

[Company Letterhead]

[Date]

[Advisor Name]

[Advisor Address]

[City, State, Zip Code]

Re: Engagement for Subordinated Debt Financing

Dear [Name of Contact Person],

This mandate and engagement letter ("Agreement") confirms the appointment of [Advisor Name] ("Advisor") by [Company Name] ("Company") to act as the exclusive financial advisor in connection with the structuring and placement of subordinated debt ("Financing").

1. Scope of Services

The Advisor shall provide the following services:

- Reviewing the Company's financial condition and business operations.
- Preparing an information memorandum and marketing materials.
- Identifying and contacting potential subordinated debt providers.
- Assisting in the negotiation of terms, including subordination agreements and warrants.
- Coordinating the due diligence process through to closing.

2. Exclusivity

The Company grants the Advisor the exclusive right to arrange the Financing for a period of [Number] months from the date of this Agreement.

3. Compensation

In consideration for the services provided, the Company agrees to pay:

- **Retainer Fee:** A non-refundable fee of \$[Amount] payable upon signing.
- **Success Fee:** A fee equal to [Percentage]% of the total principal amount of the Financing, payable upon the closing of the transaction.

4. Expenses

The Company shall reimburse the Advisor for all reasonable out-of-pocket expenses incurred in connection with this mandate, provided that any single expense exceeding \$[Amount] requires prior written approval.

5. Confidentiality

Both parties agree to keep all non-public information obtained during this engagement strictly confidential and will not disclose such information to third parties without prior consent, except as required by law.

6. Termination

Either party may terminate this Agreement with [Number] days' written notice. If the Company completes a Financing with a party introduced by the Advisor within [Number] months after termination, the Success Fee remains payable.

7. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of [State/Country].

Please confirm your acceptance of these terms by signing below.

Sincerely,

[Name of Authorized Representative]

[Title]

[Company Name]

Accepted and Agreed:

[Name of Advisor Representative]

[Date]