



REFERRAL PARTNER AGREEMENT

This Referral Partner Agreement (“**Agreement**”) between South End Capital Corporation (“**Company**”) and Referral Partner (“**Referral Partner**”). Whereas, Company is engaged in the business of providing financing (“**Financing**”) to borrowers who own commercial real estate, investment residential real estate and businesses located in the United States of America. Whereas, Referral Partner has relationships with borrowers or institutions that are owners of commercial real estate, investment residential real estate and businesses, and finance professionals who originate commercial real estate and business Financing transactions (“**Clients**”), and Whereas, Company desires to engage Referral Partner and Referral Partner desires to accept engagement by Company as Company’s Referral Partner under the terms and conditions of this Agreement.

By accepting this Agreement, either by clicking or selecting a box indicating your acceptance or by executing a Referral Partner Registration Form or other document that references this Agreement, you agree to the terms of this Agreement. If you are entering into this Agreement on behalf of a company or other legal entity, you represent that you have the authority to bind such entity and its affiliates to this Agreement, in which case the terms “Referral Partner,” “you” or “your” shall refer to such entity and its affiliates. **If you do not have such authority, or if you do not agree with the terms and conditions of this Agreement, you must not accept this Agreement and may not participate in the Program.**

The terms and conditions were last updated on November 5, 2018. It is effective between Referral Partner and Company as of the date you accepted this Agreement (“**Effective Date**”).

Therefore, for good consideration the parties agree as follows:

1. **Programs.** Referral Partner shall act as a non-exclusive Referral Partner for the Financing programs offered by Company, as well as any modifications or derivatives of said Financing programs. Company reserves the right to modify the Financing programs that it offers at any time in its discretion.
2. **Engagement of Services.** Company hereby appoints Referral Partner, under the terms and conditions set forth in this Agreement, as a Referral Partner to identify potential Clients who are interested in obtaining Financing offered by Company. Referral Partner hereby accepts such appointment and agrees to identify potential Clients, pursuant to the terms and conditions of this Agreement.
3. **Referral Partner’s Duties**
 - 3.1. Referral Partner agrees to, subject to all legal and regulatory requirements, actively and diligently identify potential Clients in need of Company’s Financing.
 - 3.2. Referral Partner shall devote such time as may be necessary for the performance of its duties hereunder.
 - 3.3. Referral Partner shall maintain a high standard of integrity and professional conduct in all dealings with potential Clients interested in obtaining Financing as well as with Company. Referral Partner shall have reasonable grounds to believe and shall believe that (a) the potential Clients introduced by Referral Partner to Company are interested in obtaining Financing, (b) the potential Clients or its advisors have the ability to analyze and understand the Financing, and (c) the potential Clients meet all of Company’s underwriting and credit standards necessary for the providing of Financing.
 - 3.4. Referral Partner shall promptly provide all information or documentation concerning Clients or

- potential Clients as reasonably requested by Company.
- 3.5. Referral Partner shall (a) solicit individuals or institutions with whom it has a personal or business relationship, (b) obtain from potential Clients all information as reasonably requested by Company, (c) if requested by Company, provide potential Clients or Clients with any documentation or other information provided by Company, and (d) promptly report to Company the results of all proposals or any other relevant information obtained from potential Clients or Clients.
 - 3.6. Referral Partner (a) shall not deliver any material relating to Company's Financing except documents or information provided by or expressly approved by Company, or when authorized in writing to do so by Company; (b) will not make any representations on behalf of Company or in respect to Financing other than those contained in documents provided by Company; (c) shall have no obligation, right or authority to negotiate specific Financing terms with any potential Clients or Clients; (d) shall have no right or authority to prepare any Financing documentation; (e) shall have no right to produce any documentation with Company's name, logo, contact information, names or signatures of Company's employees or directors; (f) shall not introduce a potential Client who does not meet the specifications of Company's Financing.
 - 3.7. Referral Partner shall become familiar with, understand and comply with all laws and regulations that may govern the Referral Partner's obligations under this Agreement. Referral Partner will obtain, at its sole cost and expense, all licenses, permits, and other authorization necessary to perform its duties under this Agreement.
 - 3.8. Referral Partner shall become familiar with, understand and comply with all procedures, guidelines, documentation, information, underwriting guidelines and programs made available to the Referral Partner by Company.
 - 3.9. Referral Partner shall provide accurate Clients contact information inclusive of Clients email addresses, phone numbers and personal and business addresses on corresponding Company loan applications when prompted, and upon request by Company. Additionally, Referral Partner will provide access to Clients for Company upon request, will not act as a barrier to contact between Company and Clients, and acknowledges that as part of Company's loan due diligence; Company will communicate with Clients directly from time-to-time as a fraud prevention measure, to verify application information, to conduct underwriting calls, to deliver necessary loan documentation and proposals and for any purpose deemed necessary by Company during the loan application, processing and underwriting process.

4. Compensation

- 4.1 The Compensation to be paid to Referral Partner shall be set forth in Company's program guidelines and communicated from Company to Referral Partner on a case-by-case basis. The value and scope of the Referral Partner's services may vary for each transaction. Therefore, the Compensation may be altered with respect to specific transactions after a bid, quote or term sheet has been prepared by Company and submitted to the Referral Partner and Clients. Referral Partner is not eligible for any other compensation from Company.
- 4.2 Referral Partner's compensation shall be earned when a Financing has been funded and pursuant to the terms communicated from Company to Referral Partner. The commission shall be paid to Referral Partner in a timely manner and in accordance with Company's accounting procedures and timelines.
- 4.3 Company bears no responsibility or liability to pay Referral Partner a commission of any kind for transactions where the Clients were not solicited and introduced to Company's programs directly by the Referral Partner, Company already had a pre-existing relationship with or introduction to the Clients, Company discovered that Referral Partner committed fraud, misrepresentation, deception or other comparable acts in connection with Clients or Clients loan referred to Company, Company is unable through all legal means at their disposal to procure their total gross compensation from the Clients transaction from which Referral Partner is to be paid, or the transaction which the Clients introduced by the Referral Partner is terminated by Company, it assigns, or the Clients prior to funding.
- 4.4 Referral Partner understands that no level of earnings is guaranteed under this Agreement.

5. Status as Independent Contractor

- 5.1. Referral Partner is acting as an independent contractor under this agreement. Referral Partner shall have sole control of the manner and means of performing under this Agreement, subject to the restrictions set forth herein. Referral Partner will not be treated as an employee with respect to withholding services for tax purposes or for purposes of the Federal Unemployment Tax Act, the Federal Insurance Contribution Act, the Social Security Act, any State Unemployment Act, or State Employment Security Act. Referral Partner agrees to pay all applicable federal and state self-employment taxes, sales taxes, local taxes, and/or license fees that may become due as a result of their activities under this agreement. Company shall not require Referral Partner to do anything that would jeopardize the relationship of independent contractor between Company and Referral Partner.
- 5.2. All expenses and disbursements, including but not limited to those for travel and maintenance, entertainment, office, marketing, clerical and general administrative and promotional expenses, that may be incurred by Referral Partner in connection with this Agreement shall be borne wholly and completely by Referral Partner and Company shall not be in any way responsible or liable therefore.
- 5.3. Referral Partner does not have, nor shall it hold itself out as having, any right, power, or authority to create any contract or obligation, either express or implied, on behalf of, in the name of, or binding upon Company, or to pledge Company credit, or to extend credit in Company's name, use or exercise any rights in respect of such credit, unless Company grants its prior written consent thereto.
- 5.4. Referral Partner may not sub-contract, hire, appoint or employ agents for any of the services to be performed under this Agreement.
- 5.5. Company is solely responsible for all expenses of the operations of the Company's offices and business activities.

6. Non Solicitation. During the term of this Agreement and for 12 months thereafter, Referral Partner will not (a) solicit, recruit or otherwise cause any Company employee to cease providing services for Company; or (b) hire or engage any third-party who has rendered services to Company in a manner that would prohibit that third-party from continuing to render services to Company.

7. Covenants and Warranties Referral Partner, for itself, its officer, directors and employees, covenants and warrants as follows:

- 7.1. Referral Partner will actively and diligently promote Financing consistent with the terms of this Agreement and in accordance with all applicable ethical, regulatory and legal standards and requirements;
- 7.2. Referral Partner will make available to Company such information as may be reasonably requested by Company to verify Referral Partner's compliance with applicable federal, state, provincial, or local laws or regulations;
- 7.3. Referral Partner is not a party to any other agreement or contract which would prohibit or impair its performance of its duties and obligation set forth in this Agreement.
- 7.4. Referral Partner is not under investigation by any regulatory, state, or federal agency or authority, nor subject to any orders or consent agreements. Moreover, Referral Partner agrees to continuing obligation to notify Company if Referral Partner becomes the subject of any investigation, consent order, administrative action or such.
- 7.5. Referral Partner has all requisite authority and power to execute and deliver this Agreement and any document required hereunder and to perform any condition or obligation imposed under the terms of such documents.

8. Confidentiality

- 8.1. "Confidential or Proprietary Information" means all present and future confidential or proprietary information belonging to Company and its affiliates, whether in written, electronic or oral form, and whether developed by Referral Partner or by other Company's Referral Partners or employees, including but not limited to Clients names and addresses, Financing terms, Financing documents and processes, trade secrets, ideas, business and marketing plans, financial and operational

matters, Financing pricing information, and also including all information marked as confidential or which reasonably should be understood to be confidential or proprietary, whether or not so marked.

- 8.2. Confidential or Proprietary Information does not include (i) information that Referral Partner can show is or has become available for unrestricted public use, without breach of this or any other agreement., or (ii) any information (a) with respect to the U.S. federal and state income tax treatment of the transactions contemplated hereby and any facts that may be relevant to understanding such tax treatment, which facts shall not include for this purpose the names of the parties or any other person named herein, or information that would permit identification of the parties or such other persons, or any pricing terms or other nonpublic business or financial information that is unrelated to such tax treatment or facts, and (b) all materials of any kind (including opinions or other tax analyses) relating to such tax treatment or facts that are provided to any of the persons referred to above.
- 8.3. Referral Partner agrees that, except as appropriate in connection with Company's business, Referral Partner shall not at any time (i) disclose or deliver Confidential and Proprietary Information to any person; or (ii) use any such information for the direct or indirect benefit of any person or entity other than Company, except as Company may consent or direct in writing.
- 8.4. Referral Partner agrees to use reasonable and diligent effort to maintain the proprietary nature, security and/or confidentiality of all Confidential or Proprietary Information. Referral Partner shall also keep confidential any information provided by any potential Clients, Clients or other third-parties to Company under obligation of confidentiality. Referral Partner shall promptly notify Company if it becomes aware of any misuse or wrongful disclosure of Confidential or Proprietary Information by any person. All Confidential or Proprietary Information is and shall remain the sole property of and in control of Company. All obligations of confidentiality shall continue for as long as is permitted under Connecticut law.

9. Term & Termination

- 9.1. This Agreement shall have an initial term of one year from the Effective Date, subject to prior termination as set forth below. This Agreement shall be automatically renewed for an additional one year period if neither party gives at least ten (10) days written notice of intent not to renew prior to the end of the term.
- 9.2. Either party may terminate this Agreement if the other party breaches any material term of this Agreement and fails to cure such breach within ten (10) days of receiving written notice of the breach from the other party.
- 9.3. Either party may terminate this Agreement for any reason or no reason upon ten (10) days written notice from the other party.
- 9.4. Effect of Termination
 - 9.4.1. Except as otherwise provided in this Section 9.4, neither party shall be liable to the other for Compensation, reimbursement or damages on account of loss of prospective profits from anticipated or prospective Financing closings or on account of expenditures, investment, leases or commitments made in connection with anticipated or prospective Financing closings.
 - 9.4.2. No Compensation shall be payable following termination of this Agreement, except with respect to Financings which were closed prior to the date of termination.
 - 9.4.3. Sections 4, 5, 6, 8, 10 and 11 shall survive any termination of this Agreement.

10. Indemnification. Referral Partner shall indemnify, defend and hold Company harmless from and against any and all costs, losses, liabilities and expenses of any type whatsoever (including reasonable attorneys' fees to enforce this indemnification) and without limitation all claims, of any nature whatsoever, arising out of or in connection with Referral Partner's activities or omissions.

11. Miscellaneous

- 11.1. This Agreement contains the entire agreement and understanding of the parties and supersedes and cancels any previous agreements or understandings, whether oral, written or implied, with

respect to its subject matter. No provision of this Agreement may be amended or waived unless in a written document signed by both parties. The waiver of, or failure to exercise, any right under this Agreement shall not be deemed a waiver of any other right hereunder, or of any other or further breach or failure of performance of the other party.

- 11.2. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors, assigns and representatives. The parties specifically intend and agree that this Agreement be binding upon and inure to the benefit of Company's successor in interest in any merger, asset purchase or other buyout of Company. Referral Partner may not assign this Agreement or any of its rights or obligations hereunder, in whole or in part, without prior written consent of Company, which may be withheld at Company's sole discretion.
- 11.3. No rights or licenses with respect to the Financing or Company's trademarks are granted or deemed granted hereunder or in connection herewith, other than those rights or licenses expressly granted in this Agreement.
- 11.4. Any notice required or permitted by any provision of this Agreement shall be sufficient if given in writing by certified or registered mail or commercial overnight delivery service to the parties at their respective address above set forth unless and until either party notifies the other in writing of a different address. When specified by the sending party in the communication, electronic mail will be sufficient.
- 11.5. The parties shall submit all disputes arising out of or related to this Amended Agreement, or to the interpretation, performance, breach or termination thereof, to binding arbitration administered in accordance with the American Arbitration Association's Commercial Arbitration Rules, with the application of its Expedited Procedures, before a single arbitrator experienced in conducting arbitrations in the institutional finance industry. Such arbitration shall take place in a city and state selected by Company at a location selected by the arbitrator. The decision of the arbitrator shall be final and binding on the parties and enforceable in accordance with the New York Convention on the Recognition and Enforcement of Arbitral Awards (9 U.S.C. Section 1, et. seq.). The Company may seek injunctive relief from a court of competent jurisdiction in the event of an alleged violation by the Referral Partner of Sections 6 and 8 hereof.
- 11.6. Referral Partner acknowledges and agrees that the remedy at law for any breach of its covenants made in this Agreement, including the covenants not to compete or solicit and the covenant of confidentiality, shall be inadequate and that Company shall be entitled to injunctive relief, in addition to any other remedy it might have, including damages and the right to recover reasonable attorneys' fees, if it becomes necessary for Company to enforce its rights under this Agreements.
- 11.7. Should any provision of this Agreement be held invalid, ineffective, or unenforceable, under present or future laws, by a court of competent jurisdiction, such provision shall be reduced or modified by such court to the minimum extent necessary to make it valid and enforceable. If such provision cannot be so modified, it shall be severed. In any event, the remainder of the provisions of this agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated.
- 11.8. Section headings are not to be considered part of this Agreement and are not intended to be a full and accurate description of the contents hereof.