

## Heter Iska Authorization

The undersigned, \_\_\_\_\_, hereby certifies that he is an officer and Executive Vice President of Homebridge Financial Services, Inc., a NJ Corporation, (hereinafter referred to as the “Company”), and as such, he is duly authorized to execute and deliver this Authorization on behalf of the Company.

WHEREAS, Homebridge Financial Services, Inc. wishes to engage in certain transactions and financial arrangements or accommodations with certain members of the Jewish faith and community (collectively, the “Transactions”), from time to time;

WHEREAS, the Transactions may be in violation of Jewish law that prohibits transactions and other financial arrangements requiring the payment and acceptance of interest (the “Law of Ribbis”);

WHEREAS, after due consideration, it has been determined that it is in the Company’s best interest to approve and adopt the execution of the form of Heter Iska Offer (the “Heter Iska”) prepared by KFIC Inc., in substantially the form attached hereto as Exhibit A, to comply with the Law of Ribbis and conduct business within this community; and

WHEREAS, the Company has been advised that due execution of the Heter Iska, inter alia, shall permit the Company to engage in transactions with the people in this community.

NOW, THEREFORE, BE IT:

RESOLVED, that the Company hereby approves the Heter Iska in all respects;

RESOLVED FURTHER, that the Company’s offer, execution, delivery, and performance of the Heter Iska and the consummation by the Company of the transactions contemplated thereby are hereby authorized and approved;

RESOLVED FURTHER, that Noel Chapman, be, and hereby is authorized, empowered, and directed to execute and deliver the Heter Iska;

RESOLVED FURTHER, that Noel Chapman, be, and hereby is, authorized, directed, and empowered to take all such actions, make, execute, and deliver any and all documents contemplated by the Heter Iska, for and on behalf of and in the name of the Company, and to do any and all other acts deemed necessary, desirable, or in the best interest of the Company to carry out the intent and to effectuate the purpose of the foregoing resolutions; and

RESOLVED FURTHER, that any and all actions heretofore taken by Noel Chapman with respect to the preparation and negotiation of the Heter Iska, and that are consistent with the foregoing resolutions, are hereby ratified, approved, authorized, confirmed, and accepted in all respects as the acts and deeds of the Company.

**IN WITNESS WHEREOF, the undersigned has executed this Authorization on behalf of Homebridge Financial Services, Inc. of this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.**

Homebridge Financial Services, Inc

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: EVP and Officer



**HETER ISKA (EXHIBIT A)**

Date:	
Receiver Name:	
Receiver Address:	
Loan ID #	

Re: Heter Iska Offer

**1) Offer, Acceptance and Modification**

This Iska Offer constitutes an offer by the Provider to the Receiver to enter into the agreement as described herein. Acceptance of this offer by the Receiver must be in writing. Any modifications proposed by the Receiver shall not form part of the agreement unless expressly accepted in writing by the Provider.

**2) Definitions:**

As used in this Document,

“Beth Din” means an Orthodox Jewish rabbinic court affiliated with or approved by KFI.

“Iska” and “Iska Agreement” refer to this Heter Iska Offer.

“KFI” shall mean KFIC INC., dba the Kosher Financial Institute, a New York corporation.

“Loan Agreement” refers to the Loan and Security Agreement, along with any related documents, entered into between the Provider and the Receiver pertaining to the Loan ID referenced above.

“Provider” refers to Homebridge Financial Services, Inc.

“Receiver” is the individual indicated above.

“Transaction” pertains to the loan transaction referenced by the Loan Agreement.

**3) Allocation:**

The undersigned parties confirm and expressly agree that to the extent that it may violate the laws of Ribbis, the Transaction shall be structured as an Iska, pursuant to the laws of Heter Iska and the applicable terms set forth in this document:

- a) The funds advanced are conveyed to the Receiver in exchange for a proportionate interest in the Receiver's Halachically permissible investments, that are most beneficial to the Provider.

- b) Ninety-five percent of all profits (including the value of the use of any real estate) shall be allocated to the Provider, and 5% of the profits shall be allocated to the Receiver as compensation for managing the Iska.
- c) Losses sustained from the Iska shall be allocated to the Provider subject to the obligatory verification as described in Section 4) below. However, in no circumstance will the Provider have any liability above the amount invested.
- d) Should the Iska investment yield sufficient profits, both the principal and profits are to be remitted to the Provider according to the schedule stipulated in the Loan Agreement. Any principal payments rendered by the Receiver shall be interpreted as a repurchase of a proportionate share (of equivalent value) of the Provider's stake in the Iska investment.

#### **4) Profit/Loss Validation:**

This Section shall provide the procedure for the Receiver to claim a Heter Iska loss or lack of profits.

- a) The Receiver shall notify the Provider and KFI by certified mail, within 14 days of default of any scheduled payment, per the Loan Agreement, about the lack of profit and/or loss of principal and his willingness to verify his claim (the "Notice of Exemption"), time being of the essence. If no such notification is made within the above time frame, no such claim of loss or lack of Profit by the Receiver shall be valid or admissible.
- b) It is agreed that the Receiver's claim of any principal loss will lack evidentiary validity and will not be accepted unless the claim is verified by two valid witnesses as defined by Jewish law.
- c) The Receiver shall have the burden of verifying the amount of profit by testifying under a severe oath before and under conditions acceptable to the Beth Din.
- d) All of the above claims, whether concerning the loss of principal or confirming profit, must be verified within ninety (90) days of defaulting any scheduled payments subject to additional time if required by Federal or applicable State law. Time being of the essence, and if no such compliant verification had been made within the above time frame, no such claim by the Receiver shall be valid or admissible as evidence and the claim shall have no force or effect. Failure to notify a) or verify a claim of loss or profit b) in the time specified shall be deemed an admission that sufficient profits have been generated and that the Provider shall be entitled to a sum equal to the principal, interest, fees, and all other obligations of the Receiver under the Loan Agreement.
- e) The parties agree that all the evidence presented shall be under the sole and exclusive jurisdiction of a distinguished Beth Din, and such proceeding must be in the presence of the Provider or its designated representative.
- f) Upon a claim of loss or lack of profit, the Provider reserves the right to demand immediate and full repayment of the Iska principal balance, per the acceleration clause of the Transaction documents/Loan Agreement. Moreover, the Provider is entitled to exercise its foreclosure rights under the Transaction documents/Loan Agreement, unless and until the Receiver has met the verification requirements specified within this Iska agreement.

**5) Co-signer co-borrower guarantor:**

It is agreed that any transactions concerning a co-signer or co-borrower that violate the Jewish laws of Ribbis shall also be structured as an Iska, pursuant to this Iska Agreement.

**6) Conciliation:**

- a) It is agreed by the parties, that the Receiver shall have the option to conciliate with the Provider in order to bypass the verification requirements described in Section 4), by making all payments described in the Loan Agreement, in accordance with the terms, conditions, and schedule of said agreement. It is further agreed, that when this option is utilized; the Receiver shall be entitled to all gains exceeding the conciliation amount.
- b) Any deduction of principal, points, interest, fees, or funds advanced in escrow, which violates Jewish law regarding interest, shall reduce the principal balance of this Iska. Nonetheless, the conciliatory payments outlined in Section a) are to be equivalent to the total amount due as per the Loan Agreement.

**7) Repayment, Selling the Loan Agreement:**

- a) In order for the Iska structure to terminate at the time of selling the Loan Agreement to a party or entity not subject to the prohibition of Ribbis, the Receiver hereby appoints the Provider to act as an agent on the Receiver's behalf to procure a loan equal to the balance outstanding under this Iska at that time, from a party not subject to the laws of Ribbis (Substitute Provider) in a manner that does not violate any Ribbis laws. The Provider shall receive the funds procured in said loan as repayment of the Iska owed to the Provider and as a buyout of the Iska. It is agreed that any excess funds from the loan will be kept by Provider as a payment for the Provider's efforts and brokerage service. If funds received by Provider from the Substitute Provider total less than the balance owed on the Loan Agreement, the Provider will accept this lesser amount as repayment of the Iska, and Receiver will owe the Substitute Provider an amount equal to the scheduled outstanding balance on the Loan Agreement. When this occurs, all Iska terms will cease, and:
- b) Receiver shall be obligated to said Substitute Provider pursuant to the terms and conditions specified in the Loan Agreement, including being obligated to pay all amounts owed under such Loan Agreement.
- c) Upon the Provider's receipt of funds from a third-party lender not subject to the Laws of Ribbis, the Loan Agreement will govern the Receiver's obligations to that Provider and this Agreement heretofore will have no effect on such obligations.
- d) Recipient and Provider acknowledge and agree that with respect to said purchaser or assignee this Iska shall be extinguished immediately on such sale or assignment and without further action by either party.
- e) For the avoidance of doubt, the extinguishment of this Iska on the sale or assignment to any purchaser or assignee not subject to the Laws of Ribbis, as described above, shall not be delayed or impaired even though Provider may continue to service the mortgage loan evidenced by the Loan Agreement on behalf of such purchaser or assignee, or by any payment required under the Loan Agreement which is paid by Receiver to Provider or paid in the name of Provider.

**8) Mutual Representations and Warranties:**

- a) Each party hereto represents and warrants to the other party as of the date hereof (which representations and warranties shall survive the execution and delivery of this Agreement) as set forth below:
- b) Power and Authority. Each party hereto represents to the other party, on its own respective behalf, that (i) it has full power and authority to enter into this Iska Agreement, to incur the obligations as contemplated hereby, and to carry out the provisions of this Iska Agreement; and (ii) it has taken all action necessary for the execution and delivery of this Iska Agreement and for the performance of each of its obligations hereunder, as evidenced by corporate resolution(s) or other authorization.
- c) Enforceability. Each party hereto represents to the other party, on its own behalf, that upon execution and delivery by each of the parties hereto, this Iska Agreement and any other related document shall be the legal, valid and binding obligations of such party and shall be enforceable against such party in accordance with their respective terms.

**9) Arbitration:**

Any dispute or controversy arising out of or relating to the interpretation or validity of this Iska Agreement shall be determined by arbitration administered by a KFI-affiliated or approved Beth Din in accordance with Jewish Law. Judgment upon any award rendered in such arbitration will be binding and may be entered in any court having jurisdiction thereof. For the avoidance of any doubt, Section 9 does not apply to the Loan Agreement.

**10) Entire agreement:**

In case of conflict between any of the terms and conditions of this Iska Agreement and the Loan Agreement, the terms and conditions of the Iska Agreement shall control and prevail. All terms and conditions contained in the Loan Agreement, including but not limited to the payment amount, term, and method, which do not contradict this Iska Agreement, are hereby incorporated by reference and made a part hereof.

**11) Binding agreement:**

- a) It is expressly agreed that if, for any reason, the Provider or Receiver is not familiar with the Iska concept, the Iska terms will nonetheless prevail, and each party shall enjoy all rights and bear all obligations assigned to the Provider or Receiver under this Iska Agreement.
- b) If any part, term or provision of this Iska Agreement is determined to be invalid, illegal or unenforceable for any reason, such determination shall not affect the remainder of this Iska Agreement, which shall continue to be in force.
- c) This Iska Agreement cannot be modified.

**12) Law:**

The terms of this Agreement have been finalized through an Agav Sudar binding procedure, as set forth by sages of blessed memory, before a distinguished Rabbinical Court; unlike a simple assurance and unlike a standard form of contract; it is all confirmed and established.

[Signature page follows]

This offer will remain open until **11/03/2026**. Please sign and date this letter on the spaces provided below to acknowledge your acceptance of Provider's offer on the terms set forth in this letter.

**Homebridge Financial Services, Inc**

Noel Chapman \_\_\_\_\_

Print Name:

Title:

\_\_\_\_\_ Date: \_\_\_\_/\_\_\_\_/\_\_\_\_.

Authorized Signature:

By my execution of this letter, I accept the Heter Iska Offer and all of the terms and conditions above.

**Receiver**

\_\_\_\_\_ Date: \_\_\_\_/\_\_\_\_/\_\_\_\_.  
Signature:

**(Co-signer/co-borrower/guarantor)**

\_\_\_\_\_ Name: \_\_\_\_\_ Address: \_\_\_\_\_

\_\_\_\_\_ Date: \_\_\_\_/\_\_\_\_/\_\_\_\_.  
Signature:

