



Referral Agent Agreement

THIS AGREEMENT is made between StateTrust International Bank & Trust, LLC., (the “Bank”, “STIBT” or “Company”), a Puerto Rico Company having its main office at Corporate Office Park, Assertus Building, Suite 107, Carr.2 Km2.2, Guaynabo, Puerto Rico 00966, and _____ (the “Referral Agent” or the “Financial Representative”).

1. SERVICES

- 1.1 Services.** The Bank hereby retains Referral Agent and Referral Agent hereby agrees to perform services specifically outlined herein or in **Exhibit “A”** hereto. Schedule A shall contain a general description for the tasks to be performed by Referral Agent and the specifications for any deliverables to be produced by Referral Agent.
- 1.2 Compensation.** The Referral shall receive compensation as outlined in **Part II - Section “Compensation Structure” – STIBT 5037 form** hereto as long as this Agreement is in force. Compensation will give consideration to the Referral Agent’s compliance with the due diligence requirements of the United States anti-money laundering law. Failure to adhere to these requirements may result in penalties and/or disciplinary action up to termination of this agreement.
- 1.3 Non-Binding Authority.** Referral Agent shall have no right, power or authority to act in any way in the name of the Bank and shall not bind the Bank in any manner whatsoever, except as specifically approved by the Bank senior management in writing.
- 1.4 Term.** This Agreement shall commence on _____ and shall remain in effect until terminated at the sole discretion of the Bank.

2. DELIVERABLES AND NON-COMPETE

- 2.1 Proprietary Material.** Referral Agent hereby agrees that all work, including developments, designs, inventions, improvements, trade secrets, trademarks, copyrightable subject matter or proprietary information which Referral Agent makes or conceives, either solely by Referral Agent or jointly with others and either on or off the Bank premises, relating to any actual or planned software, service or activity of the Bank of which Referral Agent has knowledge or suggested by or resulting from any work performed by Referral Agent for the Bank (a “Development”), shall be considered to be work made for hire under the U.S. Copyright Act, 17 U.S.C. ' 101 *et. seq.* and shall be owned exclusively by the Bank. In the event that any such Development is not construed to be a work made for hire, Referral Agent hereby assigns to the Bank all right, title and interest in such Development.
- 2.2 Confidential Information.** Referral Agent recognizes and acknowledges that in the course of performing services for the Bank, Referral Agent shall have access to the Bank’s confidential information concerning its business affairs, clients, client information, finances and other data. All such information, whether tangible or intangible, is hereinafter collectively referred to as “Confidential Information”.

2.3 Non-Disclosure. Referral Agent agrees that, except as directed in writing by the Bank, Referral Agent will keep in strictest confidence, both during the term of this Agreement and subsequent to termination of this Agreement, and will not during the term of this Agreement or thereafter disclose or divulge to any person, firm or corporation, or use directly or indirectly, for his/her own benefit or the benefit of others, any Confidential Information. Except as directed in writing by S TIBT the Bank, Referral Agent will not permit any person other than the Bank, its authorized agents or representatives, to examine and/or make copies of any software, reports or any other materials prepared by Referral Agent or that come into Referral Agent's possession or control by reason of Referral Agent's services hereunder, and that upon termination of this Agreement, Referral Agent will turn over to the Bank all documents, papers and other matter in his/her possession or control that relate to the Bank. This Section shall not prohibit the Referral Agent from disclosing any information pursuant to subpoena or court order in criminal, civil, or administrative proceeding. In recognition of the fact that the foregoing obligations shall survive the termination of this Agreement, the Referral Agent agrees that upon the termination of this Agreement, it will turn over to Bank all records, documents and copies and transcriptions thereof relating to Bank's business which are in the possession of the Referral Agent or under control of the Referral Agent. The breach or threatened breach by the Referral Agent of any of the provisions of this Section shall: (i) constitute Cause for the termination of this Agreement notwithstanding any other term, provision, or definition contained in this Agreement; and (ii) entitle Bank to a permanent injunction (as referenced below) or other injunctive relief in order to prevent or restrain any such breach or threatened breach by the Referral Agent, the Referral Agent's partners, agents, representative, servants, independent contractors, or any and all persons or entities directly or indirectly acting for or with the Referral Agent. The rights and remedies of Bank under this Section shall be in addition to and not in limitation of any of the rights, remedies or damages available to it at law or equity.

2.4 Non-Competition and Solicitation.

2.4.1 Termination of Agreement. Referral Agent agrees that in the event this Agreement is terminated by either Bank or the Referral Agent, whether terminated with cause or without cause and regardless of whether the Referral Agent, or Bank caused said termination, the Referral Agent covenants that Referral Agent will not, without the prior written consent of Bank, for a period of two (2) year after said termination, directly or indirectly, perform services or duties, or engage in the same or similar business as Bank in any capacity, whether as a Referral Agent, director, officer, manager, supervisor or Referral Agent of any entity within ten (10) miles of:

2.4.2 The Bank's or Bank's Referral Offices in the geographical locations referenced herein.

2.4.3 Any satellite office of the Bank or office of an affiliate of the Bank, or any locale for which a client of Bank or affiliate of the Bank is serviced.

2.4.4 The foregoing shall include, but not be limited, to the following geographical locations: Puerto Rico, Castries, St Lucia, Miami-Dade, USA, Mexico, Guatemala, El Salvador, Honduras, Nicaragua, Costa Rica, Panama, Dominican Republic, Venezuela, Colombia, Ecuador, Peru, and Argentina.

2.4.5 Non-Solicitation of Referral Agents or Independent Contractors. At any time after the termination of this Agreement, the Referral Agent covenants that Referral Agent shall not, directly or indirectly, as an individual or on behalf of a firm, cooperation, partnership or other entity, engage, solicit or entice any other Referral Agent or independent contractor of Bank to terminate his, her or their employment or

independent contractor relationship with Bank, nor make any offers to such independent contractor.

2.4.6 Non-Solicitation of STIBT's clients or prospects. At any time after the termination of this Agreement, the Referral Agent covenants that Referral Agent shall not, directly or indirectly, as an individual or on behalf of a firm, cooperation, partnership or other entity, engage, solicit or entice any Client of STIBT to terminate his, her or their relationship with Bank, nor make any offers to such Client.

2.4.7 Extension of Term of Covenants of Non-Competition and Solicitation. Notwithstanding the foregoing, the covenants of the Referral Agent set forth in this Section shall be extended for a period of time equal to the period of time during which the Referral Agent shall be in violation of the covenants contained in this Agreement and/or the pendency of any proceedings brought by Bank to enforce the provisions of this Section.

2.4.8 Additional Provisions. Each of the aforesaid covenants may be availed of, or relied upon, by Bank in any court of competent jurisdiction (*whether in or out of the territorial waters of the United States*), and shall form the basis of injunctive relief and damages including expenses of litigation (including, but not limited to, reasonable attorney's fees upon trial and appeal) suffered by Bank arising out of any breach of the aforesaid covenants by the Referral Agent. The covenants of the Referral Agent set forth in this Agreement are cumulative to each other and to all other covenants of the Referral Agent in favor of Bank contained in this Agreement and shall survive the termination of this Agreement for the purpose intended.

2.4.9 Extension to Affiliates. Since the Bank is part of the StateTrust Group of companies which leverages on a common distribution or referral network, certain economies of scale on certain marketing, sales and other administrative and managerial functions, and the Referral Agent may have Agreements with all or some of those affiliates, all clauses in this Agreement that applied to Bank shall also apply to any and all affiliated companies of Bank which includes but is not limited to StateTrust Group, LLC; StateTrust Investments, Inc.; StateTrust Life and Annuities, Ltd; and StateTrust International Holding Company.

2.4.10 Referral Agent shall disclose any outside activities and STIBT shall determine if any conflicts of interest may arise from those activities. Those activities shall be disclosed on **Exhibit "B"** hereto and within 10 days of any changes of such activities such Exhibit shall be amended and forward to STIBT.

2.5 Injunctive Relief. Referral Agent acknowledges that the unauthorized disclosure of any Confidential Information will give rise to irreparable injury to the Bank, inadequately compensable in damages. Accordingly, the Bank may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies which may be available. The enforcement of a remedy hereunder by way of injunction will not prevent Referral Agent from earning a reasonable livelihood. Referral Agent further agrees that the covenants contained herein are necessary for the protection of Bank's legitimate business interests and are reasonable in scope and content.

2.6 Warranties. Referral Agent warrants that Referral Agent has the proper skill, training and background so as to be able to perform in a competent and professional manner and that all work shall be performed in accordance with this Agreement and Schedule A.

3. GENERAL

- 3.1 Assignment.** Because the Bank has entered into this Agreement based upon the unique talents and capabilities of Referral Agent, Referral Agent may not assign this Agreement or delegate or subcontract any of its obligations hereunder without the prior written consent the Bank.
- 3.2 Enforceability.** The provisions of this Agreement shall be enforceable notwithstanding the existence of any claim or cause of action of Referral Agent against STIBT the Bank, whether predicated on t his Agreement or otherwise.
- 3.3 Governing Law.** This Agreement shall be construed in accordance with the laws of Puerto Rico. The venue shall be the Puerto Rico and / or any other venue chosen by Bank in order to enforce this Agreement.
- 3.4 Severability.** If any provision of this Agreement is held invalid or otherwise unenforceable, the enforceability of the remaining provisions shall not be impaired thereby.
- 3.5 No Waiver.** The failure by any part to exercise any right provided for herein shall not be deemed a waiver of any right hereunder.
- 3.6 Entire Agreement.** This Agreement contains the entire agreement of the parties relating to the subject matter hereof. Any notice to be given under this Agreement shall be sufficient if it is in writing and is sent by certified or registered mail or commercial overnight delivery service to Referral Agent at Referral Agent's address set forth above or to the Bank at its principal office.
- 3.7 Conflict.** This agreement has versions in English and Spanish. However, the terms and language of the English version shall control.

Referral Agent:

StateTrust International Bank & Trust LLC.,
a Puerto Rico international corporation

By: _____

By: _____

Name:

Name:

Title:

Title:

Exhibit “A”

Outline of Services

Among others, the Referral Agent is expected to:

I. The Referral Agent shall endeavor to referred as clients to STIBT those individuals or entities which are suitable and appropriate for services provided by STIBT. The Referral Agent represents that the Referral Agent is familiar with the products, services and programs offered by STIBT (“Clients” or “Referred Clients”).

II. The Referral Agent responsibilities may include assisting clients/prospects in completing forms and in answering questions of a general nature pertaining to required documentation, and maintaining an informed and mutually satisfactory relationship between the Client and STIBT.

III. The Referral Agent services may also include periodic contact, if requested or appropriate, to assist the Client(s) in understanding STIBT’s services and understanding its accounts/portfolios at STIBT and/or obtaining or updating client information on behalf of STIBT.

IV. The Referral Agent does not have any authority to accept any client(s) on behalf of STIBT, and STIBT does not have any responsibility to accept any prospective client referred by the Referral Agent. Any prospective client that becomes a client of STIBT as a direct result of the Referral Agent's efforts is identified as a “Referred Client.”

V. The Referral Agent shall not (i) participate in any negotiations, at any stage, between StateTrust and the referred client with respect to this Agreement; (ii) make any recommendations regarding any investment in which the referred client may be a party, assist in or provide financing for any such referred client, or handle any funds or securities associated with or relating to securities transaction to which the referred client is a party in connection with the referred client’s account with STIBT; (iii) participate in any advertisement, endorsement or general solicitation regarding the subject matter of this Agreement or make, publish or distribute any advertising or market letters relating to such subject matter; (iv) represent that it is an agent or employee of STIBT, display or use the names or abbreviations of STIBT or any of STIBT logos, trademarks, service marks or trade names in any manner; or (v) participate in the preparation of any materials relating to the sale or purchase of any securities by the referred client through the services of STIBT.

VI. The Referral Agent shall not exercise investment discretion over any referred client's accounts at STIBT without the prior written consent of STIBT and the referred client; (iv) the Referral Broker shall be in compliance with any and all applicable statutes and regulations of any jurisdiction in which it is doing business, and any amounts which may be charged or received by the Referral Agent will be fully disclosed by it to all referred clients; (v) the Referral Agent is fully registered or licensed to conduct the business contemplated by this Agreement in all jurisdictions governing its activities if such registration or licensing is required by the laws of said jurisdictions.

VII. The client will forward all funds to be deposited by any referred client directly to STIBT. The Referral Broker will not take possession of or act as intermediary for any such funds.

Exhibit "B"

STIBT Financial Representative or Referral Agent

I. OUTSIDE ACTIVITY AND BROKERAGE ACCOUNT

List all outside activities you are involved in (i.e.: Other Employment, business), indicate none if no outside activities:

<u>OUTSIDE ACTIVITY</u>	<u>NATURE OF ACTIVITY</u>
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II. OWNERSHIP OR DIRECTORSHIP

List any ownership in companies, any directorship or if you are an officer of any company other than StateTrust. Indicate if none:

<u>COMPANY</u>	<u>TITLE</u>	<u>% OWNERSHIP</u>
<hr/>	<hr/>	<hr/>
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III. BROKERAGE/INVESTMENT ACCOUNTS

List all brokerage or investment accounts that you, your spouse or immediate family living in your house have. Indicate if none:

<u>Name of Firm</u>	<u>Account #</u>	<u>Are Duplicate Confirmations & Statements being sent to Compliance Department?</u>	
		<u>Yes</u>	<u>No</u>
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By: _____
Name:
Date: