



## Referral Terms Agreement

This Referral Agreement (this "Agreement") is made effective as of \_\_\_\_\_, between \_\_\_\_\_ ("Contractor"), located at \_\_\_\_\_ and David Bowers & Associates, LLC (d/b/a Bowers R&D Associates), hereinafter referred to as ("DBA"), with offices at 105 John Robert Thomas Drive, Exton, PA 19341.

### Recitals

WHEREAS, DBA is in the business of working with companies to identify and obtain potential tax credits and incentives and in some cases, once received, broker such credits and incentives (the "DBA Services"). Contractor is, among other businesses, in the business of providing referrals to companies potentially eligible to obtain tax credits ("Contractor Candidates").

WHEREAS, Contractor from time to time, may coordinate introductions and/or arrange initial meetings between DBA and certain Contractor Candidates.

WHEREAS, Contractor and DBA desire to enter into this Agreement to provide for certain rights and obligations relating to such possible introductions/meetings and any business arising therefrom.

NOW THEREFORE, Contractor and DBA (the "Parties") hereby acknowledge the foregoing Recitals and for good and valuable consideration, agree as follows:

1. Term. The initial term of this Agreement shall be twelve (12) months commencing on the date hereof (the "Term"); provided, the Term shall automatically be extended for additional consecutive six (6) month periods unless either party gives written notice to the other of its desire to terminate the Agreement at least 30 days prior to the date on which the Term would otherwise expire and upon delivery of such written notice, the Term will expire at the end of the then-current six (6) month period.



2. **Introductions.** Contractor shall use good faith efforts to identify and introduce to DBA qualified prospective Contractor Candidates who have a need for the DBA Services (hereinafter referred to as “Potential DBA Clients”). If (a) at any time during the Term of this Agreement, Contractor identifies and meaningfully introduces DBA to a Potential DBA Client (e.g. Contractor provides a meaningful email and/or telephone endorsement with a decision maker/employee working for the Potential DBA Client, Contractor sets up a qualified meeting or conference call with DBA and such decision maker/employee, etc.) and (b) at any time during the Term or for the period of (6) months thereafter (the “Effective Period”), either (i) DBA and such Potential DBA Client enter into a contract for DBA Services (a “Services Contract” and such Potential DBA Client becoming a “DBA Client” (and the transaction being a “Contractor-Generated Transaction”), then Contractor shall be entitled to the commission described in Paragraph 3 below. For avoidance of doubt, the Contractor-Generated Transaction must be the first such engagement of DBA by the DBA Client (i.e. a new client for DBA) and all terms and conditions of the Services Contract must be acceptable to DBA, in each case in DBA’s sole discretion. In addition, the Parties agree that in the event DBA has had previous meaningful discussions and/or business dealings with any Potential DBA Client submitted by Contractor, it will notify Contractor promptly and thereupon DBA will be relieved of liability to Contractor in connection with such candidate.

3. **Commission.** For each Contractor-Generated Transaction resulting from a Services Contract entered into by DBA and a Potential DBA Client hereunder, Contractor shall be entitled to a commission equal to fifteen percent (15%) of the Net Revenue actually received by DBA from the Contractor-Generated Transaction going forward, payable within thirty (30) days of DBA’s actual receipt of such amounts. For purposes hereof, “Net Revenue” means the sum of the DBA received referral fees and Service Fee and the DBA Margin, if any, resulting from such Contractor-Generated Transaction less any third-party costs paid to generate such Revenue. Contractor acknowledges that there is often a significant amount of time between the period of time when DBA provides the DBA Services and the date when the applicable portion of the Revenue is actually received by DBA for such DBA Services.



(a) For purposes hereof, "DBA Service Fee" means the percentage fee on the Contractor-Generated Transaction that DBA would be entitled to pursuant to the Service Agreement in connection with such Contractor-Generated Transaction, such fee to be negotiated in good faith by DBA and the DBA Client in the Service Contract.

(b) For purposes hereof, the "DBA Margin" shall mean the amount that DBA is entitled to pursuant to the Service Agreement with the DBA Client (the "Tax Credit") which shall be equal to the difference between the DBA Service Fee and any 3rd Party fees to provide the DBA Services.

(c) By way of example, in the event a DBA Client is awarded a \$500,000 Tax Credit and the DBA Service Fee equals \$100,000, then Contractor would be entitled to a commission of \$15,000. In the event that 3rd Party services are used and the DBA Margin equals \$50,000, then Contractor would be entitled to a commission of \$7,500

(d) For avoidance of doubt, Contractor's entitlement to the foregoing commission from any Contractor Generated Transaction entered into during the Effective Period shall survive expiration of the Term/Agreement for a period of one year after the expiration of the final term of this Agreement.

4. Disclosures. Neither Party shall make any public disclosures or statements to Potential DBA Clients or any other third parties with respect to this Agreement or the contents thereof without the other Party's prior written consent.

5. Exclusivity. Contractor's identification/introduction services hereunder as it relates to identification of grants and tax credits or the selling of tax credits shall be exclusive to DBA during the Term and for a period of one year after the expiration of the final term of this Agreement. For avoidance of doubt, Contractor will not identify and/or introduce a Contractor Candidate to any other third party who provides services that compete with the DBA's tax credit brokering Services during the Term and for a period of one year after the expiration of the final term of this Agreement.



6. No Agency. The parties intend that Contractor shall be an independent contractor and Contractor shall not be deemed an employee of DBA, nor any person affiliated in any manner with DBA. This Agreement shall not be considered or construed to be a partnership or joint venture, and DBA shall not be liable for any obligations incurred by Contractor unless specifically authorized in writing. Contractor shall not act as an agent of DBA, ostensibly or otherwise, nor bind DBA in any manner, unless specifically authorized to do so in writing. Contractor agrees to be fully responsible for and to indemnify DBA from all liability that may be imposed upon DBA for any taxes or employee benefits arising from the compensation paid by DBA to Contractor hereunder.

7. Governing Law. All questions relating to performance under or the validity of this Agreement shall be resolved under the laws via the Commonwealth of Pennsylvania, without regard to principles of conflict of laws.

8. Miscellaneous. This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof. This Agreement supersedes any prior agreement or understanding among the Parties and may not be modified or amended in any manner except in a writing signed by the parties hereto. The covenants and agreements contained herein shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns of the respective parties hereto. This Agreement is non-assignable by either Party. No custom or practice of the Parties at variance with any provision of this Agreement shall affect, or constitute a waiver of, any Party's right to demand strict compliance with all provisions of this Agreement.

9. Counterparts. This Agreement may be executed in several counterparts, all of which together shall constitute one agreement binding on all parties hereto, notwithstanding that all the parties have not signed the same counterpart. This Agreement may be executed and delivered via electronic facsimile transmission or by means of a .pdf file with the same force and effect as if it were executed and delivered by the parties simultaneously in the presence of one another.



AGREED TO AND ACCEPTED:

By \_\_\_\_\_

Title \_\_\_\_\_

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

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

DAVID BOWERS & ASSOCIATES, LLC

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

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

Title: \_\_\_\_\_