

Loan Number	
Borrower	
Loan Amount	
Agent Fee Amount	

PEOPLES SECURITY BANK AND TRUST COMPANY

SBA Paycheck Protection Program Agent Fee Agreement

This SBA Paycheck Protection Program Agent Fee Agreement (the "Agreement") is made on the date of full execution as evidenced on the signature page(s) to the Agreement by and between PEOPLES SECURITY BANK AND TRUST COMPANY, a Pennsylvania financial institution with its address at 150 North Washington Avenue, Scranton, Pennsylvania 18503 ("Peoples"), with the undersigned (the "Agent"), and the undersigned borrower ("Borrower") (collectively, the "Parties").

WHEREAS, on March 20, 2020, President Trump signed into law the Coronavirus Aid Relief and Economic Security ("CARES") Act; and

WHEREAS, as part of the CARES Act, the Paycheck Protection Program ("PPP") was created to provide payroll assistance for small businesses and certain other eligible entities in the form of 100% guaranteed loans from the U.S. Small Business Administration ("SBA"); and

WHEREAS, on December 27, 2020, the Consolidated Appropriations Act, 2021 was enacted which contained the "Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act," which included amendments to the PPP and provided for First Draw and Second Draw PPP Loans to certain eligible borrowers; and

WHEREAS, Peoples is a current SBA 7(a) lender and is therefore eligible to participate in the SBA PPP loan program and issue First Draw and Second Draw PPP loans; and

WHEREAS, as part of the PPP loan program, Peoples is entitled to receive a one-time processing fee (the "SBA Loan Service Fee") from the SBA based on a percentage of the loan size; and

WHEREAS, pursuant to the CARES Act and the Interim Final Rule published by the SBA on January 6, 2021 if a borrower or lender uses an agent in the PPP loan process, the lender may pay a percentage out of the SBA Loan Service Fee to the agent (the "Agent Fee") if there is a written agreement executed by the lender, borrower and agent; and

WHEREAS, the Agent Fee is capped at 1.0% of the loan amount for loans up to \$350,000, 0.5% of the loan amount for loans no more than \$350,000 and less than \$2,000,000, and 0.25% of the loan amount for loans of more than \$2,000,000 ("Agent Fee Cap"); and

WHEREAS, Agent is an agent of Borrower and assisted Borrower in connection with the PPP loan process and Peoples is willing to pay Agent the Agent Fee.

NOW THEREFORE, intending to be legally bound hereby, and in consideration of the mutual terms and conditions hereinafter set forth, the receipt and sufficiency of such consideration being hereby acknowledged, the parties agree as follows:

1. The Parties acknowledge that the total PPP loan disbursed to Borrower is as set forth on page 1, above (the "Loan Amount") and the Loan Amount has been reported to the SBA via the required Form 1502.

2. The Parties acknowledge and agree that Borrower has used Agent in applying for and securing a PPP loan, and that Agent has submitted a request for reasonable fees for services actually performed and documented with a detailed explanation of work performed, including the hourly rate and the number of hours spent working on each activity, with such fees being capped at the above-listed Agent Fee cap.

3. The Agent Fee is evidenced by the invoice attached as Exhibit A.

4. The Agent represents, warrants and certifies to Peoples and Borrower that: (a) Agent Fee set forth in Exhibit A is true and complete, and is reasonable for the services Agent has provided to the Borrower; (b) Agent has complied with the CARES Act and all other applicable laws, regulations, and rules relating to the PPP loan to Borrower; (c) that the Agent Representative executing this Agreement has the requisite corporate or individual power and authority to execute this Agreement and that upon such signature, this Agreement shall be a valid and binding obligation of the Agent; and (d) neither Agent nor any of its employees of its organization are currently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by any Federal department or Agency.

5. Peoples acknowledges and agrees that it has received the SBA Loan Service Fee in the amount set forth on page 1, above.

6. The Parties agree that the Agent Fee to be paid to Agent is as set forth on page 1, above. The Agent Fee is equal to the lesser of: (a) the amount of fees actually charged by the Agent for PPP loan related services to the Borrower, or (b) the applicable Agent Fee Cap.

7. Borrower certifies that the Agent Fee is acceptable and that the Agent's services are acceptable.

8. The Agent Fee shall be paid to Agent within five days after Peoples receives a fully executed copy of this Agreement and Agent delivers to Peoples a fully executed IRS Form W-9.

9. In the event that the SBA determines that Peoples' SBA Loan Service Fee is subject to recoupment, repayment or clawback, for whatever reason, and Peoples elects, in its sole and absolute discretion, to return the SBA Loan Service Fee to the SBA, Agent shall return the Agent Fee within five days of receipt of a written notice from Peoples demanding such repayment.

10. Agent acknowledges and agrees that its relationship with Peoples is one an independent contractor and Peoples and Agent are not agents of one another nor has a partnership or joint venture been created.

11. All notices given under this Agreement must be in writing. A notice is effective upon receipt and shall be sent via one of the following methods: delivery in person; overnight courier service; certified mail, postage prepaid, return receipt requested, addressed to the other party to be notified at the

below address; or electronic mail with proof of receipt by the other party to be notified at the email address listed below.

For Peoples:

Peoples Security Bank and Trust Company  
150 North Washington Avenue  
Scranton, Pennsylvania 18503  
Attn: Jonathan Grande  
[Jonathan.Grande@psbt.com]

With a copy to:  
Peoples Security Bank and Trust Company  
150 North Washington Avenue  
Scranton, PA 18503  
Attn: Chief Risk Officer

12. This Agreement will be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania without regard to the principles of conflict of laws. Each party consents to the exclusive jurisdiction of the courts located in the Commonwealth of Pennsylvania, County of Luzerne, for any legal action suit or proceeding arising out of or in connection with this Agreement. Each party further waives any objection to the jurisdiction/venue for any such suit, action or proceeding in such courts.

13. Agent agrees to indemnify, defend, and hold harmless Peoples, its successors, and assigns, employees, agents, officers, directors and shareholders, from any and all claims, losses, demands, or damages of any kind, including reasonable attorney fees and costs, in connection with the payment of the Agent Fee or any action, claim, demand or other matter initiated or brought by the SBA against Peoples, Borrower or the Agent relating to the Agent Fee.

14. This Agreement will inure to the benefit of and be binding on the respective successors and permitted assigns of the parties. Neither party may assign its rights or delegate its duties under this Agreement without the other party's prior written consent. In the event that any provision of this Agreement is held to be invalid, illegal or unenforceable in whole or in part, the remaining provisions shall not be affected and shall continue to be valid, legal and enforceable as if the invalid, illegal or unenforceable parts had not been included in this Agreement. Neither party will be charged with any waiver of any provision of this Agreement unless such waiver is evidenced by a writing signed by the party and any such waiver will be limited to the terms of such writing.

15. This Agreement may be executed in two or more identical counterparts, each of which shall be deemed to be an original and all of which taken together will be deemed to constitute one and the same agreement when a duly authorized representative of each party has signed a counterpart. The parties may sign and deliver this Agreement by facsimile or electronic transmission. Each party acknowledges that the delivery hereof by facsimile or electronic transmission will have the same force and effect as delivery of original signatures.

[Signature Page Follows]

[Agent Fee Agreement Signature Page]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date of full execution of this Agreement:

PEOPLES SECURITY BANK AND TRUST COMPANY

By: \_\_\_\_\_

Name: Jonathan Grande

Title: Senior Vice President

Date: \_\_\_\_\_

AGENT:

By: \_\_\_\_\_

Agent Corporate Name: \_\_\_\_\_

Agent Representative Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Address: \_\_\_\_\_

BORROWER:

By: \_\_\_\_\_

Borrower Corporate Name: \_\_\_\_\_

Borrower Representative Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Address: \_\_\_\_\_

EXHIBIT A  
AGENT FEE INVOICE