

ENTREPRENEUR PROGRAM AGREEMENT

This Entrepreneur Program Agreement is between COMPARE BUSINESS SYSTEMS, INC., a California Corporation and any of its subsidiaries, affiliates, or other corporations controlled directly or indirectly by COMPARE BUSINESS SYSTEMS, INC. (*the "Company"*) and (Entrepreneur's Company Name) _____, a _____ Corporation (*State of Organization*) and any of its subsidiaries, affiliates, or other corporations controlled directly or indirectly by _____ (Entrepreneur's Name) (*the "Entrepreneur"*) and is effective as of _____. (*the Effective date*)

The *Company* and The *Entrepreneur*, intending to be legally bound by their signatures below, hereby agree as follows:

I. ENGAGEMENT

The *Entrepreneur* will represent the *Company* in the sales of multifunctional office equipment such as copiers, printers and other offered and applicable products marketed by the *Company* and the *Entrepreneur* will devote the *Entrepreneur's* best efforts for the solicitation of sales of the products marketed by the *Company*. The intent of this Agreement is for the *Entrepreneur* to be compensated for sales and the *Company* to obtain customers.

II. BUSINESS TO BUSINESS

- A) Relationship. The parties to this Agreement intend that the relationship created is one of a Business to Business. Neither the *Entrepreneur* nor any agent, employee or assistant of the *Entrepreneur* will be deemed to be the employee, agent or assistant to the *Company*. Nothing in this Agreement should be construed as creating an agency, partnership, joint venture, and franchise or employment relationship between the parties. Neither party will have the authority to make any statements, representations or commitments of any kinds or to take any action binding on the other except to the extent (if any) expressly provided for in this Agreement.
- B) Behavioral. The *Entrepreneur* will have sole discretion and control over the *Entrepreneur's* work and the manner in which the duties are performed, provided that the duties will be performed in a professional manner in accordance with applicable professional standards and in a manner consistent with the good public image of the *Company*. The *Entrepreneur's* representation of the *Company* under this Agreement must meet the standards set by the *Company*. The *Company* is entitled to make inquire or inspection to the extent necessary to assure such results.
- C) No Coverage or Benefits. The *Entrepreneur* understands and agrees that the *Company* will not provide to the *Entrepreneur* and/or the *Entrepreneur's* employees or agents any social security, unemployment compensation, disability insurance, workers compensation or similar coverage or any other statutory benefit. It is the *Entrepreneur's* sole responsibility to provide workers compensation coverage for the *Entrepreneur* and the *Entrepreneur's* employees if any. The *Entrepreneur* will not be entitled to participate in any company employee benefit plans, programs or arrangements contributed to or sponsored by the *Company*. The *Entrepreneur* also acknowledges that the *Entrepreneur* shall not be entitled to any fringe benefits, pensions' retirement, profit sharing or any other benefits accruing to employees of the *Company*. The *Company* will not be liable for any personal or business expenses of the *Entrepreneur*.

III. COMPENSATION AND TAXES

- A) Compensation Part 1: The *Entrepreneur's* compensation will be based on a commission structure. Commission will be paid at the rate of ninety (90) percent of the gross profit margin using the *Company's* most current "Entrepreneur Program Commission Worksheet" and guidelines for all orders sold; equipment sold, invoiced, funded and delivered as defined by and subject to the conditions stated below:
 - 1. Commissions will be available after the *Company* is fully funded. The *Entrepreneur* and the *Entrepreneur's* personnel (if any) will not be entitled to any other benefit; monetary or otherwise, from the *Company* or anyone else in consideration of the duties performed by the *Entrepreneur* hereunder.
 - 2. Orders sold; equipment sold, invoiced, funded and delivered" is defined as equipment sold to the end customer, invoice that has been paid with no contingencies, and items have been delivered and installed. The final invoice has been fully funded to the *Company*.
 - 3. The gross profit margin on all orders sold will be computed from the sold price/total funding (not including sales taxes) less all direct costs including but not limited to all equipment, set up, delivery, installation, service, supplies, discounts given, incentives, rebates, lease payoff, lease return, storage etc.
 - 4. Current Customer Upgrades & Add-On: Once the *Entrepreneur* completes an order sold to end user then that end user becomes a "current customer" to the *Company*. "Current Customer Upgrade" is when the "current customer" replaces their existing equipment with the *Company* for the second (or more) time. "Current Customer Upgrades" will earn fifty (50) percent of the gross profit margin. "Current Customer Add on" is when Current Customer add additional equipment. "Current Customer Add-On" will earn fifty (50) percent of the gross profit margin. A "Re-lease" is when the customer keeps their existing equipment and resigns for another lease term. A "Re-lease" is limited to a maximum term of 36 months. A "Re-Lease" is not considered "Current Customer Upgrade" and will be paid commission at the rate of thirty (30) percent of the total gross profit. "Lease End Purchase" is when a customer purchases their existing equipment ending their current lease. A "Lease End Purchase" is not considered a "Current Customer Upgrade" and does not earn commission.
 - 5. "First right of refusal" is when the *Entrepreneur* has the first opportunity to upgrade the "current customer" originally sold by the *Entrepreneur*. If either the "current customer" or the *Entrepreneur* refuses, then the *Company* will intervene and the "first right of refusal" is relinquished by the *Entrepreneur* to the *Company* for that particular customer. The *Entrepreneur* maintains the "first right of refusal" for "current customer upgrades" only in an active status. In order to maintain active status for "current customer upgrades", the *Entrepreneur* must sell two A3 new units each month to new customers (excluding "current customer upgrades and add-on"). If the *Entrepreneur* does not remain in an active status, the *Entrepreneur* temporarily relinquishes the "first right of refusal" for "current customer upgrades" until the *Entrepreneur* resumes an active status. The *Entrepreneur* may regain an active status by recovering the deficit amount of units/sales in the subsequent month. Once the *Entrepreneur* becomes in active status, the *Entrepreneur* will resume the "first right of refusal" for "current customer upgrades". All "current customers" must be upgraded by the

Entrepreneur with the *Company* or will result in a breach of this Entrepreneur Program Agreement and the *Entrepreneur* will relinquish the "first right of refusal" for all "current customer upgrades.

The *Entrepreneur* will be charged back one hundred (100) percent of the total cost against the commission paid of any uncollectable outstanding invoice regarding an order received by the *Entrepreneur*. An uncollectible outstanding invoice is defined as any customer return, refund or insufficient funds. No invoicing will be done by the *Entrepreneur*.

6. In the event that any order sold by the *Entrepreneur* has any error caused by the *Entrepreneur* or the *Entrepreneur's* employees or agents that requires a return, the cost of such a return will be charged back against the commission due.

B) Compensation Part 2: The *Entrepreneur* has the opportunity to recruit other *Entrepreneurs* to build the *Entrepreneur's* "Recruiting Network" to receive a "Recruiting Commission". The *Entrepreneur* will earn a "Recruiting Commission" at a rate of ten (10) percent of the total gross profit of any orders sold to a new customers (excluding "current customer upgrade and add-on") and fully funded within the *Entrepreneur's* "Recruiting Network". The *Entrepreneur's* "Recruiting Network" can extend unlimited wide (*direct recruits-immediate downline only*). The *Entrepreneur* must be in an active status to receive a "Recruiting Commission". In order to maintain a recruiting active status, the *Entrepreneur* must sell two (2) A3 new units each month to new customers (excluding "current customer upgrade and add-on"). If the *Entrepreneur* does not maintain a recruiting active status, then the *Entrepreneur* becomes an inactive status. The *Entrepreneur* is temporarily ineligible to receive a "Recruiting Commission" in an inactive status until the *Entrepreneur* regains an active status. The *Entrepreneur* may regain an active status by recovering the deficit amount of units/sales in the subsequent month. Once the *Entrepreneur* becomes an active status, the *Entrepreneur* will resume receiving a "Recruiting Commission" from the established "Recruiting Network" from that point forward. The guidelines and conditions defined above under *Compensation Part 1* apply to *Compensation Part 2*.

C) Expenses. The *Entrepreneur* will be responsible for all of its operating expenses. The *Company* will not be liable for any personal business expense of the *Entrepreneur*. The *Entrepreneur* may use personal business cards and marketing material as necessary but with approval of the *Company*. The *Entrepreneur* may use *Compare Business Systems Inc.* marketing materials as necessary and if the *Entrepreneur* deems applicable in representing (working in association with) *Compare Business Systems Inc.* The *Company* will provide all necessary documents pertaining to the sales and processing of an order.

D) Responsibility for Taxes. The *Entrepreneur* understands that the *Entrepreneur* is solely and exclusively liable for complying with and making all payments under all applicable state, federal and international laws including governing self-employed individuals is applicable, such as laws related to payment of taxes, social security, disability, and other contributions based on fees paid to the *Entrepreneur*. The *Entrepreneur* acknowledges that the *Entrepreneur* is responsible for payment of all income taxes including estimated quarterly payments. The *Company's* only responsibility in this regard is the issuance of an IRS Form 1099, if applicable and the filing thereof with the appropriate IRS office. The *Entrepreneur* hereby administrable or judicially and if necessary of settling any proceeding attempting to characterize the *Entrepreneur* status or to collect any amounts including interest and penalties alleged to be due from the *Company*.

IV. CONFIDENTIAL INFORMATION, NON DISCLOSURE AND INTELLECTUAL PROPERTY

A) Definitions. The following terms have the following meanings below:

- i. **Confidential Information-** means all information related to the *Company's* business and prospects or related to a Work Product delivered or agreed to be delivered from the *Entrepreneur* to the *Company* including without limitation 1) trade secrets, inventions, ideas, processes, computer source, and object code, formulae, data, programs, other works of authorship, know-how, improvements, discoveries, designs, and techniques; 2) information regarding products or plans for research and development, marketing and business plans, budgets, financial statements, contracts, process, suppliers, and customers; 3) information regarding the skills and compensation of the *Company's* employees, contractors and any other service providers; Manufacturer's confidential information such as price sheets. 4) information designated by the *Company*, either in writing or orally, as Confidential Information; 5) the existence of any business discussions, negotiations or agreements between the *Company* and any third party; and 6) all such information related to any third party that is disclosed to the *Company* or to the *Entrepreneur* during the course of the *Company's* business.
- ii. **Non-Disclosure-** means not to reveal or disclose confidential information. The *Entrepreneur* acknowledges that the *Company* shall or may in reliance of this Agreement provide the *Entrepreneur* access to trade secrets, customers and other confidential data in good will. The *Entrepreneur* agrees to retain said information and as confidential and not use said information on the *Entrepreneur's* own behalf or disclose to any third party. The *Entrepreneur* shall not disclose to any person, firm, or corporation any trade, technical or technological secrets, any details of organizations or business affairs, any names of past or present customers of the *Company* or its affiliates or any other information relating to the business or their affiliates.
- iii. **Intellectual Property Rights-** means all patent rights, copyright rights, mask work rights, moral rights, rights of publicity, trademark, trade dress and service mark rights, goodwill, trade secrets and other intellectual property rights as may now exist or hereafter come into existence, and all applications therefore and regulations, renewals and extensions thereof under the laws of any state, country, territory or other jurisdiction.
- iv. **Invention-** means any ideas, concepts, information, materials, processes, data, programs, know-how, improvements, discoveries, developments, designs, artwork, formulae, other copyrightable works and techniques and all intellectual property rights therein.
- v. **Work Product-** means any and all work product development by the *Entrepreneur* as required to complete its duties and delivered to the *Company*, including information of current customers that the *Entrepreneur* has acquired for the *Company*.

B) Ownership or Work Product and Intellectual Property. The *Entrepreneur* agrees that the Work Product including without limitation all Intellectual property rights in the Work Product will be and is assigned to the *Company*. The *Entrepreneur* retains no rights to use and agrees not to challenge the validity of the *Company's* ownership in, such intellectual property rights. The *Entrepreneur* hereby waives

any moral rights, rights of paternity, integrity, disclosure, withdrawal or inalienable rights under applicable law in and to the Work Product.

- C) Granting Permission to use all Media-Related Material. *The Entrepreneur* and any agent, employee, assistant, affiliates or representatives of *the Entrepreneur* unconditionally and irrevocably grants permission to *the Company* and its directors, officers, agents, employees, affiliates, representatives and assigns *the Company* to use *the Entrepreneur's* name, image, results, successes, outcome, information and company (including but not limited to photographs provided by *the Entrepreneur* and/or taken by other), likeness and/or voice in full or in part, without notice, compensation, or payment, in any manner in which *the Company* deems fit for any and all advertising, trade, internal correspondence, publicity, art purposes, as a link or display on *the Company's* Internet website, any social media platform, mobile apps or other websites or in any other promotional material or for any informational purpose whatsoever. *The Entrepreneur* further agrees that neither *the Entrepreneur* nor any affiliates will at any time claim or assert that the use of the Materials and information, for the purposes described above, constitutes a violation of *the Entrepreneur's* legal rights. *The Entrepreneur* understands that *the Company* remains the sole and exclusive owner of the Materials, Information and all content developed or prepared by *the Entrepreneur* is the property of *the Company*.
- D) Sponsored events and Release of Liability. *The Company's* sponsored events are common throughout the year, intended to encourage awareness and are simply held for enjoyment. All such events are optional and do not mandate attendance. Because attendance is voluntary, no accidents, injuries, or illnesses as a result of participation in *the Company's* sponsored event may not be considered to have occurred while "at work." In the case of alcohol availability at *the Company's* sponsored events, *the Entrepreneur* is to use caution and control consumption. Although these events may not be work-related, *The Entrepreneur* is still encouraged to follow *The Company's* policies on appropriate conduct, including *the Company's* anti-harassment, personal appearance, and health and safety-related policies. *The Entrepreneur* understands that participation in any of *the Company's* activity or event may be hazardous. *The Entrepreneur* assumes risk of harm or injury which may occur to *the Entrepreneur* as a result of participating in the above-named event or activity. *The Entrepreneur* hereby releases *The Company's* and its officers, employees, or agents from any liability, costs and damages resulting in *the Entrepreneur's* participation.
- E) Damages. *The Company* recognizes that immediate and irreparable damage will result to *the Company* if *the Entrepreneur* breaches any of the terms and conditions of this Agreement and, accordingly, *the Entrepreneur* hereby consents to the entry of temporary, preliminary, and permanent injunctive relief by any court of competent jurisdiction against *the Entrepreneur* to restrain any such breach in addition to any other remedies or claims for money damages that *the Company* may seek; and *the Entrepreneur* agrees to render an equitable accounting of all earnings, profits and other benefits arising from such violations; and to pay all costs and counsel fees incurred by *the Company* in enforcing this Agreement, which rights shall be cumulative.

V. ENTREPRENEUR COVENANTS

- A) Subcontracting. *The Entrepreneur* will not subcontract or otherwise permit any third person to perform *the Entrepreneur's* duties without *the Company's* specific prior written consent. Before any of *the Entrepreneur's* employee, or agent performs services in connection with this Agreement or has access to Confidential Information the employee or agent and *the Entrepreneur* must have entered subcontracting and confidentiality agreements sufficient to protect *the Company's* interests. *The Entrepreneur* will be responsible for all obligations under this Agreement, whether performed by a subcontractor or *the Entrepreneur*.
- B) Compliance with Laws. *The Entrepreneur* agrees to comply with all federal, state and local laws, ordinances, rules and regulations which are now or may be applicable to the duties covered by this Agreement.
- C) No publicity. *The Entrepreneur* will not make or issue or cause to be made or issued any announcement of statement regarding activities under this Agreement for dissemination to the general public or third party without the prior written consent of *the Company*.
- D) No Conflict of Interest. *The Entrepreneur* shall not engage in any activities, including but not limited to solicitation and/or sales of any sort to any of *the Company's* existing customers not obtained initially by *the Entrepreneur*. *The Entrepreneur* shall not during the term of this Agreement enter into a contract or accept obligations that are inconsistent or incompatible with *the Entrepreneur's* obligation to *the Company* under the Agreement or which interfere with *the Company's* business.

VI. INDEMNIFICATION

- A) Indemnity. *The Entrepreneur* will defend, indemnify *the Company* and hold harmless against any damage cost loss or expense (including reasonable attorney fees) arising from a claim, suit or proceeding brought against *the Company* 1) alleging that any Work Product infringed upon any Intellectual Property rights 2) alleging that any Work Product misappropriates any trade secrets of any third party or 3) arising from *the Entrepreneur's* breach of the terms of this Agreement. In addition *the Entrepreneur* will indemnify and hold harmless *the Company* from any workers compensation claim or unemployment insurance claim made by or on behalf of *the Entrepreneur* or employee of *the Entrepreneur*. *The Company* will give prompt notice to *the Entrepreneur* or any claim to which this paragraph relates.
- B) Company's Participation. *The Company* may participate in the defense of any Claim at its own expense using counsel of its choosing and *the Entrepreneur* will now settle any Indemnified Claim without the written consent of *the Company*, which shall not be unreasonably withheld.

VII. TERM AND TERMINATION

- A) Term. The term of this Agreement shall be for the remainder of the calendar year commencing on the Effective date set forth above unless otherwise terminated by the parties as set below: This Independent Contractor Agreement does not renew automatically and must be reviewed and signed at the start of each calendar year.

1. **Termination by Company-** The **Company** may terminate this Agreement immediately upon *the Entrepreneur's* breach of Intellectual Property Rights or Confidentiality or upon any other breach of the Agreement by *the Entrepreneur* upon *the Company's* delivery to *the Entrepreneur* of written notice of *the Entrepreneur's* breach of any other provision or obligation owed by *the Entrepreneur* under this Agreement. By *the Company* at any time and without prior notice, if *the Entrepreneur* is convicted of any crime or offense, fails or refuses to comply with the written policies or reasonable directives of *the Company*, misrepresentation or is guilty of serious misconduct in connection with performance under this agreement. *The Company* may terminate this Agreement without cause at any given time.
 2. **Termination by Entrepreneur -** *The Entrepreneur* may terminate this Agreement without cause at any time, with termination effective after *the Entrepreneur's* delivery to *the Company* of written notice of termination.
 3. **Termination by Death** – Upon death of the either party, this Agreement will be automatically terminated.
- B) **Term.** Upon termination of this Entrepreneur Program Agreement by *the Company* or *the Entrepreneur* without the intent to renew, all confidential information, intellectual property rights, invention, work product and any other information obtain by *the Entrepreneur* will be the sole property of *the Company*. *The Entrepreneur* will relinquish the "first right of refusal" for all current customer upgrades and all recruiting commission.

VIII. GENERAL

- A) **Governing Law.** This Agreement will be governed by and construed in accordance with the laws of the State of California as such laws apply to contracts performed within California by its residents. The parties agree that any dispute arising under or in connection with or incident to this Agreement or concerning its interpretation will be resolved through the state or federal courts located in Orange County, California as the parties may agree and both *the Company* and *the Entrepreneur* irrevocable consent to the exercise of jurisdiction by said courts over them.
- B) **Severability.** If a court of competent jurisdiction holds any term covenant or restriction of this Agreement to be illegal, invalid or unenforceable in whole or in part the remaining terms covenants and provisions will remain in full force and effect.
- C) **Notices.** All notices, request, consents, approvals, or authorizations in connection with this Agreement must be given in writing and will be deemed given as of the day they are delivered via delivery service, in person, fax transmission, or email.
- D) **Force Majeure.** Subject to the other provision of the Agreement no party shall be liable for any default or delay in performance of its obligations under this Agreement if and to the extend such default or delay is caused, directly or indirectly by fire, flood, earthquake, elements of nature, riots, civil disorders, rebellions or revolutions in any country or any similar cause beyond reasonable control of such party; provided the non performing party is not the primary cause of and without fault in causing such default or delay and that could not have been prevented by commercially reasonable alternate sources, work around plans or other means. In such event the non performing party will be excused from further performance or observance of the obligations so affected for as long as such circumstance prevail and such party continues to use commercially reasonable efforts to recommence performance or observance whenever and to whatever extent possible without delay but in no event for a period greater than 60 days. Any party so delayed in its performance will immediately notify the party whose performance is due and describe at a reasonable level the circumstance causing such delay.
- E) **Duty of Good Faith.** Each party agrees that in its respective dealings with other party under or in connection with the performance of this Agreement, it shall act in good faith.
- F) **Entire Agreement; Amendments.** This Agreement is not an offer by *the Company* and it is not effective until signed by both parties. The Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and merges all prior and contemporaneous communications and proposals, whether electronic, oral, written between parties with respect to such subject matter. This Agreement may not be modified except by a written agreement dated subsequent to the date of this Agreement and signed on behalf of *the Company* and *the Entrepreneur* by their respective duly authorized representatives. No waiver of any provision of this Agreement will be effective unless it is in a signed writing and no such waiver will constitute a waiver or any provision or of the same provision on another occasion.

THE UNDERSIGNED, HAVING CAUSED THEIR DULY AUTHORIZED REPRESENTATIVES TO EXECUTE AND DELIVER THIS AGREEMENT AS OF THE DATE SET FORTH BELOW THEIR RESPECTIVE SIGNATURES INTEND TO BE BOUND BY THE TERMS AND CONDITIONS OF THIS AGREEMENT.

The **COMPANY:**

The **Entrepreneur:**

Name: _____

Name: _____

Signature: _____

Signature: _____

Title: _____

Title: _____

Date: _____

Date: _____