

## **SALES AFFILIATE/ INDEPENDENT CONTRACTOR AGREEMENT**

**Note: Please fill in all underlined areas listed in this agreement, sign, and mail back to CRM Inc.**

THIS AGREEMENT ("Agreement") is made and effective on \_\_\_\_\_, by and between Christian Relationship Management (CRM), Inc., dba LinkingCommunities.com a South Carolina Corporation ("Company") and \_\_\_\_\_ ("Affiliate").

NOW, THEREFORE, in consideration of the mutual promises contained herein, the parties agree as follows:

### **1. Definitions.**

As used herein, the following terms shall have the meanings set forth below:

A. "Products" shall mean the following of Company's products to be sold by Affiliate:

CRM's web-based applications and advertising.

B. "Territory" shall mean the following described geographic area and/or particular accounts:

**The County you currently live in \_\_\_\_\_ .**

### **2. Appointment.**

Company hereby appoints Affiliate as its non-exclusive sales Affiliate for the Products in the Territory, and Affiliate hereby accepts such appointment. Affiliate's sole authority shall be to solicit orders for the Products in the Territory in accordance with the terms of this Agreement. Affiliate shall not have the authority to make any commitments whatsoever on behalf of Company.

### **3. General Duties.**

Affiliate shall use its best efforts to promote the Products and maximize the sale of the Products in the Territory. Affiliate shall also provide reasonable assistance to Company in promotional activities in the Territory such as product presentations, sales calls and other activities of Company with respect to the Products. Affiliate shall also provide reasonable "after sale" support to Product purchasers and generally perform such sales related activities as are reasonable to promote the Products and the goodwill of Company in the Territory. Affiliate shall report weekly to Company concerning sales of the Products and competitive promotional ad pricing activities. Affiliate will devote adequate time and effort to perform its obligations. Affiliate shall neither advertise the Products outside the Territory nor solicit sales from purchasers located outside the Territory without the prior written consent of the Company.

### **4. Reserved Rights.**

Company reserves the right to solicit orders directly from and sell directly to any end-users or other retail buyers within the Territory. Affiliate's task is to solicit orders from all potential customers in their Territory.

### **5. Conflict of Interest.**

Affiliate warrants to Company that it does not currently represent or promote any lines or products that compete with the Products. During the term of this Agreement, Affiliate

shall not represent, promote or otherwise try to sell within the Territory any lines or products that, in Company's judgment, compete with the Products covered by this Agreement. Affiliate shall provide Company with a list of the companies and products that it currently represents and shall notify Company in writing of any new companies and products at such time as its promotion of those new companies and products commence.

#### **6. Independent Contractor.**

Affiliate is an independent contractor, and nothing contained in this Agreement shall be construed to (i) give either party the power to direct and control the day-to-day activities of the other, (ii) constitute the parties as partners, joint venturers, co-owners or otherwise, or (iii) allow Affiliate to create or assume any obligation on behalf of Company for any purpose whatsoever. Affiliate is not an employee of Company and is not entitled to any employee benefits. Affiliate shall be responsible for paying all income taxes and other taxes charged to Affiliate on amounts earned hereunder. All financial and other obligations associated with Affiliate's business are the sole responsibility of Affiliate.

#### **7. Indemnification.**

A. Indemnification by Affiliate. Affiliate shall indemnify and hold Company free and harmless from any and all claims, damages or lawsuits (including reasonable attorneys' fees) arising out of negligence or malfeasant acts of Affiliate, its employees or its agents.

B. Indemnification by Company. Company shall indemnify and hold Affiliate free and harmless from any and all claims, damages or lawsuits (including reasonable attorneys' fees) arising out of defects in the Products caused by Company or failure of Company to provide any products to a customer that has properly ordered through Affiliate.

#### **8. Commission.**

A. Sole Compensation. Affiliate's sole compensation under the terms of this Agreement shall be a commission computed as follows: Affiliate will receive a 25% commission on the advertisement sale. There is an additional 5% commission on sales for the quarter if the Affiliate reaches the quarterly sales goal set by the Company. All commissions are paid after the customers have made payment and payments have cleared financial institutions. Payment to Affiliate will be made biweekly (2<sup>nd</sup> and 4<sup>th</sup> Friday of each month).

B. Basis of Commission. The Commission shall apply to all orders solicited by Affiliate from the Territory that has been accepted by Company and for which advertisement has been approved. No commissions shall be paid on (i) orders solicited by Company within the Territory or by another sales affiliate within that same territory; (ii) orders received from outside the Territory (even if Affiliate receives the initial inquiry from outside the Territory) unless otherwise agreed in writing by Company. Commissions shall be computed on the net amount billed by Company to the customer, and no commission shall be paid with respect to charges for handling, freight, sales taxes, C.O.D. charges, insurance, import duties, trade discounts, repairs, services, and the like; or (iii) sales to following specified accounts: House Accounts.

C. Time of Payment. The commission on a given order shall be due and payable on the 2<sup>nd</sup> and 4<sup>th</sup> Friday of the month after CRM receives payment from the customer. Checks will be mailed out by the end of business day on the 2<sup>nd</sup> and 4<sup>th</sup> Friday. Affiliates MUST submit their biweekly invoices no later than the end of business day (5 PM EST) on the Thursday before payday.

D. Commission Charge-Back. Company shall have the absolute right to set forth cash discounts, to make such allowances and adjustments to accept such returns from its customers, and to write off as bad debts such overdue customer accounts as it deems advisable. In each such case Company shall charge back to Affiliate's account any amounts previously paid or credited to it with respect to such cash discounts, allowances, adjustments, return or bad debts. However, Company agrees that the amount of any cash discount provided to a customer and charged back to Affiliate shall not exceed one percent (1%) of the sales price.

**9. Sale of the Products.**

A. Prices and Terms of Sale. Company shall provide Affiliate with copies of its current price lists, its delivery schedules, and its standard terms and conditions of sale, as established from time to time. Affiliate shall quote to customers only those authorized prices, delivery schedules, and terms and conditions, and modify, add to or discontinue Products following written notice to Affiliate. Each order shall be governed by the prices, delivery schedules, and terms and conditions in effect at the time the order is accepted, and all quotations by Affiliates shall contain a statement to that effect.

B. Orders. All orders for the Products shall be in writing, and the originals shall be submitted to Company. Affiliate will be responsible for making their own copies for their records and for the purposes of submitting invoices for payment on a biweekly basis.

D. Acceptance. All orders obtained by Affiliate shall be subject to acceptance by Company at its principal office and all quotations by Affiliates shall contain a statement to that effect. Affiliate shall have no authority to make any acceptance or delivery commitments to customers. Company specifically reserves the right to reject any order or any part thereof for any reason.

E. Credit Approval. Company shall have the sole right of credit approval or credit refusal for customers in all cases.

F. Invoices. Affiliate shall render all invoices directly to the customers and shall send originals of all commissionable invoices to Company. Payments shall be made directly to Company by way of credit card, money order or business check.

G. Collection. Full responsibility for collection from customers rests with Affiliate, provided that Company shall at Affiliate's request assist in such collection efforts.

H. Inquiries from Outside the Territory. Affiliate shall promptly submit to Company, for Company's attention and handling, the originals of all inquiries received by Affiliate from customers outside the Territory.

**10. Product Warranty and Product Availability.**

A. Product Availability. Under no circumstances shall Company be responsible to Affiliate or anyone else for its failure to fill accepted orders, or for its delay in filling accepted orders, when such failure or delay is due to strike, accident, labor trouble, acts of nature, freight embargo, war, civil disturbance, vendor problems or any cause beyond Company's reasonable control.

**11. Additional Responsibilities of Affiliate.**

A. Expense of Doing Business. Affiliate shall bear the entire cost and expense of conducting its business in accordance with the terms of this Agreement.

B. Facilities. Affiliate shall provide itself with, and be solely responsible for, (i) such facilities, employees, and business organization, and (ii) such permits, licenses, and other forms of clearance from governmental or regulatory agencies, if any, as are necessary for the conduct of Affiliate's business operations in accordance with this Agreement.

C. Promotion of the Products. Affiliate shall, at its own expense, vigorously promote the sale of and stimulate demand for the Products within the Territory by direct solicitation. In no event shall Affiliate make any representation, guarantee or warranty concerning the Products except as expressly authorized by Company.

D. Customer Service. Affiliate shall diligently assist customers' personnel in using the Products and shall perform such additional customer services as good salesmanship requires and as Company may reasonably request.

E. Advising of Changes. Affiliate shall promptly advise Company of (i) any changes in Affiliate's status, organization, personnel, and similar matters, (ii) any changes in the key personnel, organization, and status of any major customers of Company in the Territory, and (iii) any political, financial, legislative, industrial or other events in the Territory that could affect the mutual business interests of Affiliate and Company, whether harmful or beneficial.

F. Books and Records. Affiliate shall maintain and make available to Company accurate books, records, and accounts relating to the business of Affiliate with respect to the Products. Affiliate shall also maintain a record of any customer complaints regarding either the Products or Company and immediately forward to Company the information regarding those complaints.

**13. Additional Obligations of Company.**

A. Assistance in Promotion. Company shall, at Affiliate's expense, promptly provide Affiliate with marketing materials concerning the Products, brochures, instructional material, advertising literature, and other Product data.

B. Assistance in Technical Problems. Company shall, at its own expense, assist Affiliate and customers of the Products in all ways deemed reasonable by Company in the solution of any technical problems relating to the functioning and use of the Products.

C. New Developments. Company shall inform Affiliate of new product developments that are competitive with the Products and other market information and competitive information as discovered from time to time.

**14. Trademarks and Tradenames.**

A. Use. During the term of this Agreement, Affiliate shall have the right to indicate to the public that it is an authorized Affiliate of Company's Products and to advertise (within the Territory) such Products under the trademarks, marks, and trade names that Company may adopt from time to time ("Company's Trademarks"). Nothing herein shall grant Affiliate any right, title, or interest in Company's Trademarks. At no time during or after the term of this Agreement shall Affiliate challenge or assist others to challenge Company's Trademarks or the registration thereof or attempt to register any

trademarks, marks or trade names confusingly similar to those of Company. Company indemnifies its Affiliate for all use of Company's Trademarks.

B. Approval of Representations. All presentations of Company's Trademarks that Affiliate intends to use shall first be submitted to Company for approval (which shall not be unreasonably withheld) of design, color, and other details or shall be exact copies of those used by Company.

**15. Term and Termination.**

A. Term. This Agreement shall commence on \_\_\_\_\_ **(today's date)** and continue for one calendar year unless terminated earlier as provided herein. Thereafter, this Agreement shall continue until terminated upon at least thirty (30) days notice by either party. This agreement has to be renewed annually and payment made on each anniversary date to continue as an Affiliate.

B. Termination for Cause. If either party defaults in the performance of any material obligation in this Agreement, then the non-defaulting party may give written notice to the defaulting party and if the default is not cured within five (5) days following such notice, the Agreement will be terminated.

C. Termination for Insolvency. This Agreement shall terminate, without notice, (i) upon the institution by or against Affiliate of insolvency, receivership or bankruptcy proceedings or any other proceedings for the settlement of Affiliate's debts, (ii) upon Affiliate's making an assignment for the benefit of creditors, or (iii) upon initiation of dissolution proceedings of the Affiliate.

D. Additional Commissions. In addition to any commissions already earned by Affiliate but not yet paid by Company under the terms herein, Company shall pay commissions to Affiliate on all orders from the Territory (i) that were solicited by Affiliate, (ii) that were accepted by Company within ten (10) days after the date of receipt of the order by Company, and (iii) for which Company receives payments within thirty (30) days after the date of termination of this Agreement ("Additional Commissions"). The payment of such Additional Commissions shall only be applicable, however, if Affiliate has complied in a timely manner with the provisions of subsection E. below. The schedule and basis for Additional Commissions shall be as set forth in Section 8 above. No Additional Commissions shall be earned by Affiliate or paid by Company until payment for the order on which the Additional Commission is based is received by Company. Additional Commissions shall be earned pro rata on partial payments received on order solicited by Affiliate.

E. Return of Materials. All of Company's trademarks, trade names, patents, copyrights, designs, drawings, formulas or other data, photographs, demonstrators, literature, and sales aids of every kind shall remain the property of Company. Within ten (10) days after the termination of this Agreement, Affiliate shall return all such items to company at Affiliate's expense. Affiliate shall not make or retain any copies of any confidential items or information that may have been entrusted to it. Effective upon the termination of this Agreement, Affiliate shall cease to use all trademarks, marks and trade name of Company.

**16. Limitation on Liability.**

In the event of termination by either party in accordance with any of the provisions of this Agreement, neither party shall be liable to the other, because of the termination for compensation, reimbursement or damages on account of the loss of prospective profits

or anticipated sales or on account of expenditures, investments, leases or commitments in connection with the business or goodwill of Company or Affiliate.

**19. Entire Agreement.**

This Agreement sets forth the entire agreement and understanding of the parties relating to the subject matter herein and supersedes any prior discussions or agreements between them. No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, shall be effective unless in writing signed by the party to be charged.

**20. Notices.**

Any notices required or permitted by this Agreement shall be deemed given if sent by certified mail, postage prepaid, return receipt requested or by recognized overnight delivery service:

If to Company:

Christian Relationship Management (CRM), Inc. dba LinkingCommunities.com  
10 Braeburn Drive  
Simpsonville, SC 29681

If to Sales Affiliate:

[Affiliate] \_\_\_\_\_  
[Affiliate's Address] \_\_\_\_\_  
\_\_\_\_\_

**21. Non-Assignability and Binding Effect.**

A mutually agreed consideration for Company's entering into this Agreement is the reputation, business standing, and goodwill already honored and enjoyed by Affiliate under its present ownership, and, accordingly, Affiliate agrees that its rights and obligations under this Agreement may not be transferred or assigned directly or indirectly. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the parties hereto, their successors and assigns.

**22. Severability.**

If any provision of this Agreement is held to be invalid by a court of competent jurisdiction, then the remaining provisions shall nevertheless remain in full force and effect.

**23. Legal Expenses.**

The prevailing party in any legal action brought by one party against the other and arising out of this Agreement shall be entitled, in addition to any other rights and remedies it may have, to reimbursement for its expenses, including court costs and reasonable attorneys' fees.

**24. Headings.**

Headings used in this Agreement are provided for convenience only and shall not be used to construe meaning or intent.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

**Christian Relationship Management (CRM), Inc. dba LinkingCommunities.com**  
**Frank Condon, Vice President**  
*Franklin A Condon III*

**Date Received** \_\_\_\_\_

**"Affiliate"**  
**(Print)** \_\_\_\_\_

**Signature** \_\_\_\_\_

**Date** \_\_\_\_\_