

# MASTER BROKER AGREEMENT

## PRN FUNDING, LLC



This **MASTER BROKER AGREEMENT** ("Agreement") is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_ by and between **PRN FUNDING, LLC**, (Ohio), whose business address is 25101 Chagrin Blvd, Suite 250, Cleveland, OH 44122 ("Factor"), and, \_\_\_\_\_ whose business address is \_\_\_\_\_, \_\_\_\_\_ ("Broker").

1. **TERM:** This Agreement will become effective on the date stated above and will continue in effect until terminated as provided hereinafter.
2. **SERVICES:** Broker agrees to solicit new prospective commercial clients for Factor, and to provide completed initial document packages for Factor's evaluation and possible acceptance in accordance with Factor's instructions to Broker and the terms and provisions of this Agreement
3. **PERFORMANCE:** The method (so long as same is commercially reasonable and ethical), details, and means of performing the services referenced in Section 2 above, shall be exclusively and solely determined by Broker. Broker may, at its expense, employ those assistants and outside contractors, as Broker deems necessary to perform the services referenced in Section 2. Except for those requirements outlined in Section 6 hereof, Factor will respect Broker's autonomy and will not attempt to control, direct, or supervise Broker's (or its agents) activities in any manner.
4. **RELATIONSHIP:** The parties agree that the relationship of Broker to Factor shall be that of an independent contractor. All parties recognize that this Agreement is non-exclusive and in keeping with an arm's length relationship, Broker shall have no authority to bind Factor in any manner whatsoever, without Factor's prior written consent to such specific commitment. Broker, its employees, Broker's agents, and their employees shall not be considered employees of Factor for any purpose.
5. **COMPENSATION:** Factor will pay to Broker referral fees for any and all referred prospects that Factor had not previously independently contacted who ultimately use Factor's Receivable Finance product. The following commission methodology will apply:
  - a. Factor will remit to Broker a commission equaling 10% of the net discount fee retained by Factor as earned fees throughout its relationship with any party referred by Broker ("Client")
  - b. Broker shall not be paid commission on origination fees, start-up fees, processing and administrative fees, reimbursable expenses, invoice processing or monitoring fees.
  - c. Such commission shall not be earned by Broker until Factor's fees are actually received from the referred Client.
  - d. Factor will provide Broker a monthly accounting and fee check within 15 days after the end of each calendar month. Such payment will include Broker's commission for all factoring fees received by Factor during the preceding calendar month for each Factor / Client transaction subject to this Agreement.
  - e. If Factor is never paid by Client or its customer; or for some other reason Factor never received its fee(s), then no commission shall be owed by Factor to Broker for that specific transaction.
  - f. Unless this Agreement is otherwise earlier terminated, all compensation is to be paid by Factor to Broker for the term of said Client account.
6. **BROKER'S OBLIGATIONS:** Without interference from Factor, Broker will solely determine what amount of time Broker devotes to the performance of the above described services. Broker represents and warrants that:
  - a. Broker shall conduct its business, as it related to the services defined herein in a commercially reasonable, legal and ethical manner. Every effort will be made by Broker to ensure that the Client is aware of the economic substance of those transactions contemplated herein, and that Broker's affairs with Client have been conducted in a professional manner.
  - b. Broker agrees that should Factor incur any expense relating to actual damages or its defense from same as a result of a breach of any Broker's representations or warranties, then Factor may invoke a right of offset against future Broker commissions until such deficit has been repaid.
  - c. Broker will treat all correspondence from Factor including Factor's contractual documentation with Client(s) as confidential, and will only disclose the same to third parties after receiving written permission from Factor.
7. **TERMINATION:** Notwithstanding anything herein to the contrary, either party may terminate this Agreement at any time by providing thirty (30) days prior written notice to the other party; however, Factor's obligation to pay broker as indicated in Section 5 above shall continue. Any such termination shall have no effect upon those commitments made by the signatories hereto.
8. **ENTIRE AGREEMENT:** This Agreement supersedes any and all agreements, either oral or written, between the parties hereto with respect to the rendering of services by Broker to Factor, contains all of the agreements between the parties with respect to rendering of such service. Both parties agree that no representations, inducements, promises, or agreements (oral or otherwise) have been made by any party or anyone acting on behalf of any party, which are not embodied herein; and that no other agreement, statement, or promise not contained herein shall be valid or binding. Any modification of this Agreement will be effective only if it is in writing and signed by both parties.
9. **VENUE:** This Agreement shall be governed and construed in accordance with the laws of the State of Ohio (notwithstanding conflict of law rules) and venue shall be proper only in County of Cuyahoga, Ohio.

**EXECUTED THE DAY AND YEAR FIRST ABOVE  
WRITTEN IN THE CITY OF CLEVELAND, STATE OF  
OHIO.**

### BROKER

Name \_\_\_\_\_

Tax Identification Number \_\_\_\_\_

Signature \_\_\_\_\_

### PRN FUNDING, LLC

**PHILIP M. COHEN**, President

Signature 