

ATTORNEY LOAN AGREEMENT

This **ATTORNEY LOAN AGREEMENT** (the "Agreement") is entered into as of October 17, 2018 (the "Effective Date"), by and between Jeffrey Hitt, [redacted] on, the law offices of Jeffrey Hitt, [redacted] [Insert Here] limited liability company (Jeffrey Hitt and the law office of Jeffrey Hitt, [redacted] her being "Company" or "Borrower"), South Ave Capital Litigation Funding I, LLC, a limited liability company ("South Ave" or "Funder").

Sole
Proprietor

Company is entering into the following contract with Funder and agrees as follows:

1. **Loan.** Subject to the terms and conditions of this Agreement, Funder agrees to lend to Company an amount equal to \$55,000. Funder will release amounts to Company and/or vendors, on behalf of Company, up to the aggregate of \$50,000. Funder will deduct a one-time diligence and monitoring fee of \$5,000 as of the Effective Date.

1.1. Company shall only utilize the amounts advanced to Company for the purposes of funding out-of-pocket expenses (e.g., expert fees or trial exhibits) in Contingent Matters (as defined herein). Funder will release \$50,000 to Company within five (5) business days of the Effective Date. Company shall hold such monies in its Interest Only Attorney Trust Account ("IOLTA") for the benefit of plaintiffs in Contingent Matters. Funder may require Company to provide proof of funds remaining in the IOLTA at any point during the term of this Agreement. Before making any payment out of the IOLTA, Company shall notify Funder of its intent to make such payment, the amount of such payment, and the corresponding invoice ("Release Request"), and Funder shall have two (2) business days to approve or deny such Release Request (such approval shall not be unreasonably withheld).

2. **Repayment Calculations.** In exchange for Funder's providing the Loan hereunder, Company promises to pay to Funder the sum of (a) \$55,000 (the "Loan"), plus (b) interest on the Loan (as calculated herein), plus (c) a Success Fee (as defined herein).

2.1. Interest shall be calculated based on a rate of twenty percent (20%) per annum, compounded monthly. Matured, unpaid principal and interest shall bear interest at the highest rate allowable until paid. Each month, the Loan will (i) increase by accrued interest, and (ii) decrease by Mandatory Prepayments (or other payment made hereunder).

2.2. In addition to interest on the Loan and as a material inducement to enter into this transaction, Company shall pay Funder a Success Fee equal to (i) the greater of \$35,000 or the remaining Loan balance as of the date of the payment of such Success Fee, plus (ii) the product of (a) the greater of \$35,000 or the remaining Loan balance as of the date of the payment of such Success Fee, multiplied by (b) if such payment is on or before October 17, 2019, 1X; if such payment is after October 17, 2019 but on or before October 17, 2020, 2X; or if such payment is after October 17, 2020, 4X; provided that, such Success Fee will only be due and payable if and to the extent that Company receives proceeds as a result of any contingent legal matter where Company serves as litigation counsel ("Contingent Matter").

3. **Payment.** Subject to the terms and conditions of this Agreement, Company obligations to pay the Loan and interest on the loan shall mature two (2) years from the Effective Date, at which time all accrued and unpaid interest and all unpaid Loan amounts shall be due and payable. Subject to such provision, in the event the Company receives revenue on behalf of a Contingent Matter, all accrued and unpaid interest and all unpaid Loan amounts shall be due and payable. In the event the Company receives revenue on behalf of a Contingent Matter after the two (2) years from the Effective Date, the Success Fee will still be due in full based on the schedule provided.

3.1. Monthly payments and disbursement of any proceeds from the Contingent Litigation shall be made by check to South Ave before any proceeds are distributed. The payment should go to:

South Ave Capital LLC
Attn: Andrew Weksler
100 Church Street, Suite 854