

BROKER AGREEMENT

This Agreement entered into as the _____ day of _____, 20_____, by and between **Providence Equipment Finance, A division of Providence Bank & Trust**, with its principal place of business at 1555 S. Ardmore Avenue, Villa Park Illinois 60181 (hereinafter "**PEF**"), and _____ with offices at _____ hereinafter referred to as "Broker").

WHEREAS, the parties hereto wish to confirm their understandings regarding the terms and conditions under which **PEF** agrees to pay Broker a commission for brokering the transactions described herein:

WHEREAS, in consideration for **PEF's** Agreement to continue to do business with Broker, Broker and **PEF** agree that the terms of this agreement shall apply to all transactions previously entered into between Broker and **PEF**, as well as all future transactions;

NOW, therefore, in consideration of the foregoing and the mutual covenants contained herein, the parties agree as follows:

1. Scope

This agreement applies to all transactions previously submitted by Broker to **PEF** and all transactions, which will in the future be submitted **PEF** by Broker, until such time as this agreement is terminated or superseded by another agreement.

2. Disclosure of Information.

Broker shall, in connection with each transaction submitted, fully inform **PEF** as to all material information known to Broker concerning the transaction, including, but not limited to, information regarding the proposed lessee/debtor and the proposed lessee/debtor's creditworthiness, any vendor, and the equipment to be leased or financed. This duty extends to any changes occurring or discovered after any transaction has been submitted.

3. Documentation.

All transactions shall be documented to **PEF's** complete satisfaction in a manner acceptable to **PEF**, In **PEF's** sole and absolute discretion.

4. Notices to Lessee/Debtor Applicants.

In the event that any state and/or federal laws or regulations require, with respect to any submitted transaction, that certain notices be provided to proposed lessee/debtor, including, but not limited to, disclosure of their right to request specific reasons for credit denial and notice of action taken and statement of reasons for such, Broker warrants that all such notices will have been provided to the proposed lessee/debtor, or will be provided at the appropriate time, as prescribed by law.

5. Broker Warranties.

Broker hereby warrants with regard to each transaction to be submitted as follows:

- a. That each Equipment Lease Agreement (ELA) / Equipment Finance Agreement (EFA) submitted is a bona fide obligation of the respective lessee/debtor and any co-lessee/co-debtor and will be valid and enforceable according to its terms. Any guarantee thereof will be a bona fide obligation of the guarantors and will be valid and enforceable according to its terms. All documents provided in connection with each transaction shall be duly executed by the appropriate parties, who will have been duly authorized to execute same, and will be enforceable in accordance with their terms.

Initials: _____ Date: _____

- b. All ELA/EFAs to be submitted will be for business or commercial purposes only, and not for personal, family or household purposes. Broker will inform **PEF** in writing if any relative of broker is involved in any transaction including but not limited to any lessee/debtor, vendor or credit reference.
- c. Each ELA/EFA shall be the sole and complete agreement with regard to the ELA/EFA of the equipment, and there will be no other agreements in force as a result of representations or warranties made by Broker, or any of its agents or employees with respect to the equipment or the ELA/EFA thereof. Broker will disclose any information regarding any personal relationship or common ownership between any of the parties in a transaction including but not limited to the broker, the vendor and the lessee/debtor.
- d. The transaction submitted to **PEF** is not "re-brokered" as that term is generally understood in the industry.
- e. Lessee/Debtor will submit to **PEF** a signed application.

6. Authority of Broker.

Broker is, and shall act as, an independent contractor and as such shall have no authority to incur any obligations, or to make any statements or representations on behalf of **PEF** or to bind or commit **PEF** in any manner, or to make, alter or execute any document or agreement on behalf of **PEF**. Broker shall not use **PEF's** name or any of **PEF's** trademarks as part of its firm, trade or corporate name. Broker shall not accept service of any legal process of any action, which may be brought against **PEF**, or employ attorneys to defend same.

7. Acts of Representatives.

It is understood by Broker that all of its duties and responsibilities arising out of this agreement extend as well to anyone acting on Broker's behalf. Broker specifically understands that in the event that it delegates any of its functions, such as the obtaining documentation or making other arrangements with regard to a transaction to others, including vendors or other brokers, Broker is still fully responsible for any and all such actions, as if Broker had taken such actions itself.

8. Indemnity.

Broker shall indemnify and hold **PEF** harmless from and against any and all expense, injury and damage, **including reasonable attorney's fees** which **PEF** may incur, pay or suffer as a result of any acts of Broker, its principals, employees, agents or representatives.

9. Compensation of Broker.

In return for Broker's efforts in connections with any transactions submitted by Broker and accepted by **PEF**, **PEF** shall, if the transaction is at **PEF's** standard rates for transactions of similar size and risk, pay Broker **PEF's** standard brokerage fee thereon in accordance with **PEF's** then current brokerage fee schedule. **Broker's fee** will be paid once **Providence Equipment Finance** has received all requested information and the transaction has been fully funded and finalized.

10. Recourse.

Broker hereby agrees that **PEF** shall have recourse to Broker for a prorata share of the commission over the initial three months for any transaction submitted by Broker which defaults in its payments to **PEF**. In the event any lessee/debtor defaults within the initial three months in payments to **PEF**, Broker will, upon demand by **PEF**, promptly pay **PEF** in cash a prorata amount of the commission.

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11. Expenses of Broker.

PEF shall not be liable for any expenses incurred by Broker in connection with any transaction submitted by Broker. Any and all such expenses shall be Broker’s sole responsibility.

12. Duration of Agreement.

This agreement shall be effective at the time of its execution by PEF and shall continue in effect until terminated by either party upon written notice. The rights and obligations of the parties hereunder with respect to transactions originated prior to termination of this agreement shall survive such termination.

13. Qualification of Broker.

Broker shall from time to time, upon request by PEF submit such information to PEF as PEF deems appropriate in order to assure that Broker meets PEF’s standards with respect to qualifications to transact business with PEF.

14. Choice of Law and Venue; Attorneys’ Fees.

This agreement shall not be effective until signed by PEF in its office in the State of Illinois. This agreement shall be considered to have been made in the State of Illinois and shall be interpreted in accordance with the laws and regulations of the State of Illinois. Broker agrees to consent to the exclusive jurisdiction of any state or federal court in DuPage County, Illinois with respect to any action, suit or proceeding arising out of this agreement, and concedes that it, and each of them, transacted business in the State of Illinois by entering into this agreement. If enforcement action is taken by PEF to enforce any term of this agreement, Broker shall pay PEF its reasonable attorneys’ fees and costs in the event PEF prevails.

Accepted by:

Broker Name

Signature

Printed/Typed Name

Title

Date

Address:

**Providence Equipment Finance (“PEF”)
a Division of Providence Bank & Trust**

Signature

Dale R. Kluga

Printed/Typed Name

President, Equipment Finance Division

Title

Date

Address:
1555 S. Ardmore Avenue
Villa Park, IL 60181

Initials: _____ Date: _____