

REFERRAL AGREEMENT

This **REFERRAL AGREEMENT** (this “**Agreement**”) is entered into by and between **JK HARRIS 165 SERVICES, LLC**, a South Carolina limited liability company with its principal place of business located at 2002 N. Lois Avenue, Suite 660, Tampa, Florida 33607 (“**JKH**”), and the undersigned independent contractor of JKH (the “**Contractor**”).

Background

- A. JKH has created a proprietary business model for assisting victims of investment fraud to substantiate their entitlement to claim theft loss deductions under Section 165 of the Internal Revenue Code (the “**165 Services**”).
- B. Contractor has access to the names of investors who may have been the victims of investment fraud, and Contractor is willing and legally able to disclose the names of those investors to JKH.
- C. JKH desires to compensate Contractor, pursuant to the terms and conditions of this Agreement, in the event that JKH collects any fees for providing 165 Services to an investor that became known to JKH through the efforts of Contractor.

Terms and Conditions

For the reasons described above, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, JKH and Contractor hereby agree as follows:

1. **Term.** The term of this Agreement will begin on the date on which this Agreement is signed by an authorized representative of JKH (the “**Effective Date**”), and will end on the date that is one (1) year after the Effective Date, unless the term is extended in writing by JKH and Contractor. JKH may terminate this Agreement at any time under the circumstances described in Section 9 of this Agreement.
2. **Entitlement to REFERRAL.** Contractor shall be entitled to a referral, in an amount equal to the applicable percentage (as set forth on **Exhibit A** to this Agreement) of any fees collected by JKH for the provision of 165 Services to an Identified Client. For purposes of this Agreement, the term “**Identified Client**” shall mean an investor included on a list of investors provided by Contractor to JKH in writing during the term of this Agreement, if (i) the identity of such investor was not previously known to JKH, and (ii) the disclosure of the identity of such investor to JKH by Contractor

did not violate any applicable law, or any contract or agreement to which Contractor is a party or under which Contractor is bound. To avoid disputes regarding the classification of an investor as an Identified Client, prior to contacting any investors identified on a list provided by Contractor, JKH will review such list and notify Contractor if JKH was previously aware of the identity of any investors identified on the list. JK Harris 165 Services, LLC

3. **Payment of REFERRAL.** JKH shall pay Contractor any referrals due hereunder, less any withholdings required by law, within thirty (30) days after JKH collects its fees from the applicable Identified Client and the clients refund has been approved.
4. **Cooperation by Contractor.** Identified Clients shall be required to enter into JKH's standard customer agreement, as that agreement may be modified by JKH from time to time in its sole discretion. Contractor shall provide such assistance as may be reasonably requested by JKH to encourage Identified Clients to enter into JKH's standard customer agreement. Contractor is not an agent of JKH, and shall have no authority to bind JKH. Contractor will not make any statements to any investor that contradict the preceding sentence, nor will Contractor make any claims or representations about the 165 Services offered by JKH. JKH shall not be obligated to enter into a customer agreement with, or provide 165 Services to, any Identified Client.
5. **No Retention of Control.** JKH and Contractor acknowledge and agree that, throughout the term of this Agreement:
 - (a) Except as otherwise explicitly provided in this Agreement, neither JKH nor any of its agents or representatives shall have any right to control or direct the details, manners or means by which Contractor identifies or solicits potential customers for JKH.
 - (b) Contractor shall have no obligation to work any particular hours or any particular amount of hours on behalf of JKH.
 - (c) Contractor shall be solely responsible for any expenses incurred by Contractor to identify or solicit potential customers for JKH including, without limitation, expenses for advertising, supplies, telephone calls, postage, transportation, gas, insurance, permits, licenses, meals, lodging, or entertainment.
 - (d) Contractor shall be solely responsible for compliance with all applicable laws and regulations regarding the conduct of its business, and all salaries, wages and benefits payable to its employees, agents and independent contractors.
 - (e) Contractor shall not be entitled to any employee benefits provided by JKH to its employees.

(f) Except as otherwise provided in Section 10 of this Agreement, Contractor shall be free to accept any employment or pursue any other ventures or activities that Contractor so desires.

6. **Independent Contractor Status.** Contractor acknowledges and agrees that Contractor is an independent contractor, and not an employee, of JKH with respect to the services provided pursuant to this Agreement. Contractor shall comply with all tax laws applicable to the referral received pursuant to this Agreement including, without limitation, the reporting of such amounts as income from the operation of a business, and the reporting and payment of all resulting income taxes and self-employment taxes.
7. **Representations and Warranties by Contractor.** As a material inducement for JKH to enter into this Agreement with Contractor, Contractor hereby represents and warrants to JKH as follows:
 - (a) Contractor has full power and authority to enter into and perform this Agreement.
 - (b) Contractor's execution and performance of this Agreement will not constitute a default under or breach of any of the terms of any contract or agreement to which he is a party or under which he is bound.
 - (c) No consent or approval of any third party is required for Contractor's execution, delivery or performance of this Agreement.
 - (d) Contractor will not disclose the names of any investors to JKH in violation of any applicable law, or any contract or agreement to which Contractor is a party or under which he is bound.
8. **Indemnification by Contractor.** Contractor hereby agrees to indemnify and hold harmless JKH and its officers, directors, employees, agents and affiliates, and their respective successors and assigns, from, against and in respect of, any liability, loss, cost, damage, expense or payment, including reasonable attorneys' fees and expenses, incurred or suffered by such person with respect to any and all claims, controversies, legal actions and proceedings brought by or on behalf of any third party arising out of or in any way related to (i) Contractor's breach of any provision of this Agreement, or (ii) the inaccuracy or breach of any representation or warranty of Contractor set forth in Section 7 of this Agreement.
9. **Termination of Agreement.** JKH may terminate this Agreement immediately upon written notice to Contractor in the event that (i) Contractor violates any material provision of this Agreement or (ii) JKH discovers the inaccuracy or breach of any representation or warranty of Contractor set forth in Section 7 of this Agreement. Contractor shall not be entitled to any referrals hereunder from and after the date that JKH terminates this Agreement pursuant to this Section 9. In the event that this

Agreement terminates as a result of the expiration of the term of this Agreement, Contractor shall continue to be entitled to referrals with respect to any fees collected by JKH from the provision of 165 Services to an Identified Client, regardless of whether such services were performed, or such fees were collected, after the expiration of the term.

10. Restrictive Covenants. JKH may provide Contractor with access to the business and proprietary secrets of JKH, including JKH's proprietary business model for providing 165 Services. In consideration of the referrals to which Contractor may become entitled hereunder, Contractor agrees to abide and be bound by the restrictions and covenants set forth in this Section 10.

(a) **Competition; Interference; Solicitation.** Contractor agrees that, during the term of this Agreement and for a period of twenty four (24) months following the termination of this Agreement for any reason, Contractor will not, directly or indirectly, as principal, agent, employee, employer, consultant, stockholder, member, partner, or in any other capacity:

(i) Engage or participate in the conduct or management of, own any stock or other equity investment in or debt of, or derive any direct or indirect financial or pecuniary benefit from, any proprietorship or entity other than JKH that is engaged in the provision of 165 Services (or any services that are substantially similar to the 165 Services).

(ii) Contact, solicit or otherwise deal with any current or former customer, principal or account of JKH for any reason or purpose whatsoever other than for the benefit and at the request of JKH, or otherwise interfere with any business relationship of JKH.

(iii) Solicit, divert or hire away, any person engaged by JKH or its affiliates as an employee, independent contractor, officer, director, executive or other agent for the purpose of causing such person to leave his or her employment (or otherwise terminate his or her relationship) with JKH or any of its affiliates.

(b) **Confidentiality; Non-Disclosure of Proprietary Information.** Contractor acknowledges and agrees that (i) JKH's proprietary business model for providing 165 Services and

(ii) and all records, documents, customer/supplier/distributor lists, referral sources, financial information, trade secrets, methods, techniques, processes, marketing strategies and plans, source code and other intellectual property, and all enhancements and improvements thereof (regardless of whether patentable or copyrightable), formulas, computer print-outs and other information of any kind, whether or not complete and

whether or not reduced to writing, obtained by Contractor with respect to JKH and not generally known in the public domain (collectively, the “**Confidential Information**”), constitutes valuable, special and unique and proprietary assets of JKH. Contractor agrees that during the term of this Agreement, and following the termination of this Agreement for any reason, Contractor will not directly or indirectly disclose, disseminate, publish or permit the disclosure, dissemination or publication of any Confidential Information to or for any other person, group, firm, corporation, association or other entity or utilize the same for any reason or purpose whatsoever other than for the benefit and at the request of JKH. Upon the termination of this Agreement for any reason, or at any time upon the request of JKH, Contractor shall promptly deliver any Confidential Information in the possession or under the control of Contractor that is capable of being returned. Contractor recognizes and acknowledges that the Confidential Information referred to herein constitutes trade secrets within the meaning of Section 812.081 of the Florida Statutes, appropriation of which for Contractor’s own benefit or the use of any third party constitutes a theft or embezzlement from JKH which may subject Contractor to civil and criminal penalties as provided in the Florida Statutes. Further, Contractor acknowledges that it is the policy of JKH to vigorously prosecute anyone engaging in theft or embezzlement from JKH, including the misappropriation of Confidential Information.

- (c) Injunction and Equitable Relief. JKH and Contractor recognize and expressly agree that the extent of damages to JKH in the event of a breach by Contractor of any restriction or covenant contained in this Section 10 would be impossible to ascertain, that the irreparable harm arising out of any breach shall be irrebuttably presumed, and that the remedy at law for any such breach will be inadequate to compensate JKH. Consequently, Contractor agrees that, in the event of a breach of any such restriction or covenant by Contractor, in addition to any other relief to which JKH may be entitled, JKH shall be entitled to enforce such restrictions and covenants by injunctive or other equitable relief ordered by a court of competent jurisdiction. In the event that JKH obtains such injunctive or other equitable relief, Contractor shall reimburse JKH for its reasonable costs and expenses (including reasonable attorneys’ and legal assistants’ fees) incurred to obtain such relief.
- (d) Investment Activities. Nothing contained herein shall be deemed to prohibit Contractor from owning equity or debt investments in any corporation, partnership, or other entity the equity securities of which are traded on a national securities exchange or other public market, if such investments are passive investments and, if equity investments, constitute less than five percent (5%) of the outstanding equity securities of such entity.

- (e) Divisibility of Periods. If any portion of a restrictive covenant contained herein is held to be unreasonable, arbitrary, or against public policy, each covenant shall be considered divisible as to time; and each one (1) week of the specified period shall be deemed to be a separate period of time, so that the maximum lesser time shall remain effective so long as the same is not unreasonable, arbitrary or against public policy. The period of time during which Contractor is prohibited from engaging in certain activities pursuant to Section 10(a) of this Agreement shall be extended by any length of time during which Contractor is in breach of any covenant under this Section 10.

11. General Provisions.

- (a) Governing Law; Venue. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Florida. The parties consent and agree that Hillsborough County, Florida, shall be the exclusive, proper, and convenient venue for any legal proceeding in federal or state court relating to this Agreement, and each party waives any defense, whether asserted by motion or pleading, that Hillsborough County, Florida, is an improper or inconvenient venue.
- (b) Notice. Any notice to a party to this Agreement permitted or required hereunder shall be given in writing, and shall be deemed to have been duly delivered
 - (i) when delivered by personal delivery,
 - (ii) three (3) days after being deposited in a United States postal service letter box for mailing by first class mail, postage prepaid, certified mail, with return receipt requested (regardless of whether the return receipt is subsequently received), or
 - (iii) one business day after being deposited with a nationally recognized courier service for overnight delivery; and in each case addressed by the sender to the recipient as follows, to JKH at the address first listed above, to Contractor at the address listed on the signature page to this Agreement, or to such other address as a party may notify the other party in writing in conformity with the provisions of this Section 11(b).
- (c) No Waiver. No party shall be deemed to have waived any of its or his rights or remedies hereunder unless such waiver is specific and in writing. No delay or omission by any party in exercising any of its or his rights or remedies hereunder shall constitute a waiver thereof, or shall constitute any further waiver thereafter. All rights and remedies of a party are cumulative and concurrent and the exercise of one right or remedy shall not be deemed a waiver or release of any other right or remedy.

- (d) Binding Effect. This Agreement shall be binding upon, and inure to the benefit of, the parties to this Agreement and their respective legal representatives, heirs, devisees, legatees, successors and assigns, and any reference to a party to this agreement shall also be a reference to a such legal representatives, heirs, devisees, legatees, successors and assigns.
- (e) Survival. The provisions of the following Sections of this Agreement shall survive the termination of this Agreement for any reason: 8, 10 and 11.
- (f) No Third Party Beneficiaries. Nothing in this Agreement, whether express or implied, is intended or shall be construed to confer upon, or to grant to, any person (other than the parties to this Agreement and their legal and personal representatives, heirs, successors, and permitted assignees) any right, remedy, or claim under or because of this Agreement.
- (g) No Agency. Nothing contained in this Agreement shall be deemed to create any association, partnership, joint venture or relationship of principal and agent or master and servant between the parties.
- (h) Computation of Time. Whenever the last day for the exercise of any privilege or the discharge of any duty under this Agreement shall fall upon Saturday, Sunday or any public or legal holiday, whether federal or of the State of Florida, the party having such privilege or duty shall have until the next succeeding regular business day to exercise such privilege or to discharge such duty.
- (i) Number; Gender. Whenever the context so requires, the singular number shall include the plural and the plural shall include the singular, and the gender of any pronoun shall include the other genders.
- (j) Captions. The titles and captions of or in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit, extend or describe the scope of this agreement or the intent of any provision of this Agreement.
- (k) Integration; Modification. This Agreement supersedes all prior negotiations, agreements and understandings between the parties with respect to the subject matter hereof and constitutes the entire agreement between the parties with respect to the subject matter hereof. This Agreement may be modified or amended only by an agreement in writing signed by or on behalf of all parties hereto.
- (l) Severability. In the event that any court of competent jurisdiction shall determine that any provision of this Agreement is invalid, such determination shall not affect the validity of any other provision of this Agreement, which shall remain in full force and effect and which shall be construed as to be valid under applicable law.

Signature of Contractor

Print Name of Contractor:

Mailing Address of Contractor

Contractor's Social Security Number

Date

ACKNOWLEDGMENT

STATE OF _____

COUNTY OF _____

The foregoing REFERRAL AGREEMENT was acknowledged before me this ____ day of _____, _____, by _____, who is personally known to me or has produced a _____ driver's license as identification.

Notary Public

(SEAL)

Print Name: _____

REFERRAL Expires: _____

REFERRAL Number: _____

Agreed and accepted by:

JK HARRIS 165 SERVICES, LLC,

a South Carolina limited liability company

By: _____

Moira Souza-Shiver, Vice-President

Effective Date: _____

REFERRAL Schedule

Of the fee collected by JKH for the provision of 165 Services, the applicable percentage for an Identified Client due to Contractor shall be:

5% referral for all referrals

Initial by JKH: _____

Initial by Contractor: _____