

## LONG POINT CAPITAL, INC

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Month Day, Year

Mr.

Dear :

In response to our discussions regarding \_\_\_\_\_ (“Prospect”), Long Point Capital, Inc. is prepared to make the following fee arrangement.

Long Point Capital, Inc. its associates and subsidiary corporations, collectively (“Long Point”), agree to pay [broker] (“Consultant”) as an independent contractor for providing us, on an exclusive basis, with 1.) an introduction to the principals of Prospect, 2.) financial information (income statement and balance sheet), and 3.) product information, prior to our meeting with the Prospect for the purpose of effecting an acquisition, merger, exchange, capital involvement, loan placement, joint venture, or other such transaction (“Transaction”) with Long Point. In the event we have prior knowledge of this company, we will promptly notify you and this agreement will become null and void.

We are recognizing you as a finder only in this situation and not as an agent of Long Point. Any expenses incurred by you in connection with this matter will be your sole responsibility unless approved in writing by Long Point.

If a Transaction is consummated with Prospect, Long Point shall pay Consultant a fee based on the total face value of consideration (“Consideration”) paid by Long Point directly or indirectly in connection with the Transaction. Consideration shall include payments in cash, stock, real and personal property, notes, debentures, earnouts, funded debt assumed, the total amount of non-compete and consulting agreements, and all other things of value exchanged or to be exchanged with the Transaction.

Consideration is payable at closing. If a portion of the Consideration is not payable at closing, such as royalties, earnouts, purchase price adjustments, escrow deposits, etc., the portion of Consultant’s fee relating to such Consideration shall be paid to Consultant when that portion of the Consideration is actually paid to the seller of Prospect.

The amount of the fee shall be calculated from the following schedule on the total Consideration:

5% of the first \$1,000,000 of Consideration, or any part thereof; plus,  
4% of the second \$1,000,000 of Consideration, or any part thereof; plus,  
3% of the third \$1,000,000 of Consideration, or any part thereof; plus,  
2% of the fourth \$1,000,000 of Consideration, or any part thereof; plus,  
1% of any balance of the total Consideration in the Transaction.

The foregoing assumes that there are no such fees to be paid to Consultant by the Prospect as a result of the closing of the Transaction. If Consultant earns or collects a fee and/or any other form of Consideration from any other party in connection the with Transaction, then the amount of fee due from Long Point Capital shall be reduced by the amount of such other fee or Consideration.

You agree that if the Prospect or the seller of the Prospect engages an advisor, investment banker, or other agent to create a multiple bidder environment for the sale of the Prospect, and such engagement occurs prior to or concurrently with Long Point's confirmation that you are a finder for Long Point with respect to the Prospect, then Long Point shall not be liable for any fee to Consultant. If such engagement occurs after Long Point's confirmation that Consultant is Long Point's finder with respect to the Prospect, then Long Point shall be liable for no more than one-half of the fee otherwise required to be paid by Long Point hereunder with respect to the Transaction with the Prospect, unless the parties have otherwise negotiated a higher fee with respect to this provision.

Consultant disclaims responsibility, direct or indirect, express or implied, for the truth, accuracy or completeness of information provided to Long Point concerning any Prospect introduced by Consultant.

Long Point will include language in the Transaction documents describing Long Point's fee responsibility to Consultant. Upon request, Long Point will provide Consultant with adequate advance notice of the time and place of closing.

Any controversy between any of the parties arising out of this Agreement shall be resolved through binding arbitration pursuant to the Commercial Rules and Regulations of the of American Arbitration Association and the parties hereto waive their rights to submit any such controversy, dispute or claim to a public tribunal for a jury or non jury trial. Judgment upon the award plus costs and reasonable attorney's fees (if any) may be entered in any court having jurisdiction.

If any provision of this Agreement is held to be invalid or unenforceable, such holding shall not affect the validity or enforceability of any other provision. No modification of this Agreement shall be binding unless agreed to in writing by the parties. Jurisdiction over all substantive and procedural aspects of this agreement shall be governed by the laws of the state of New York.

This agreement may be terminated by either party upon 30 days prior written notice. Long Point's fee obligation to Consultant according to the terms and conditions herein shall be in effect for a period of 12 months from the date hereunder.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, Year.

By:

By:

\_\_\_\_\_

\_\_\_\_\_

Long Point Capital, Inc.

Consultant