring LC transferring loans is not eligible for any sales incentive compensation. LC who originates the loan is eligible for the standard Corporate-Sourced Loans of 50 BPS incentive compensation for each Funded Loan.
- Permitted Loan Transfers: To the extent permitted under applicable law and subject to the definition of Permitted Loan Transfers herein, a Direct or Retail Loan Originator (“LO”) as defined herein, may transfer certain loans to another LO. When permitted, the LO is eligible for a sales incentive rate of 30 BPS for any Permitted Loan Transfer the LO refers that results in a Funded Loan. The LO is eligible for their Qualified Loan Pool Incentive Base BPS minus 30 BPS for each Funded Loan transferred to and originated by the LO. Calculation of Permitted Loan Transfers incentive rate (Base BPS minus 30 bps) is based on the receiving LO maximum incentive dollar cap for any individual Funded Loan.
- Silent Seconds/Bond Second Loans: Silent second-lien loans or other bond program subordinate-lien mortgages for which Company does not receive compensation are not eligible for any sales incentives.
- Terminated LC Transfers: The originating LO or ILC who the loan is transferred to is eligible to receive 20 BPS for each Funded Loan, not to exceed a maximum dollar cap of \$500 per loan. Departing LC is eligible for full BPS compensation, not to exceed the applicable maximum dollar cap, for any loan where the Funding Date is within 30 calendar days of the LC's termination date.

- **Required Refinance:** LC is not eligible to earn compensation for a refinance required by the Company because the underlying Funded Loan is unsalable in the normal course.
- **Early Pay-Off ("EPO") Loans:** EPO loans that are paid off within 120 days of the original Funding Date as a result of the LC refinancing the prior loan will not be eligible for sales incentive pay. EPO loans paid off between 121 to 180 days of the original Funding Date as a result of the LC refinancing the prior loan will be eligible for a sales incentive of 50 BPS.
- **Employee Loans:** Employee Loans are not eligible for sales incentives.

Unless otherwise provided above, the maximum incentive that can be earned on any individual Funded Loan in the Payment Schedule Loan Pool will not exceed LC's Qualified Loan Pool maximum dollar incentive cap, set forth in Section A above.

C. Reassignment/Transfer/Promotion/Separation Impact on Eligibility to Earn Incentive Compensation:

If LC's employment with the Company terminates for any reason whatsoever, or he or she is reassigned, transferred, or promoted to a position that is not eligible to participate in this Plan, and another employee of the Company will have to perform significant work to ensure that any loans for which the application was taken by the LC are funded, that necessary procedures are followed, and that other conditions regarding the loan are satisfied, the Company reserves the right to modify, reduce, adjust, or eliminate the LC's sales incentive pay; all such modifications, reductions, adjustments, or eliminations shall be made at the sole discretion of the Company. However, ordinarily the Company will allow the LC to be eligible to earn sales incentives for loans for which the LC provided services in accordance with the terms hereafter stated for 30 days after the termination of the LC's employment or a reassignment, transfer or promotion within the company provided that: (1) all of the conditions precedent under the terms of the Plan for earning the incentives are satisfied during that 30-day period, including the condition that the loan funds within that 30-day period, (2) there are no early payment defaults within 90 days of the Funding Date of any such loan; (3) all loans are sellable, insurable and do not require extensive rework by the Company; (4) Final 1003s are signed by an employed, licensed Internal Loan Consultant or Loan Consultant of the Company; and (5) all other terms and conditions of the Plan are satisfied.

D. Definitions

1. **Basis Points (BPS):** Each based point (1 bps) is 1/100th of 1% or 0.0001.
2. **BPS Incentive Rate:** The total of Base BPS Incentive Rate adjusted by total SEC election BPS.
3. **Brokered Loans:** A Funded Loan closed by a third-party lender, except for Exempt Open-End Brokered Loans. The LC may only broker loans in situations in which the Company does not offer an identical or comparable product to that offered by the third-party lender or the loan has been denied under the Company guidelines, and where the third-party lender is a company-approved lender. Brokered loans that do not meet these standards will not be eligible for any sales incentives.
4. **Corporate-Sourced Loans:** Loans from any source in which the Company has a relationship that has led to a Funded Loan, except for loans that are Self-Sourced by the LC. Corporate-Sourced Loans include, but are not limited to, loans sourced through Company marketing, affinity agreements, Builder Select Community loans, employer loans from the Company or its affiliates, portfolio refinance programs, and DPLP.
5. **DPLP:** Means Digital Purchase Lead Program, a loanDepot strategic initiative that incorporates the Company's marketing spend and state of the art contact center to provide warm lead transfers to Retail LC's.

6. Early Pay-Off ("EPO") Loans: EPO Loans are defined as loans previously originated by Company that are refinanced within 180 days of the original Funding Date.
7. Employee Loans: Employee Loans are defined as loans made to any Company employee. All Employee loans are originated in accordance with the Company's Employee Loan Policy. Such loans must be transferred immediately to a designated Direct LLO for origination and will be processed, underwritten, and funded by a designated team.
8. Exempt Open-End Loan: A loan that meets the definition of open-end credit under 12 C.F.R. 1026.2(2), including an open-end home equity line of credit ("HELOC") or open-end reverse mortgage, which is not subject to the Regulation Z Loan Originator Compensation Rules under 12 C.F.R. 1026.36(d). This does not include closed-end HELOCs or reverse mortgages.
9. Funding Date: The date when the appropriate funds are drawn from the Company's warehouse lines and transmitted to the escrow agent to fund the loan.
10. Funded Loan: A funded residential mortgage loan that is originated by LC in accordance with all applicable state and federal law and regulations as well as the Company's policies and procedures. A loan is deemed funded on the Funding Date.
11. HELOC: A home equity line of credit is a loan in which the lender agrees to lend a maximum amount within an agreed period (called a term), where the collateral is the borrower's equity in his/her house.
12. Loan Originator: A licensed Direct LLO, Retail Loan Consultant, Sales Manager, Producing Branch Manager or Producing Area Manager.
13. Lock Date: The date the loan rate and pricing are confirmed as locked by the Company lock desk.
14. Measurement Period: The applicable measurement period for incentive compensation shall be the period of time beginning on the first day of the calendar month and ending on the last day of the calendar month. For purposes of calculating incentive compensation, the eligible Funded Loan population will be determined as of 11:59:59pm PST on the 2nd business day following the close of each Measurement Period.
15. Optional Corporate-Sourced Election Types: Corporate-Sourced Loans from the following optional Company relationships: Marketing Services Agreements ("MSAs"), Partner Space Agreements ("PSAs"), Builder Select Community, and the Lender Express program.
16. Originator Pending License Transfers: If the LC is not licensed and approved to originate on behalf of the Company or their NMLS Temporary Authority to originate has not been granted when loan originator activities commence, the LC is required to transfer those loans to a licensed Internal Loan Consultant ("ILC") or another licensed Retail LC if an ILC is not available.
17. Permitted Loan Transfers: To the extent permitted under applicable law and limited to the reasons set forth below, the LC may refer loans to be transferred to another LC to originate. Any loan transfer outside those defined below is not permissible and not eligible for any sales incentive. "Permitted Loan Transfers" shall include:
 - a. Licensed State Transfer: LC with an MLO license, but not licensed in the state where the property that is the subject of the loan is located may transfer the loan to another originator in the same branch or another branch within the Retail Channel that holds the appropriate state license. If there is not a licensed Retail LC in the subject property state, the loan should be transferred to a licensed Direct LLO.

- b. Extended Time Away from Office Transfer: If LC is out of the office for a permissible purpose for an extended period of time and needs another originator to assist the customer during the extended absence, the LC may transfer the loan to another originator.
- c. Product Certification Transfer: If LC is not certified or qualified to originate the product that best meets the customer's needs, the LC must transfer the loan to a designated originator.
- d. Customer Requested Transfer: The customer submits a written request to transfer their loan to another originator at the Company.
- e. Protected Builder Account: If LC receives a loan from a customer within a Protected Builder Account territory, the LC must transfer the loan to the designated Builder Account LC.
- f. Direct LLO to Retail LC: To the extent that the Direct channel cannot originate a loan, they may transfer the loan to a Retail LC.

18. PP&E: Is loanDepot's proprietary product, pricing and eligibility engine.

19. Self-Sourced Loans: Self-sourced loans are loans that the LC obtains through his or her own relationships, business sources, or marketing. Loans that are not Self-Sourced are not included in the Qualified Loan Pool.

RECEIPT & ACKNOWLEDGEMENT

I have received, reviewed, and accept the terms of this RIT. I also understand and agree that the Company may change, modify, amend or terminate this RIT at any time at its sole discretion. I understand that this RIT does not constitute a guarantee or contract of employment, and nothing in it should be construed to limit or change the at-will employment relationship between the Company and myself which may be terminated at any time, with or without cause or notice, by me or the Company.

RETAIL LOAN CONSULTANT ACKNOWLEDGES THAT HE OR SHE HAS READ THIS RIT AND THE MIP IN THEIR ENTIRETY AND UNDERSTANDS THEIR TERMS AND ACKNOWLEDGES THAT HE OR SHE HAS HAD THE OPPORTUNITY TO CONSULT WITH LEGAL COUNSEL OF HIS OR HER CHOICE AND/OR OTHER PERSONS TO THE FULL EXTENT DESIRED BEFORE SIGNING THIS RIT. RETAIL LOAN CONSULTANT'S ACKNOWLEDGEMENT REPRESENTS THAT HE OR SHE HAS BEEN GIVEN A REASONABLE TIME TO REVIEW AND CONSIDER THE RIT AND THE MIP, AND HAS AGREED TO EACH OF THEM OF HIS OR HER OWN FREE CHOICE. IF RETAIL LOAN CONSULTANT HAS ANY QUESTIONS REGARDING THESE TERMS, PLEASE CONTACT RETAIL_HRTEAM@LOANDEPOT.COM

Troy Rogers

Dec 26, 2020 | 8:00 AM PST

Employee Signature

Date

Troy Rogers

Print Name



1/1/2021

Company Representative – John Bianchi

Date

EXHIBIT C



ATTACHMENT A: Role Specific Incentive Terms

Loan Specialist

Peter Imming

This Attachment A - Role Specific Incentive Terms ("RIT") is incorporated by reference into and subject to the Retail Master Incentive Plan ("MIP"). From and after the Effective Date, this RIT replaces all prior RITs and incentive plans. Capitalized terms not otherwise defined herein shall have the meaning set forth in the MIP.

Effective Date

This RIT is effective **January 1, 2021** ("Effective Date") and shall continue until changed, modified, amended or terminated, at the sole discretion of the Company.

Compensation Components

Salary Compensation - the Loan Specialist ("LS") is a non-exempt position and is eligible for overtime pay. Current hourly wage may be viewed via the Company HRIS tool, Workday. In this position, loanDepot requires that you maintain an active NMLS license¹.

Incentive Compensation - refer to terms of the incentive compensation section below.

Incentive Compensation

A. Volume Override on Assigned Production

The LS is eligible to earn a volume override on each Funded Loan that LS is assigned by a Loan Consultant, Sales Manager and/or Producing Branch Manager to provide origination support ("Assigned Production"). Subject to adjustment or change pursuant to the other terms of this Plan, the volume override incentive ordinarily will be calculated by multiplying the Override BPS Incentive by the amount of eligible Assigned Production.

1. Override: **10 BPS** paid on assigned monthly Funded Loan volume.
2. Any adjustments made to the assigned Loan Consultant, Sales Manager and/or Producing Branch Manager's compensation may result in a modified incentive opportunity for the LS.

B. Volume Override on Self-Sourced Transferred Production

The LS is a licensed non-producing position. The LS is eligible to earn a volume override on each Funded Loan that is Self-Sourced by LS and transferred to a Loan Consultant, Sales Manager, or Producing Branch Manager to originate. ("Self-Sourced Loans"). Subject to adjustment or change pursuant to the other terms of this Plan, the volume override incentive ordinarily will be calculated by multiplying the Self-Sourced Override BPS Incentive by the amount of an eligible Self-Sourced Funded Loan.

1. Self-Sourced Override BPS Rate: **30 BPS.**
2. No additional sales incentives/overrides will be payable on brokered HELOC products.
3. Any adjustments made to the assigned Loan Consultant, Sales Manager, Producing Branch Manager's compensation may result in a modified incentive opportunity for the LS.

¹ An active Temporary Authority status in NMLS for an initial period of 120 days from approval will be deemed equivalent to an active NMLS license for purposes of this Plan.



C. RIT Specific Incentive Payment Terms

1. Measurement Period. The applicable measurement period for incentive compensation shall be the period of time beginning on the first day of the calendar month and ending on the last day of the calendar month.
2. Payment of Bonus Incentives: Bonus compensation on loans closed by assigned Loan Consultant(s), Sales Manager and/or Producing Branch Manager from the first through last day of the month will be paid on the 15th day of the following month.
3. Payment of Bonus Incentive (Termination): LS is eligible to be paid a bonus on loans that close and fund by their assigned Loan Consultant Sales Manager, or Branch Manager through the LS' last day of employment with the Company.
4. Payment of Bonus Incentives: Reassignment/Transfers/Promotions within the Company: If an LS is reassigned, transferred, or promoted to a position that is not eligible to participate in this Plan, the Company reserves the right to modify, reduce, adjust, or eliminate the LS's sales incentive pay; all such modifications, reductions, adjustments, or eliminations shall be made at the sole discretion of the Company. However, ordinarily the Company will allow LS to be eligible to earn sales incentives for loans for which LS provided services in accordance with the terms and conditions of the Plan hereafter for the stated 30 days from the date that reassignment, transfer or promotion occurred.

D. Definitions

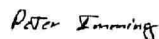
1. Funding Date: The date when the appropriate funds are drawn from the Company's warehouse lines and transmitted to the escrow agent to fund the loan.
2. Funded Loan: is defined as a funded residential mortgage loan that is originated by a Loan Consultant, Sales Manager or Producing Branch Manager in accordance with all applicable state and federal law and regulations as well as the Company's policies and procedures. A loan is deemed funded on the Funding Date.
3. Self-Sourced Loans: Self-sourced loans are loans that the LS obtains through his or her own relationships, business sources, or marketing.



RECEIPT & ACKNOWLEDGEMENT

I have received, reviewed, and accept the terms of this RIT. I also understand and agree that the Company may change, modify, amend or terminate this RIT at any time at its sole discretion. I understand that this RIT does not constitute a guarantee or contract of employment, and nothing in it should be construed to limit or change the at-will employment relationship between the Company and myself which may be terminated at any time, with or without cause or notice, by me or the Company.

LOAN SPECIALIST ACKNOWLEDGES THAT HE OR SHE HAS READ THIS RIT AND THE MIP IN THEIR ENTIRETY AND UNDERSTANDS THEIR TERMS AND ACKNOWLEDGES THAT HE OR SHE HAS HAD THE OPPORTUNITY TO CONSULT WITH LEGAL COUNSEL OF HIS OR HER CHOICE AND/OR OTHER PERSONS TO THE FULL EXTENT DESIRED BEFORE SIGNING THIS RIT. LOAN SPECIALIST'S ACKNOWLEDGEMENT REPRESENTS THAT HE OR SHE HAS BEEN GIVEN A REASONABLE TIME TO REVIEW AND CONSIDER THE RIT AND THE MIP, AND HAS AGREED TO EACH OF THEM OF HIS OR HER OWN FREE CHOICE. IF LOAN SPECIALIST HAS ANY QUESTIONS REGARDING THESE TERMS, PLEASE CONTACT RETAIL HRTeam@loandepot.com.



Jan 14, 2021 | 9:11 AM PST

Employee Signature

Date

Peter Imming

Print Name



1/1/2021

Company Representative

Date

John Bianchi

Print Name

EXHIBIT D



ATTACHMENT A: Role Specific Incentive Terms

This Attachment A - Role Specific Incentive Terms ("RIT") is incorporated by reference into and subject to the Retail Master Incentive Plan ("MIP"). From and after the Effective Date, this RIT replaces all prior RITs and incentive plans. Capitalized terms not otherwise defined herein shall have the meaning set forth in the MIP.

Effective Date

This RIT is effective **January 1, 2020** ("Effective Date") and shall continue until changed, modified, amended or terminated, at the sole discretion of the Company.

1. All Funded Loans locked through the proprietary product, pricing and eligibility engine ("PPE") will be eligible for Incentive Compensation pursuant to the RIT in effect as of the Lock Date.
2. All Funded Loans, not locked through PPE, will be eligible for Incentive Compensation pursuant to the RIT in effect as of the Funding Date.

Compensation Components

Salary Compensation - the Retail Loan Consultant ("LC") is an incentive-only position and is exempt from overtime pay. In this position, loanDepot requires that you maintain an active NMLS license¹, regularly spend more than half (greater than 50%) of your working time away from loanDepot's place of business conducting sales calls to create, develop and maintain referral relationships with real estate professionals, builders, and consumers. If at any time you feel that you cannot perform these duties as expected, you must notify your Manager and Human Resources immediately.

Incentive Compensation - refer to terms of the incentive compensation section below. The incentive compensation below defines the level of Basis Points ("BPS") that are utilized to calculate sales incentives on Funded Loan volume prior to any adjustments elected by the Retail Loan Consultant in the Sales Election Calculator ("SEC"). The SEC allows the LC to propose various elective selections for sales and marketing support that will result in an adjustment to the incentive compensation. Any elective selections and adjustments to incentive compensation proposed by the LC will be documented on the SEC election forms. SEC adjustments are calculated based on the elections in place as of the Funding Date (regardless of when the loan was locked and or priced). Incentive compensation is not earned until all adjustments are calculated and made.

Incentive Compensation

A. Qualified Loan Pool

An LC's Qualified Loan Pool consists of all Self-Sourced Funded Loans originated by the LC funded during the Measurement Period that are not part of the LC's Payment Schedule Loan Pool (set forth in Section B below). The Qualified Loan Pool incentives are based on the base BPS Incentive Rate set forth below, subject to any adjustment made in the SEC. Subject to adjustment or change pursuant to the other terms of this Plan, incentives ordinarily will be calculated by multiplying the BPS Incentive Rate by the individual loan amounts of eligible Funded Loans during the Measurement Period, subject

¹ An active Temporary Authority status in NMLS for an initial period of 120 days from approval will be deemed equivalent to an active NMLS license for purposes of this Plan.

to the maximum incentive dollar cap for any individual Funded Loan.

1. Base BPS Incentive Rate for Qualified Loan Pool – 110 BPS
2. Maximum incentive that can be earned on any individual Funded Loan in the Qualified Loan Pool – \$7000
3. For calculation of incentive pay on simultaneous subordinate-lien mortgages, except for Silent Seconds/Bond Second Loans, the loan amount of the subordinate-lien mortgage shall be added to the loan amount of the first-lien mortgage, and the total incentive pay is subject to the maximum incentive cap. First-lien mortgages with "piggyback" subordinate-lien loan products qualify as a single unit.

B. Payment Schedule Loan Pool

The Payment Schedule Loan Pool includes the following Funded Loan types, and the LC is eligible for incentives at the base incentive compensation rates set forth below, subject to any proposed adjustments made in the SEC approved by the Company. Subject to adjustment or change pursuant to the other terms of this Plan, incentives ordinarily will be calculated by multiplying the BPS Incentive Rate by the individual loan amounts of eligible Funded Loans during the Measurement Period, subject to the maximum incentive dollar cap for any individual Funded Loan.

- Brokered Loans (excluding Exempt Open-Ended Brokered Loans): 50 BPS.
- Corporate-Sourced Loans: Except as specified below under Optional Corporate-Sourced Types, Corporate-Sourced Loans are eligible for an incentive of 50 BPS per loan.
 - a. Optional Corporate-Sourced Election Types:
 - I. MSA/Partner Space Agreement/Builder Select Community 80 BPS
- Exempt Open-End Brokered Loans: Exempt Open-Ended HELOC Brokered Loans are eligible for an incentive of 50% of Company's broker compensation amount. No additional sales incentives/overrides will be payable on brokered HELOC products (e.g. incentives to Sales Support staff and/or overrides to Sales Manager, Branch Manager, Regional Manager, etc).
 - a. [OPTIONAL Reverse 1]: Notwithstanding the foregoing, Open-Ended Reverse Brokered Loans are eligible for a sales incentive of XXXX BPS].
 - b. OPTIONAL Reverse 2: Notwithstanding the foregoing, Open-Ended Reverse Brokered Loans are eligible for a sales incentive of XX% of revenue and are not subject to the Qualified Loan Pool cap.
- mellohome Referral: LC is eligible for an additional 25 BPS incentive compensation for each Funded Loan that meets all of the following conditions: 1) the source of the lead was DPLP; 2) the LC referred the transaction to mellohome; and 3) a mellohome agent performed real estate services for the transaction on behalf of the seller and/or purchaser.
- Originator Pending License Transfers: Referring LC transferring loans is not eligible for any sales incentive compensation. LC who originates the loan is eligible for the standard Corporate-Sourced Loans of 50 BPS incentive compensation for each Funded Loan.
- Permitted Loan Transfers: To the extent permitted under applicable law and subject to the definition of Permitted Loan Transfers herein, a Direct LLO or another Retail Loan Consultant may transfer certain loans to LC, and LC may transfer certain loans to another Retail LC or Direct LLO. When permitted, LC is eligible for a sales incentive rate of 30 BPS for any Permitted Loan Transfer the LC refers that results in a Funded Loan. LC is eligible

for their Qualified Loan Pool incentive BPS minus 30 BPS for each Funded Loan transferred to and originated by LC.

- Silent Seconds/Bond Second Loans: Silent second-lien loans or other bond program subordinate-lien mortgages for which Company does not receive compensation are not eligible for any sales incentives.
- Terminated LC Transfers: The originating LC who the loan is transferred to is eligible to receive 20 BPS for each Funded Loan, not to exceed a maximum dollar cap of \$500 per loan. Departing LC is eligible for full BPS compensation, not to exceed the applicable maximum dollar cap, for any loan where the Funding Date is within 30 calendar days of the LC's termination date.
- Required Refinance: LC is not eligible to earn compensation for a refinance required by the Company because the underlying Funded Loan is unsalable in the normal course.
- Early Pay-Off ("EPO") Loans: EPO loans that are paid off within 120 days of the original Funding Date as a result of the LC refinancing the prior loan will not be eligible for sales incentive pay. EPO loans paid off between 121 to 180 days of the original Funding Date as a result of the LC refinancing the prior loan will be eligible for a sales incentive of 50 BPS.
- Employee Loans: Employee Loans are not eligible for sales incentives.

Unless otherwise provided above, the maximum incentive that can be earned on any individual Funded Loan in the Payment Schedule Loan Pool will not exceed LC's Qualified Loan Pool maximum dollar incentive cap, set forth in Section A above.

C. Reassignment/Transfer/Promotion/Separation Impact on Eligibility to Earn Incentive Compensation:

If LC's employment with the Company terminates for any reason whatsoever, or he or she is reassigned, transferred, or promoted to a position that is not eligible to participate in this Plan, and another employee of the Company will have to perform significant work to ensure that any loans for which the application was taken by LC are funded, that necessary procedures are followed, and that other conditions regarding the loan are satisfied, the Company reserves the right to modify, reduce, adjust, or eliminate the LC's sales incentive pay; all such modifications, reductions, adjustments, or eliminations shall be made at the sole discretion of the Company. However, ordinarily the Company will allow LC to be eligible to earn sales incentives for loans for which LC provided services in accordance with the terms hereafter stated for 30 days after the termination of LC's employment, provided that: (1) all of the conditions precedent under the terms of the Plan for earning the incentives are satisfied during that 30-day period, including the condition that the loan funds within that 30-day period, (2) there are no early payment defaults within 90 days of the Funding Date of any such loan; (3) all loans are sellable, insurable and do not require extensive rework by the Company; (4) Final 1003s are signed by an employed, licensed Internal Loan Consultant or Loan Consultant of the Company; and (5) all other terms and conditions of the Plan are satisfied.

D. Definitions

1. Basis Points (BPS): Each based point (1 bps) is 1/100th of 1% or 0.0001.
2. BPS Incentive Rate: The total of Base BPS Incentive Rate adjusted by total SEC election BPS.

3. Brokered Loans: A Funded Loan closed by a third-party lender, except for Exempt Open-End Brokered Loans. The LC may only broker loans in situations in which the Company does not offer an identical or comparable product to that offered by the third-party lender or the loan has been denied under the Company guidelines, and where the third-party lender is a company-approved lender. Brokered loans that do not meet these standards will not be eligible for any sales incentives.
4. Corporate-Sourced Loans: Loans from any source in which the Company has a relationship that has led to a Funded Loan, with the exception of loans that are Self-Sourced by the LC. Corporate-Sourced Loans include, but are not limited to, loans sourced through Company marketing, affinity agreements, Builder Select Community loans, employer loans from the Company or its affiliates, portfolio refinance programs, and DPLP.
5. DPLP: Means Digital Purchase Lead Program, a loanDepot strategic initiative that incorporates the Company's marketing spend and state of the art contact center to provide warm lead transfers to Retail LC's.
6. Early Pay-Off ("EPO") Loans: EPO Loans are defined as loans previously originated by Company that are refinanced within 180 days of the original Funding Date.
7. Employee Loans: Employee Loans are defined as loans made to any Company employee. All Employee loans are originated in accordance with the Company's Employee Loan Policy. Such loans must be transferred immediately to a designated Direct LLO for origination and will be processed, underwritten, and funded by a designated team.
8. Exempt Open-End Loan: A loan that meets the definition of open-end credit under 12 C.F.R. 1026.2(2), including an open-end home equity line of credit ("HELOC") or open-end reverse mortgage, which is not subject to the Regulation Z Loan Originator Compensation Rules under 12 C.F.R. 1026.36(d). This does not include closed-end HELOCs or reverse mortgages.
9. Funding Date: The date when the appropriate funds are drawn from the Company's warehouse lines and transmitted to the escrow agent to fund the loan.
10. Funded Loan: A funded residential mortgage loan that is originated by LC in accordance with all applicable state and federal law and regulations as well as the Company's policies and procedures. A loan is deemed funded on the Funding Date.
11. HELOC: A home equity line of credit is a loan in which the lender agrees to lend a maximum amount within an agreed period (called a term), where the collateral is the borrower's equity in his/her house.
12. Lock Date: The date the loan rate and pricing is confirmed as locked by the Company lock desk.
13. Measurement Period: The applicable measurement period for incentive compensation shall be the period of time beginning on the first day of the calendar month and ending on the last day of the calendar month. For purposes of calculating incentive compensation, the eligible Funded Loan population will be determined as of 11:59:59pm PST on the 2nd business day following the close of each Measurement Period.
14. Optional Corporate-Sourced Election Types: Corporate-Sourced Loans from the following optional Company relationships: Marketing Services Agreements ("MSAs"), Partner Space Agreements ("PSAs"), Builder Select Community, and the Lender Express program.
15. Originator Pending License Transfers: If the LC is not licensed and approved to originate on behalf of the Company or their NMLS Temporary Authority to originate has not been granted when loan originator activities commence,

the LC is required to transfer those loans to a licensed Internal Loan Consultant ("ILC") or another licensed Retail LC if an ILC is not available.

16. Permitted Loan Transfers: To the extent permitted under applicable law and limited to the reasons set forth below, the LC may refer loans to be transferred to another LC to originate. Any loan transfer outside those defined below is not permissible and not eligible for any sales incentive. "Permitted Loan Transfers" shall include:

- a. Licensed State Transfer: LC with an MLO license, but not licensed in the state where the property that is the subject of the loan is located may transfer the loan to another originator in the same branch or another branch within the Retail Channel that holds the appropriate state license. If there is not a licensed Retail LC in the subject property state, the loan should be transferred to a licensed Direct LLO.
- b. Extended Time Away from Office Transfer: If LC is out of the office for a permissible purpose for an extended period of time and needs another originator to assist the customer during the extended absence, the LC may transfer the loan to another originator.
- c. Product Certification Transfer: If LC is not certified or qualified to originate the product that best meets the customer's needs, the LC must transfer the loan to a designated originator.
- d. Customer Requested Transfer: The customer submits a written request to transfer their loan to another originator at the Company.
- e. Protected Builder Account: If LC receives a loan from a customer within a Protected Builder Account territory, the LC must transfer the loan to the designated Builder Account LC.
- f. Direct LLO to Retail LC: To the extent that the Direct channel cannot originate a loan, they may transfer the loan to a Retail LC.

17. PP&E: Is loanDepot proprietary product, pricing and eligibility engine.

18. Self-Sourced Loans: Self-sourced loans are loans that the LC obtains through his or her own relationships, business sources, or marketing. Loans that are not Self-Sourced are not included in the Qualified Loan Pool.

RECEIPT & ACKNOWLEDGEMENT

I have received, reviewed, and accept the terms of this RIT. I also understand and agree that the Company may change, modify, amend or terminate this RIT at any time at its sole discretion. I understand that this RIT does not constitute a guarantee or contract of employment, and nothing in it should be construed to limit or change the at-will employment relationship between the Company and myself which may be terminated at any time, with or without cause or notice, by me or the Company.

RETAIL LOAN CONSULTANT ACKNOWLEDGES THAT HE OR SHE HAS READ THIS RIT AND THE MIP IN THEIR ENTIRETY AND UNDERSTANDS THEIR TERMS AND ACKNOWLEDGES THAT HE OR SHE HAS HAD THE OPPORTUNITY TO CONSULT WITH LEGAL COUNSEL OF HIS OR HER CHOICE AND/OR OTHER PERSONS TO THE FULL EXTENT DESIRED BEFORE SIGNING THIS RIT AND/OR THE RETAIL LOAN CONSULTANT AGREEMENT. RETAIL LOAN CONSULTANT'S ACKNOWLEDGEMENT REPRESENTS THAT HE OR SHE HAS BEEN GIVEN A REASONABLE TIME TO REVIEW AND CONSIDER THE RIT AND THE MIP, AND HAS AGREED TO EACH OF THEM OF HIS OR HER OWN FREE CHOICE. IF RETAIL LOAN CONSULTANT HAS ANY QUESTIONS REGARDING THESE TERMS, PLEASE CONTACT RETAIL_HRTEAM@LOANDEPOT.COM



Employee Signature

Kim Moffat

Jan 22, 2020 | 7:21 AM PST

Date

Print Name



1/1/2020

Company Representative

Date

Name

EXHIBIT E



ATTACHMENT A: Role Specific Incentive Terms

This Attachment A - Role Specific Incentive Terms ("RIT") is incorporated by reference into and subject to the Retail Master Incentive Plan ("MIP"). From and after the Effective Date, this RIT replaces all prior RITs and incentive plans. Capitalized terms not otherwise defined herein shall have the meaning set forth in the MIP.

Effective Date

This RIT is effective **January 1, 2021** ("Effective Date") and shall continue until changed, modified, amended or terminated, at the sole discretion of the Company.

1. All Funded Loans locked through the proprietary product, pricing and eligibility engine ("PPE") will be eligible for Incentive Compensation pursuant to the RIT in effect as of the Lock Date.
2. All Funded Loans, not locked through PPE, will be eligible for Incentive Compensation pursuant to the RIT in effect as of the Funding Date.

Compensation Components

Salary Compensation - the Retail Loan Consultant ("LC") is an incentive-only position and is exempt from overtime pay. In this position, loanDepot requires that you maintain an active NMLS license¹, regularly spend more than half (greater than 50%) of your working time away from loanDepot's place of business conducting sales calls to create, develop and maintain referral relationships with real estate professionals, builders, and consumers. If at any time you feel that you cannot perform these duties as expected, you must notify your Manager and Human Resources immediately.

Incentive Compensation - refer to terms of the incentive compensation section below. The incentive compensation below defines the level of Basis Points ("BPS") that are utilized to calculate sales incentives on Funded Loan volume prior to any adjustments elected by the Retail Loan Consultant in the Sales Election Calculator ("SEC"). The SEC allows the LC to propose various elective selections for sales and marketing support that will result in an adjustment to the incentive compensation. Any elective selections and adjustments to incentive compensation proposed by the LC will be documented on the SEC election forms. SEC adjustments are calculated based on the elections in place as of the Funding Date (regardless of when the loan was locked and or priced). Incentive compensation is not earned until all adjustments are calculated and made.

Incentive Compensation

A. Qualified Loan Pool

An LC's Qualified Loan Pool consists of all Self-Sourced Funded Loans originated by the LC funded during the Measurement Period that are not part of the LC's Payment Schedule Loan Pool (set forth in Section B below). The Qualified Loan Pool incentives are based on the base BPS Incentive Rate set forth below, subject to any adjustment made in the SEC. Subject to adjustment or change pursuant to the other terms of this Plan, incentives ordinarily will be calculated by multiplying the BPS Incentive Rate by the individual loan amounts of eligible Funded Loans during the Measurement Period, subject

¹ An active Temporary Authority status in NMLS for an initial period of 120 days from approval will be deemed equivalent to an active NMLS license for purposes of this Plan.

to the maximum incentive dollar cap for any individual Funded Loan.

1. Base BPS Incentive Rate for Qualified Loan Pool – **110 BPS**
2. Maximum incentive that can be earned on any individual Funded Loan in the Qualified Loan Pool – **\$ 7,000**
3. For calculation of incentive pay on simultaneous subordinate-lien mortgages, except for Silent Seconds/Bond Second Loans, the loan amount of the subordinate-lien mortgage shall be added to the loan amount of the first-lien mortgage, and the total incentive pay is subject to the maximum incentive cap. First-lien mortgages with "piggyback" subordinate-lien loan products qualify as a single unit.

B. Payment Schedule Loan Pool

The Payment Schedule Loan Pool includes the following Funded Loan types, and the LC is eligible for incentives at the base incentive compensation rates set forth below, subject to any proposed adjustments made in the SEC approved by the Company. Subject to adjustment or change pursuant to the other terms of this Plan, incentives ordinarily will be calculated by multiplying the BPS Incentive Rate by the individual loan amounts of eligible Funded Loans during the Measurement Period, subject to the maximum incentive dollar cap for any individual Funded Loan.

- Brokered Loans (excluding Exempt Open-Ended Brokered Loans): 50 BPS.
- Corporate-Sourced Loans: Except as specified below under Optional Corporate-Sourced Types, Corporate-Sourced Loans are eligible for an incentive of 50 BPS per loan.
 - a. [OPTIONAL]Corporate-Sourced Election Types:
 - i. MSA: **80 BPS**
 - ii. Partner Space Agreement: **80 BPS**
- Exempt Open-End Brokered Loans: Exempt Open-Ended HELOC Brokered Loans are eligible for an incentive of 50% of Company's broker compensation amount. No additional sales incentives/overrides will be payable on brokered HELOC products (e.g. incentives to Sales Support staff and/or overrides to Sales Manager, Branch Manager, Regional Manager, etc.).
- Originator Pending License Transfers: Referring LC transferring loans is not eligible for any sales incentive compensation. LC who originates the loan is eligible for the standard Corporate-Sourced Loans of 50 BPS incentive compensation for each Funded Loan.
- Permitted Loan Transfers: To the extent permitted under applicable law and subject to the definition of Permitted Loan Transfers herein, a Direct or Retail Loan Originator ("LO") as defined herein, may transfer certain loans to another LO. When permitted, the LO is eligible for a sales incentive rate of 30 BPS for any Permitted Loan Transfer the LO refers that results in a Funded Loan. The LO is eligible for their Qualified Loan Pool Incentive Base BPS minus 30 BPS for each Funded Loan transferred to and originated by the LO. Calculation of Permitted Loan Transfers incentive rate (Base BPS minus 30 bps) is based on the receiving LO maximum incentive dollar cap for any individual Funded Loan.
- Silent Seconds/Bond Second Loans: Silent second-lien loans or other bond program subordinate-lien mortgages for which Company does not receive compensation are not eligible for any sales incentives.
- Terminated LC Transfers: The originating LO or ILC who the loan is transferred to is eligible to receive 20 BPS for each Funded Loan, not to exceed a maximum dollar cap of \$500 per loan. Departing LC is eligible for full BPS compensation, not to exceed the applicable maximum dollar cap, for any loan where the Funding Date is within 30 calendar days of the LC's termination date.

- **Required Refinance:** LC is not eligible to earn compensation for a refinance required by the Company because the underlying Funded Loan is unsalable in the normal course.
- **Early Pay-Off ("EPO") Loans:** EPO loans that are paid off within 120 days of the original Funding Date as a result of the LC refinancing the prior loan will not be eligible for sales incentive pay. EPO loans paid off between 121 to 180 days of the original Funding Date as a result of the LC refinancing the prior loan will be eligible for a sales incentive of 50 BPS.
- **Employee Loans:** Employee Loans are not eligible for sales incentives.

Unless otherwise provided above, the maximum incentive that can be earned on any individual Funded Loan in the Payment Schedule Loan Pool will not exceed LC's Qualified Loan Pool maximum dollar incentive cap, set forth in Section A above.

C. Reassignment/Transfer/Promotion/Separation Impact on Eligibility to Earn Incentive Compensation:

If LC's employment with the Company terminates for any reason whatsoever, or he or she is reassigned, transferred, or promoted to a position that is not eligible to participate in this Plan, and another employee of the Company will have to perform significant work to ensure that any loans for which the application was taken by the LC are funded, that necessary procedures are followed, and that other conditions regarding the loan are satisfied, the Company reserves the right to modify, reduce, adjust, or eliminate the LC's sales incentive pay; all such modifications, reductions, adjustments, or eliminations shall be made at the sole discretion of the Company. However, ordinarily the Company will allow the LC to be eligible to earn sales incentives for loans for which the LC provided services in accordance with the terms hereafter stated for 30 days after the termination of the LC's employment or a reassignment, transfer or promotion within the company provided that: (1) all of the conditions precedent under the terms of the Plan for earning the incentives are satisfied during that 30-day period, including the condition that the loan funds within that 30-day period, (2) there are no early payment defaults within 90 days of the Funding Date of any such loan; (3) all loans are sellable, insurable and do not require extensive rework by the Company; (4) Final 1003s are signed by an employed, licensed Internal Loan Consultant or Loan Consultant of the Company; and (5) all other terms and conditions of the Plan are satisfied.

D. Definitions

1. **Basis Points (BPS):** Each based point (1 bps) is 1/100th of 1% or 0.0001.
2. **BPS Incentive Rate:** The total of Base BPS Incentive Rate adjusted by total SEC election BPS.
3. **Brokered Loans:** A Funded Loan closed by a third-party lender, except for Exempt Open-End Brokered Loans. The LC may only broker loans in situations in which the Company does not offer an identical or comparable product to that offered by the third-party lender or the loan has been denied under the Company guidelines, and where the third-party lender is a company-approved lender. Brokered loans that do not meet these standards will not be eligible for any sales incentives.
4. **Corporate-Sourced Loans:** Loans from any source in which the Company has a relationship that has led to a Funded Loan, except for loans that are Self-Sourced by the LC. Corporate-Sourced Loans include, but are not limited to, loans sourced through Company marketing, affinity agreements, Builder Select Community loans, employer loans from the Company or its affiliates, portfolio refinance programs, and DPLP.
5. **DPLP:** Means Digital Purchase Lead Program, a loanDepot strategic initiative that incorporates the Company's marketing spend and state of the art contact center to provide warm lead transfers to Retail LC's.
6. **Early Pay-Off ("EPO") Loans:** EPO Loans are defined as loans previously originated by Company that are refinanced within 180 days of the original Funding Date.

7. Employee Loans: Employee Loans are defined as loans made to any Company employee. All Employee loans are originated in accordance with the Company's Employee Loan Policy. Such loans must be transferred immediately to a designated Direct LLO for origination and will be processed, underwritten, and funded by a designated team.
8. Exempt Open-End Loan: A loan that meets the definition of open-end credit under 12 C.F.R. 1026.2(2), including an open-end home equity line of credit ("HELOC") or open-end reverse mortgage, which is not subject to the Regulation Z Loan Originator Compensation Rules under 12 C.F.R. 1026.36(d). This does not include closed-end HELOCs or reverse mortgages.
9. Funding Date: The date when the appropriate funds are drawn from the Company's warehouse lines and transmitted to the escrow agent to fund the loan.
10. Funded Loan: A funded residential mortgage loan that is originated by LC in accordance with all applicable state and federal law and regulations as well as the Company's policies and procedures. A loan is deemed funded on the Funding Date.
11. HELOC: A home equity line of credit is a loan in which the lender agrees to lend a maximum amount within an agreed period (called a term), where the collateral is the borrower's equity in his/her house.
12. Loan Originator: A licensed Direct LLO, Retail Loan Consultant, Sales Manager, Producing Branch Manager or Producing Area Manager
13. Lock Date: The date the loan rate and pricing are confirmed as locked by the Company lock desk.
14. Measurement Period: The applicable measurement period for incentive compensation shall be the period of time beginning on the first day of the calendar month and ending on the last day of the calendar month. For purposes of calculating incentive compensation, the eligible Funded Loan population will be determined as of 11:59:59pm PST on the 2nd business day following the close of each Measurement Period.
15. Optional Corporate-Sourced Election Types: Corporate-Sourced Loans from the following optional Company relationships: Marketing Services Agreements ("MSAs"), Partner Space Agreements ("PSAs"), Builder Select Community, and the Lender Express program.
16. Originator Pending License Transfers: If the LC is not licensed and approved to originate on behalf of the Company or their NMLS Temporary Authority to originate has not been granted when loan originator activities commence, the LC is required to transfer those loans to a licensed Internal Loan Consultant ("ILC") or another licensed Retail LC if an ILC is not available.
17. Permitted Loan Transfers: To the extent permitted under applicable law and limited to the reasons set forth below, the LC may refer loans to be transferred to another LC to originate. Any loan transfer outside those defined below is not permissible and not eligible for any sales incentive. "Permitted Loan Transfers" shall include:
 - a. Licensed State Transfer: LC with an MLO license, but not licensed in the state where the property that is the subject of the loan is located may transfer the loan to another originator in the same branch or another branch within the Retail Channel that holds the appropriate state license. If there is not a licensed Retail LC in the subject property state, the loan should be transferred to a licensed Direct LLO.
 - b. Extended Time Away from Office Transfer: If LC is out of the office for a permissible purpose for an extended period of time and needs another originator to assist the customer during the extended absence, the LC may transfer the loan to another originator.
 - c. Product Certification Transfer: If LC is not certified or qualified to originate the product that best meets the customer's needs, the LC must transfer the loan to a designated originator.

- d. Customer Requested Transfer: The customer submits a written request to transfer their loan to another originator at the Company.
- e. Protected Builder Account: If LC receives a loan from a customer within a Protected Builder Account territory, the LC must transfer the loan to the designated Builder Account LC.
- f. Direct LLO to Retail LC: To the extent that the Direct channel cannot originate a loan, they may transfer the loan to a Retail LC.

18. PP&E: Is loanDepot's proprietary product, pricing and eligibility engine.

19. Self-Sourced Loans: Self-sourced loans are loans that the LC obtains through his or her own relationships, business sources, or marketing. Loans that are not Self-Sourced are not included in the Qualified Loan Pool.

RECEIPT & ACKNOWLEDGEMENT

~~I have received, reviewed, and accept the terms of this RIT. I also understand and agree that the Company may change, modify, amend or terminate this RIT at any time at its sole discretion. I understand that this RIT does not constitute a guarantee or contract of employment, and nothing in it should be construed to limit or change the at-will employment relationship between the Company and myself which may be terminated at any time, with or without cause or notice, by me or the Company.~~

RETAIL LOAN CONSULTANT ACKNOWLEDGES THAT HE OR SHE HAS READ THIS RIT AND THE MIP IN THEIR ENTIRETY AND UNDERSTANDS THEIR TERMS AND ACKNOWLEDGES THAT HE OR SHE HAS HAD THE OPPORTUNITY TO CONSULT WITH LEGAL COUNSEL OF HIS OR HER CHOICE AND/OR OTHER PERSONS TO THE FULL EXTENT DESIRED BEFORE SIGNING THIS RIT. RETAIL LOAN CONSULTANT'S ACKNOWLEDGEMENT REPRESENTS THAT HE OR SHE HAS BEEN GIVEN A REASONABLE TIME TO REVIEW AND CONSIDER THE RIT AND THE MIP, AND HAS AGREED TO EACH OF THEM OF HIS OR HER OWN FREE CHOICE. IF RETAIL LOAN CONSULTANT HAS ANY QUESTIONS REGARDING THESE TERMS, PLEASE CONTACT RETAIL_HRTEAM@LOANDEPOT.COM

Kent Palmer

Dec 29, 2020 | 3:11 AM PST

Employee Signature

Date

Kent Palmer

Print Name



1/1/2021

Company Representative – John Bianchi

Date

EXHIBIT F



ATTACHMENT A: Role Specific Incentive Terms

Jonathan Fuller

This Attachment A - Role Specific Incentive Terms ("RIT") is incorporated by reference into and subject to the Retail Master Incentive Plan ("MIP"). From and after the Effective Date, this RIT replaces all prior RITs and incentive plans. Capitalized terms not otherwise defined herein shall have the meaning set forth in the MIP.

Effective Date

This RIT is effective **January 1, 2021** ("Effective Date") and shall continue until changed, modified, amended or terminated, at the sole discretion of the Company.

1. All Funded Loans locked through the proprietary product, pricing and eligibility engine ("PPE") will be eligible for Incentive Compensation pursuant to the RIT in effect as of the Lock Date.
2. All Funded Loans, not locked through PPE, will be eligible for Incentive Compensation pursuant to the RIT in effect as of the Funding Date.

Compensation Components

Salary Compensation - the Retail Loan Consultant ("LC") is an incentive-only position and is exempt from overtime pay. In this position, loanDepot requires that you maintain an active NMLS license¹, regularly spend more than half (greater than 50%) of your working time away from loanDepot's place of business conducting sales calls to create, develop and maintain referral relationships with real estate professionals, builders, and consumers. If at any time you feel that you cannot perform these duties as expected, you must notify your Manager and Human Resources immediately.

Incentive Compensation - refer to terms of the incentive compensation section below. The incentive compensation below defines the level of Basis Points ("BPS") that are utilized to calculate sales incentives on Funded Loan volume prior to any adjustments elected by the Retail Loan Consultant in the Sales Election Calculator ("SEC"). The SEC allows the LC to propose various elective selections for sales and marketing support that will result in an adjustment to the incentive compensation. Any elective selections and adjustments to incentive compensation proposed by the LC will be documented on the SEC election forms. SEC adjustments are calculated based on the elections in place as of the Funding Date (regardless of when the loan was locked and or priced). Incentive compensation is not earned until all adjustments are calculated and made.

Incentive Compensation

A. Qualified Loan Pool

An LC's Qualified Loan Pool consists of all Self-Sourced Funded Loans originated by the LC funded during the Measurement Period that are not part of the LC's Payment Schedule Loan Pool (set forth in Section B below). The Qualified Loan Pool incentives are based on the base BPS Incentive Rate set forth below, subject to any adjustment made in the SEC. Subject to adjustment or change pursuant to the other terms of this Plan, incentives ordinarily will be calculated by multiplying the BPS Incentive Rate by the individual loan amounts of eligible Funded Loans during the Measurement Period, subject

¹ An active Temporary Authority status in NMLS for an initial period of 120 days from approval will be deemed equivalent to an active NMLS license for purposes of this Plan.

to the maximum incentive dollar cap for any individual Funded Loan.

1. Base BPS Incentive Rate for Qualified Loan Pool – **110 BPS**
2. Maximum incentive that can be earned on any individual Funded Loan in the Qualified Loan Pool – **\$7,000**
3. For calculation of incentive pay on simultaneous subordinate-lien mortgages, except for Silent Seconds/Bond Second Loans, the loan amount of the subordinate-lien mortgage shall be added to the loan amount of the first-lien mortgage, and the total incentive pay is subject to the maximum incentive cap. First-lien mortgages with “piggyback” subordinate-lien loan products qualify as a single unit.

B. Payment Schedule Loan Pool

The Payment Schedule Loan Pool includes the following Funded Loan types, and the LC is eligible for incentives at the base incentive compensation rates set forth below, subject to any proposed adjustments made in the SEC approved by the Company. Subject to adjustment or change pursuant to the other terms of this Plan, incentives ordinarily will be calculated by multiplying the BPS Incentive Rate by the individual loan amounts of eligible Funded Loans during the Measurement Period, subject to the maximum incentive dollar cap for any individual Funded Loan.

- Brokered Loans (excluding Exempt Open-Ended Brokered Loans): 50 BPS.
- Corporate-Sourced Loans: Except as specified below under Optional Corporate-Sourced Types, Corporate-Sourced Loans are eligible for an incentive of 50 BPS per loan.
 - a. Corporate-Sourced Election Types:
 - i. MSA 80 **BPS**
- Exempt Open-End Brokered Loans: Exempt Open-Ended HELOC Brokered Loans are eligible for an incentive of 50% of Company's broker compensation amount. No additional sales incentives/overrides will be payable on brokered HELOC products (e.g. incentives to Sales Support staff and/or overrides to Sales Manager, Branch Manager, Regional Manager, etc.).
- Originator Pending License Transfers: Referring LC transferring loans is not eligible for any sales incentive compensation. LC who originates the loan is eligible for the standard Corporate-Sourced Loans of 50 BPS incentive compensation for each Funded Loan.
- Permitted Loan Transfers: To the extent permitted under applicable law and subject to the definition of Permitted Loan Transfers herein, a Direct or Retail Loan Originator (“LO”) as defined herein, may transfer certain loans to another LO. When permitted, the LO is eligible for a sales incentive rate of 30 BPS for any Permitted Loan Transfer the LO refers that results in a Funded Loan. The LO is eligible for their Qualified Loan Pool Incentive Base BPS minus 30 BPS for each Funded Loan transferred to and originated by the LO. Calculation of Permitted Loan Transfers incentive rate (Base BPS minus 30 bps) is based on the receiving LO maximum incentive dollar cap for any individual Funded Loan.
- Silent Seconds/Bond Second Loans: Silent second-lien loans or other bond program subordinate-lien mortgages for which Company does not receive compensation are not eligible for any sales incentives.
- Terminated LC Transfers: The originating LO or ILC who the loan is transferred to is eligible to receive 20 BPS for each Funded Loan, not to exceed a maximum dollar cap of \$500 per loan. Departing LC is eligible for full BPS compensation, not to exceed the applicable maximum dollar cap, for any loan where the Funding Date is within 30 calendar days of the LC's termination date.

- Required Refinance: LC is not eligible to earn compensation for a refinance required by the Company because the underlying Funded Loan is unsalable in the normal course.
- Early Pay-Off ("EPO") Loans: EPO loans that are paid off within 120 days of the original Funding Date as a result of the LC refinancing the prior loan will not be eligible for sales incentive pay. EPO loans paid off between 121 to 180 days of the original Funding Date as a result of the LC refinancing the prior loan will be eligible for a sales incentive of 50 BPS.
- Employee Loans: Employee Loans are not eligible for sales incentives.

Unless otherwise provided above, the maximum incentive that can be earned on any individual Funded Loan in the Payment Schedule Loan Pool will not exceed LC's Qualified Loan Pool maximum dollar incentive cap, set forth in Section A above.

C. Reassignment/Transfer/Promotion/Separation Impact on Eligibility to Earn Incentive Compensation:

If LC's employment with the Company terminates for any reason whatsoever, or he or she is reassigned, transferred, or promoted to a position that is not eligible to participate in this Plan, and another employee of the Company will have to perform significant work to ensure that any loans for which the application was taken by the LC are funded, that necessary procedures are followed, and that other conditions regarding the loan are satisfied, the Company reserves the right to modify, reduce, adjust, or eliminate the LC's sales incentive pay; all such modifications, reductions, adjustments, or eliminations shall be made at the sole discretion of the Company. However, ordinarily the Company will allow the LC to be eligible to earn sales incentives for loans for which the LC provided services in accordance with the terms hereafter stated for 30 days after the termination of the LC's employment or a reassignment, transfer or promotion within the company provided that: (1) all of the conditions precedent under the terms of the Plan for earning the incentives are satisfied during that 30-day period, including the condition that the loan funds within that 30-day period, (2) there are no early payment defaults within 90 days of the Funding Date of any such loan; (3) all loans are sellable, insurable and do not require extensive rework by the Company; (4) Final 1003s are signed by an employed, licensed Internal Loan Consultant or Loan Consultant of the Company; and (5) all other terms and conditions of the Plan are satisfied.

D. Definitions

1. Basis Points (BPS): Each based point (1 bps) is 1/100th of 1% or 0.0001.
2. BPS Incentive Rate: The total of Base BPS Incentive Rate adjusted by total SEC election BPS.
3. Brokered Loans: A Funded Loan closed by a third-party lender, except for Exempt Open-End Brokered Loans. The LC may only broker loans in situations in which the Company does not offer an identical or comparable product to that offered by the third-party lender or the loan has been denied under the Company guidelines, and where the third-party lender is a company-approved lender. Brokered loans that do not meet these standards will not be eligible for any sales incentives.
4. Corporate-Sourced Loans: Loans from any source in which the Company has a relationship that has led to a Funded Loan, except for loans that are Self-Sourced by the LC. Corporate-Sourced Loans include, but are not limited to, loans sourced through Company marketing, affinity agreements, Builder Select Community loans, employer loans from the Company or its affiliates, portfolio refinance programs, and DPLP.
5. DPLP: Means Digital Purchase Lead Program, a loanDepot strategic initiative that incorporates the Company's marketing spend and state of the art contact center to provide warm lead transfers to Retail LC's.

6. Early Pay-Off ("EPO") Loans: EPO Loans are defined as loans previously originated by Company that are refinanced within 180 days of the original Funding Date.
7. Employee Loans: Employee Loans are defined as loans made to any Company employee. All Employee loans are originated in accordance with the Company's Employee Loan Policy. Such loans must be transferred immediately to a designated Direct LLO for origination and will be processed, underwritten, and funded by a designated team.
8. Exempt Open-End Loan: A loan that meets the definition of open-end credit under 12 C.F.R. 1026.2(2), including an open-end home equity line of credit ("HELOC") or open-end reverse mortgage, which is not subject to the Regulation Z Loan Originator Compensation Rules under 12 C.F.R. 1026.36(d). This does not include closed-end HELOCs or reverse mortgages.
9. Funding Date: The date when the appropriate funds are drawn from the Company's warehouse lines and transmitted to the escrow agent to fund the loan.
10. Funded Loan: A funded residential mortgage loan that is originated by LC in accordance with all applicable state and federal law and regulations as well as the Company's policies and procedures. A loan is deemed funded on the Funding Date.
11. HELOC: A home equity line of credit is a loan in which the lender agrees to lend a maximum amount within an agreed period (called a term), where the collateral is the borrower's equity in his/her house.
12. Loan Originator: A licensed Direct LLO, Retail Loan Consultant, Sales Manager, Producing Branch Manager or Producing Area Manager
13. Lock Date: The date the loan rate and pricing are confirmed as locked by the Company lock desk.
14. Measurement Period: The applicable measurement period for incentive compensation shall be the period of time beginning on the first day of the calendar month and ending on the last day of the calendar month. For purposes of calculating incentive compensation, the eligible Funded Loan population will be determined as of 11:59:59pm PST on the 2nd business day following the close of each Measurement Period.
15. Optional Corporate-Sourced Election Types: Corporate-Sourced Loans from the following optional Company relationships: Marketing Services Agreements ("MSAs"), Partner Space Agreements ("PSAs"), Builder Select Community, and the Lender Express program.
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 - a. Licensed State Transfer: LC with an MLO license, but not licensed in the state where the property that is the subject of the loan is located may transfer the loan to another originator in the same branch or another branch within the Retail Channel that holds the appropriate state license. If there is not a licensed Retail LC in the subject property state, the loan should be transferred to a licensed Direct LLO.

- b. Extended Time Away from Office Transfer: If LC is out of the office for a permissible purpose for an extended period of time and needs another originator to assist the customer during the extended absence, the LC may transfer the loan to another originator.
- c. Product Certification Transfer: If LC is not certified or qualified to originate the product that best meets the customer's needs, the LC must transfer the loan to a designated originator.
- d. Customer Requested Transfer: The customer submits a written request to transfer their loan to another originator at the Company.
- e. Protected Builder Account: If LC receives a loan from a customer within a Protected Builder Account territory, the LC must transfer the loan to the designated Builder Account LC.
- f. Direct LLO to Retail LC: To the extent that the Direct channel cannot originate a loan, they may transfer the loan to a Retail LC.

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19. Self-Sourced Loans: Self-sourced loans are loans that the LC obtains through his or her own relationships, business sources, or marketing. Loans that are not Self-Sourced are not included in the Qualified Loan Pool.

RECEIPT & ACKNOWLEDGEMENT

I have received, reviewed, and accept the terms of this RIT. I also understand and agree that the Company may change, modify, amend or terminate this RIT at any time at its sole discretion. I understand that this RIT does not constitute a guarantee or contract of employment, and nothing in it should be construed to limit or change the at-will employment relationship between the Company and myself which may be terminated at any time, with or without cause or notice, by me or the Company.

RETAIL LOAN CONSULTANT ACKNOWLEDGES THAT HE OR SHE HAS READ THIS RIT AND THE MIP IN THEIR ENTIRETY AND UNDERSTANDS THEIR TERMS AND ACKNOWLEDGES THAT HE OR SHE HAS HAD THE OPPORTUNITY TO CONSULT WITH LEGAL COUNSEL OF HIS OR HER CHOICE AND/OR OTHER PERSONS TO THE FULL EXTENT DESIRED BEFORE SIGNING THIS RIT. RETAIL LOAN CONSULTANT'S ACKNOWLEDGEMENT REPRESENTS THAT HE OR SHE HAS BEEN GIVEN A REASONABLE TIME TO REVIEW AND CONSIDER THE RIT AND THE MIP, AND HAS AGREED TO EACH OF THEM OF HIS OR HER OWN FREE CHOICE. IF RETAIL LOAN CONSULTANT HAS ANY QUESTIONS REGARDING THESE TERMS, PLEASE CONTACT RETAIL_HRTEAM@LOANDEPOT.COM

Jonathan Fuller

Dec 29, 2020 | 1:20 PM PST

Employee Signature

Date

Jonathan Fuller

Print Name



1/1/2021

Company Representative – John Bianchi

Date

EXHIBIT G

THE

COOPERSMITH

LAW FIRM

July 29, 2021

Via Online Submission:

California Labor & Workforce Development Agency
455 Golden Gate Ave., 9th Floor
San Francisco, CA 94102

Via U.S. Certified Mail:

loanDepot.com, LLC
c/o Registered Agent Solutions
1220 S Street, Suite 150
Sacramento, CA 95811

Mary A. Dannelley
Counsel for loanDepot.com, LLC
Law Offices of Mary A. Dannelley
160 Newport Center Drive, Suite 120
Newport Beach, CA 92660
mary@dannelleylaw.com

Re: **PAGA Notice Pursuant to California Labor Code §2699**

Dear Sir or Madam:

Please be advised that Michael Lawrence Stowers, Meredith Stowers, Troy Rogers, Kent Palmer, Jonathan Fuller, Kim Moffat, and Peter Imming have retained this law firm to represent them to pursue wage and other labor claims against their former employer, loanDepot.com, LLC (“loanDepot”).

loanDepot is “the nation’s fifth largest retail mortgage lender and the second largest non-bank retail originator, funding \$275 billion since inception” according to its website. The loan officers’ wages are comprised entirely of commission and are paid according to the Retail Master Incentive Plan (“MIP”) and the Role-Specific Incentive Terms (“RIT”) (collectively the “Plan”). Unfortunately, loanDepot does not pay its loan officers according to their commission plan, adopting practices which violate U.S. Federal Reserve Board Regulation Z. In addition, loanDepot has failed to reimburse its employees for necessary expenses, and has misclassified

its commissioned loan officers as “outside salespersons,” to avoid paying them overtime and for rest breaks and nonproductive time in violation of California law.

loanDepot has violated several Labor Code provisions, and is therefore liable for civil penalties under California Labor Code § 2692 et seq. We request that your agency investigate the claims alleged against loanDepot as described in this notice. This letter will serve as notice of these allegations pursuant to the Private Attorney General Act of 2004 (“PAGA”). Cal Lab. Code § 2699.3.

Unlawful Failure to Pay Commission Wages

loanDepot has violated California Labor Code § 204 by willfully failing to pay all commission wages due and owing to Michael Lawrence Stowers, Troy Rogers, Ken Palmer, Jonathan Fuller, and Kim Moffat, (hereinafter the “Commissioned Employees”)¹ as well as other similarly situated current and former loanDepot loan consultants during their employment. (The Commissioned Employees earned 100% of their compensation from commission.) Specifically, loanDepot engaged in unlawful and improper practices to deprive its loan officers of commission (which also detrimentally impacted its customers).

In approximately 2019, loanDepot adopted a compensation policy in violation of the U.S. Federal Reserve Board Regulation Z (12 CFR Part 226), which was enacted to protect consumers from predatory loan practices and provide more transparency in the mortgage loan process. Regulation Z prohibited, amongst other things, loan originators from receiving compensation in an amount that is based on terms of the transaction. loanDepot’s policy violated Regulation Z by allowing loan officers to alter their compensation based on the terms of the transaction, and was designed to, and had the effect of, decreasing the loan officer’s commission for the benefit of loanDepot.

Under loanDepot’s policy, loan officers could continue to offer price exceptions to consumers in order to stay competitive with the market but were now also allowed to provide steeper price exceptions to consumers by labelling the loan as “branch sourced²” – even when the loan was self-sourced – which resulted in cutting the loan officer’s compensation by 50%. In other words, loanDepot actively encouraged loan officers to characterize the loan as “branch sourced” and cut their own compensation to compete on price. loanDepot instructed its Branch Managers not to put this policy in writing.

Starting in approximately March 2021, loanDepot went a step further by refusing any price exceptions unless the loan officers labeled the loan as “branch sourced” or where the loan officer agreed not to take any commission. By way of example, many of loanDepot’s competitors offer FHA and VA loans. Specifically in the case of a veteran, loanDepot’s interest rates were a full 100 basis points higher on VA loans than many competitors. Therefore, the loan originator who self-sources a VA loan is incentivized by loanDepot as a corporate policy, given loanDepot’s high interest rate charges for veterans, either to lie by

¹ Peter Imming and Meredith Stowers were paid on an hourly basis (hereinafter the “Hourly Employees”), although Peter earned some commission as well.

² Also called “corporate-sourced.”

falsely labelling the loan as branch sourced (which will result in a reduction in compensation to the loan officer while offsetting loanDepot's high interest rate) or to charge the self-sourced, higher interest rate to the unsuspecting veteran, which many loan officers consider immoral (which again incentivizes the loan officer to lie and label the loan as branch sourced, thus reducing his own compensation). In short, in order to offer competitive rates, loanDepot's loan officers were required to falsely label loans as "branch sourced" and accept a lower commission. This policy not only resulted in loss of commission to the loan officers, but violated the consumer protections of Regulation Z.

In addition to adopting an unlawful policy which impacted loan officers' commission, loanDepot also engaged in other improper practices to withhold commission from its loan officers. In particular, loanDepot's Call Center would call loanDepot customers during a refinance transaction, claiming to be "working with" the branch loan officer handling the transaction. The Call Center representative would then offer a better interest rate to lure the customer away from the branch, thereby depriving the loan officer of his or her commission. This practice was so prevalent that complaints about it became public, and many brokers formed an alliance to try to prevent this practice.³

loanDepot further impacted its loan officers' compensation by delaying the processing of certain loans. loanDepot's regional office instructed the loan processors to prioritize certain loans over others, resulting in confusion and substantial delays for customers waiting on loans. The delays became so bad that by December 2020, with 37 loans in the pipeline to close by the end of the year, only one loan closed. These delays resulted in customer dissatisfaction and the loss of commission to loan officers.

As a result, because loanDepot has violated Labor Code § 204, loanDepot is liable for civil penalties pursuant to Labor Code §§ 210 and 2698 et seq.

Unlawful Failure to Set Forth the Method by Which Commissions Were to Be Computed and Paid

loanDepot violated California Labor Code § 2751 by willfully failing to provide a written contract to the Commissioned Employees and other similarly situated loan officers that sets forth the method by which the commissions shall be computed and paid. In particular, while the commission agreement, the Role Specific Incentive Terms ("RIT"), identified different levels of pay depending on how the loan was sourced, loanDepot only made certain price exceptions available if the loan officer selected "branch sourced." This meant that in practice, in order to offer competitive pricing, loan officers had to select branch sourced and accept a lower commission, even when the loan was self-sourced. This practice was never put in writing and was not reflected in the RIT, or the Retail Master Incentive Plan ("MIP"), which also pertained to loan officer compensation (collectively, the "Plan").

The RIT states that "The [Sales Election Calculator] allows the [loan officer] to propose various elective selections for sales and marketing support that will result in an

³ See <https://www.inman.com/2018/11/21/loandepot-originators-email-to-realtor-ignites-blowback/> and <http://www.mortgagedaily.com/stories/WorstWholesalers031218.asp>.

adjustment to the incentive compensation...” but does not identify on what basis the loan officer might make the selections or how it would affect their commission.

Likewise, in approximately 2021 when loanDepot’s policy and practice changed again regarding offering price exceptions, further impacting the loan officers’ commission, this practice was not put into writing.

The MIP contained additional vague terms making the calculation of loan officers’ commission uncertain. The RMIP provided that all incentive payments were subject to the review and approval by loanDepot and that “[a]ny correction, and the manner in which it is addressed, shall be at the sole discretion of management.” (MIP, Section III(G).) The RMIP further stated that it could be changed, modified, or terminated at any time at the sole discretion of loanDepot’s executives. Most concerning, payment was not guaranteed under the Plan: “The Plan does not guarantee any financial obligation and the representations and definitions in the Plan should not be construed as a proposed contract or promise of payment between the Company and any of its employees, whether or not they are Participants in the Plan. (MIP, Section V(A).) The MIP further stated, “No person shall have any right...or any claim whatsoever, to be granted any award or receive any payment under the Plan.” (MIP, Section V(B).)

The Plan also did not contain any information regarding loanDepot’s practices of using its Call Center to lure customers away from loan officers or of prioritizing the processing of certain loans over others, thereby resulting in significant delays in closing loans and delays in paying loan officers’ commission.

As a result, and because loanDepot violated Labor Code § 2751, loanDepot is liable for civil penalties pursuant to Labor Code § 2698 *et seq.*

Unlawful Failure to Reimburse

loanDepot has violated California Labor Code § 2802 by willfully failing to reimburse its employees, including the Commissioned Employees and other similarly situated loan officers, as well as the Hourly employees, and other similarly situated hourly workers, for “all necessary business expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties.”

Specifically, loanDepot has failed to pay both its commissioned loan officers and its hourly employees for the use of their personal cell phones in the performance of their duties, which includes calling and emailing current and potential customers, coworkers, and supervisors. See *Cochran v. Schwan's Home Service, Inc.*, 228 Cal.App.4th 1137, 1144 (2014) (employer must pay reasonable percentage of employee’s cell phone bill).

loanDepot has also failed to reimburse both its commissioned loan officers and its hourly employees for necessary and reasonable travel expenses incurred as a direct consequence of the discharge of their duties, including the use of their personal vehicles for, in the case of loan officers, visiting customers and potential customers, and in the case of hourly employees, visiting different branches of loanDepot as required by the performance of their

duties. See Gattuso v. Harte-Hanks Shoppers, Inc., 42 Cal.4th 554, 567 (2007) (discussing required reimbursement for automobile expenses).!

loanDepot also failed and refused to reimburse commissioned loan officers for necessary marketing expenses for the loan officers to acquire new business. These expenses were at least \$150/month, and often significantly higher.

As a result of the violations of Labor Code § 2802, loanDepot is liable for civil penalties pursuant to Labor Code §§ 558, 2802, and 2698 *et seq.*

Unlawful Failure to Pay Rest Breaks

loanDepot has violated California Labor Code §§ 226.7, 512 and Wage Order 4-2001 for failing to provide compensation to its Commissioned Employees⁴ and similarly situated loan officers, for rest breaks and other nonproductive work time. See Vaquero v. Stoneledge Furniture LLC, 670, 9 Cal.App.5th 98, 111 (2017).

The compensation loanDepot pays to its Commissioned Employees and similarly situated loan officers, consists entirely of commissions earned by the individual loan officer. The loan officers' time is not tracked and they are not paid for rest breaks or for nonproductive time, such as attending mandatory branch or company meetings.

In an attempt to evade the rest break and meal break requirements, loanDepot misclassifies the Commissioned Employees, and similarly situated loan officers as "outside salespersons," even though they do not meet the "outside salesperson exemption under California Labor Code § 1171 and the IWC Order, because they are not traveling salespeople (i.e., they do not spend more than half their time away from the employer's place of business engaged in sales activity as required for § 1171 to apply).

The time the loan officers spent away from loanDepot's place of business (or their remote office at home) was spent attending open houses, attending lunches and various events, and meetings, as well as work-related educational conferences. In other words, the vast majority was not "selling tangible or intangible items or obtaining orders or contracts for products, services, or use of facilities." (See Wage Order 4-2001, Section 2(M).) Moreover, even if loanDepot's loan officers qualified as an outside salespersons before the pandemic (which is doubtful), they certainly did not qualify as outside salespersons once state-mandated shut down orders went into effect in March 2020.⁵

As a result of the violations of Labor Code §§ 226.7 and 512 and Wage Order 4-2001, loanDepot is liable for civil penalties pursuant to Labor Code §§ 558 and 2698 *et seq.*

⁴ Although Michael Stowers was the Branch Manager, during the last year, his managerial duties were largely taken over by corporate, and he was primarily engaged on his own personal production, similar to the other loan officers, making the executive exemption inapplicable.

⁵ Working from home does not satisfy the requirements of § 1171 to make the loan officers "outside salespersons." See 29 C.F.R. § 541.502

Unlawful Failure to Pay All Wages When Due

loanDepot has violated California Labor Code § 204 by failing to pay its Commissioned Employees and similarly situated loan officers all wages when due. Specifically, loanDepot has failed to pay its loan officers for time spent engaged in work which does not earn them commission, including, but not limited to, administrative work and attending meetings, conferences, and training. The loan officers were not able to generate commission during these “nonproductive” hours worked and were not compensated for their time.

As a result of the violation of Labor Code § 204 and Wage Order 4-2001, loanDepot is liable for civil penalties pursuant to Labor Code §§ 210 and 2698 et seq.

Unlawful Failure to Pay Minimum Wage

Similarly, loanDepot has violated Wage Order 4-2001 and Labor Code §§ 1194, and 1197, and San Diego’s minimum wage ordinance for failing to pay the Commissioned Employees and similarly situated loan officers minimum wage for all hours worked. loanDepot not only failed to pay its loan officers at least minimum wage for rest breaks and nonproductive time, but also failed to pay minimum wage for all hours worked, including for pay periods in which the commissions earned by the loan officers were less than minimum wage.

Unlawful Failure to Pay Overtime Premiums

loanDepot has violated California Labor Code § 510 and the IWC Wage Order for failing to pay Peter Imming, Meredith Stowers, and similarly situated hourly employees overtime for hours worked in excess of 8 hours a day or 40 hours a week. Mr. Imming frequently worked over 8 hours a day, and sometimes in excess of 12 hours a day and/or on weekends, but was almost never compensated for the extra hours.

loanDepot also violated California Labor Code § 510 and the Wage Order 4-2001 for failing to pay the Commissioned Employees and similarly situated loan officers overtime for hours worked in excess of 8 hours a day or 40 hours a week during pay periods in which the commissioned sales exemption did not apply because the loan officer earned less than 1.5 times minimum wage in commissions during the pay period.

Civil penalties are recoverable under Labor Code § 558 for failure to pay overtime hours and comply with the Wage Order 4-2001.

Unlawful Failure to Keep Accurate Payroll Records of Daily Hours Worked

loanDepot has violated California Labor Code §§ 226 and 1174(d) and Wage Order 4-2001 in failing to keep payroll records showing total hours worked, including overtime, for the Hourly Employees, and failed to keep any time records for the Commissioned Employees and similarly situated commissioned loan officers. Under Labor Code § 1174(d), employers must keep “payroll records showing the hours worked daily by and the wages paid to . . . employees [. . .].” Because loanDepot did not keep accurate time records reflecting hours worked for the

Hourly Employees and the Commissioned Employees and other similarly situated hourly employees and commissioned loan officers, it is liable for civil penalties pursuant to Labor Code § 2698 et seq. To the extent that loanDepot's failure to keep accurate payroll records was willful, it is liable for civil penalties under Labor Code § 1174.5.

Conclusion

loanDepot has violated or caused to be violated a number of California wage and labor codes. Michael Lawrence Stowers, Meredith Stowers, Troy Rogers, Kent Palmer, Jonathan Fuller, Kim Moffat, and Peter Imming request the agency investigate the above allegations and provides notice of the allegations pursuant to PAGA's provisions. Alternatively, we request the agency inform our office if it does not intend to investigate these violations so that they may pursue PAGA claims in court based upon the violations discussed in this letter.

Very truly yours,

THE COOPERSMITH LAW FIRM

Steven Coopersmith

Steven Coopersmith (Jul 29, 2021 14:57 PDT)

Steven T. Coopersmith

STC/ed