

NCSPlus Incorporated

117 East 24th Street, Fifth Floor, New York, New York 10010

INDEPENDENT ACCOUNT REPRESENTATIVE AGREEMENT

Date _____

This agreement is made between NCSPlus Incorporated 117 East 24th Street, Fifth Floor, New York, New York 10010, hereinafter referred to as "Company" and

Name _____

Address _____

City _____ State _____ Zip _____

E-Mail Address _____ Cellular Telephone _____

Home Telephone _____ Fax Number _____

as Independent Account Representative, hereinafter referred to as "*Representative*."

Whereas Company and *Representative* desire to enter into an agreement providing for the appointment of *Representative* to act as an Independent Contractor to sell Company's services to the general business community, it is agreed as follows:

I. BENEFITS TO REPRESENTATIVE

- 1. Work** *Representative* will act for the Company as an Independent Contractor to sell Company's services to the general business community.
- 2. Supplies and Expenses** Company will enroll *Representative* in Company's training School. The Company training consists of three sections: Initial classroom training, field training and advanced training. The training school will be provided by the Company at NO charge to *Representative*. However, *Representative* will reimburse Company \$495 for necessary training materials and bonding expenses. When *Representative* has completed the NCS Sales Training, Company will refund the \$495 materials and bonding expense to *Representative*.
- 3. Commissions** Company will pay to *Representative* commissions computed in accordance with the following schedule and pursuant to the terms contained herein:

COMMISSION SCHEDULE

System Sales Commissions

25% of weekly cash receipts from *Representative's* personal sales.

The commissions paid to *Representative* by Company are not only for the initial sale but for follow-up services as needed. Should a customer request service, then Company will notify *Representative* of such request and *Representative* will have 30

days from the date of such notification from Company to service client and respond back to Company with the results of the service call. Irrespective of anything to the contrary in this agreement, if this response is not received by the Company within 30 days of the client's request, the Company may reassign the customer's account to another Representative and all future commissions on reorders and all payments received from said customer will be reassigned to the new Representative.

Partial System Sales

Representative agrees that *Representative* will only be paid on the cash picked up at the time of the sale and *Representative* will receive commissions on the outstanding amounts when *Representative* picks up the remaining cash owed from the original sale as long as *Representative* is active with the Company.

4. Third Party Beneficiary and Additional Marketing Rights Company grants to *Representative* the right to represent American Credit Management Division (hereinafter referred to as ACM) to service assigned clients of ACM, which is a sister Company of National Credit Systems, Inc. ACM will be considered a third party beneficiary of this entire Agreement, and all duties owed Company by *Representative* shall be owed ACM.

5. Reassigned Clients In the event a client is reassigned to *Representative* by Company, any remaining balance due on the reassigned system's 1st Phase sale will be transferred to *Representative* who will be paid commissions as receipts are received. Full commissions will be paid on all reorders and new system sales to clients assigned to *Representative*.

6. Reorders When any customer to whom *Representative* originally sold Company's services shall reorder Company's services from *Representative*, *Representative* will be paid the same commissions and overrides on the actual receipts received by Company from such reorders.

7. Inner-Recruiting When *Representative* refers a prospective sales representative for Company, who is hired by any Manager, then Company will pay *Representative* 2% of the first \$10,000 of system sales receipts received by Company from the recruited Representative.

8. Independence In the manner in which *Representative* acts as Company's *Representative*, he/she shall be independent and not subject to Company's control. *Representative* shall determine his/her own days, hours and places of work, and the customers to whom he/she shall sell Company's services. Therefore, *Representative* will not be Company's employee, and Company will not withhold taxes from his/her commissions and overrides. *Representative* will assume all responsibility for filing all necessary personal tax returns and paying all income, self-employment and other governmental taxes which he/she may owe.

9. Benefit Participation Company may provide *Representative* with participation in an Insurance Program after *Representative* has met the requirements and been promoted to management and then it will be at Company's sole discretion if the insurance participation is offered.

II. BENEFITS TO COMPANY

1. Authority Company's services will be sold to customers in accordance with Company's standard printed conditions and pursuant to the terms on the Company's Schedule of Prices (as amended from time to time) which will be furnished to *Representative*. *Representative* shall have no authority to bind Company to any agreement. Therefore, ***Representative will indemnify and hold Company harmless from any and all claims that might arise out of any of Representative's activities that Company has not expressly authorized.*** Furthermore, *Representative* may use only Company-produced materials or artwork, and Company's name, logo, or modified materials may not be produced or otherwise utilized by *Representative*.

2. **Area** Representative will have the right to sell Company's services anywhere in the United States while Representative maintains an ACTIVE agreement with the Company.
3. **Supervision** Representative shall communicate and report each week's sales activities to their assigned Manager or Field Trainer if one is appointed. Failure to report weekly could result in probation or termination of Representative's agreement as they would be considered inactive.
4. **Activity** Representative will never accept a check payable to anyone other than Company, will never undertake to perform collection or tracing services, and will never give any legal advice to customers, nor misrepresent Company's services or products.
5. **Daily Business** Representative will mail to Company each day all business Representative has secured, including order forms, checks, cash or other materials addressed to 117 East 24th Street, 5th Floor, New York, New York 10010.
6. **Refunds** If Company finds it necessary to make a refund to a customer, Representative will refund to Company any commission or overrides paid to Representative with respect to that customer.
7. **Leads & Prospects** Company may deduct 5% from Representative's Commission on gross receipts from a prospect that Company paid to develop as a lead, or to a member of a trade or professional association when such association has in force an agreement to endorse the Company's services.
8. **Expenses** Company will not be required to furnish Representative with transportation, clerical or secretarial help, office or desk space, or to reimburse Representative for expenses of any kind, or to guarantee payment of any sums to Representative or to give Representative a drawing account or any advance.
9. **No Competition** Representative knows that in the course of his/her work, he/she will learn about Company's services, materials and products and the manner in which they are developed, marketed and provided. Representative knows that Company has invested considerable time and money in developing these services, products and marketing techniques, and that they are unique and original.

Representative further knows that Company wants to keep secret all information divulged to Representative about Company's business so as not to aid Company's competitors. Company is entitled to the following protection, which Representative feels is reasonable:

- A. Representative will not, during the "restricted period" describe below, engage in, work for, assist or be associated with in any way, or have any interest in, any business which competes with Company in the "restricted area" described below. (For purposes of this Agreement, a "business which competes with Company" shall include any business which sells any service or product similar to those sold by Company while Representative is working for Company, including the service of collecting debts of others, unless that business is affiliated with the Company.)
- B. Representative will not, during the "restricted period" described below, on behalf of Representative or anyone else, solicit or accept any business similar to that in which Company has been engaged while Representative worked for Company, including the service of collecting debts for others, from any of Company's customers situated in the "restricted area" described below. (Representative knows that when a customer buys collection services from Company, Company becomes obligated to provide such services for a minimum of three (3) years. Therefore, for purposes of this Agreement, Company's customers shall include any person or company to whom Company has sold, provided, or has been obligated to provide, any service or product within three (3) years prior to the termination of Representative's representation or thereafter.)
- C. Representative understands that Company's primary market areas are situated within a 100 mile radius of each of Company's regional offices throughout the country and Company's home office. Therefore, for purposes of this Agreement, the "restricted area" shall be the area within a 100 mile radius of each of such regional offices, and

Company's home office, wherever situated. The "restricted area" for purposes of this Agreement, shall also include any State in which solicitation of sales has been made by *Representative* or those whom *Representative* supervises.

D. The "restricted area" for purposes of this Agreement, shall begin upon the date this Agreement is signed and shall continue for 36 months following termination of *Representative's* representation. However, if *Representative* is sued by Company for violation of any of these restrictions, *Representative* agrees that the "restricted period" shall be extended to 36 months after the date a final judgment is rendered against *Representative* by a trial court, or a court of appeals, whichever shall be later.

10. Employment *Representative* will not, on behalf of himself or anyone else, at any time while *Representative* is working for Company or for five (5) years thereafter, offer to assist anyone else to offer any employment or business association to, nor shall *Representative* employ or become associated in any business with, any person who is, or within a year of such offer has been, Company's employee, agent or representative. Further, during such time, *Representative* will not on behalf of himself or anyone else, suggest or in any way encourage any of Company's employees, agents or representatives to terminate their employment or business association with Company.

11. Secrets While *Representative* is working for Company and thereafter, *Representative* will keep secret and not disclose to anyone or use for *Representative's* own behalf or for the benefit of anyone else any information concerning Company's business, including, but not limited to, the names of Company's present or former customers, employees and representatives, Company's sales methods, plans or records, Company's collections on behalf of its customers, any written communication, training and sales tools, any other records not disseminated to the general public, all computer programs and printouts, and any other information regarded as a "trade secret" under the statutory and common law of New York. *Representative* may, however, use such information solely as necessary in his work for Company.

III. TERMINATION

Either Company or *Representative* may, at any time, terminate his/her representation for any reason. However, each shall continue to be liable for all portions of this Agreement that are to remain in effect following termination of *Representative's* representation. *Representative* understands that in the event of termination, he/she will receive commissions only on sales receipts actually received by Company prior to the date of termination, but he/she will receive no commissions on payments by customers received by Company after such date.

Representative further understands that if he/she has participated in any sales incentive promotion pursuant to which he/she earned a bonus trip, or other reward, he/she will not be entitled to said award if he/she had not actually received same prior to the date of his/her termination.

Representative recognizes that the sales materials supplied to him by company are proprietary. Therefore, *Representative* further agrees that within five (5) days after termination he/she will return to Company all sales materials which Company has furnished him/her by delivery or shipment to Company's home office in New York. If *Representative* fails to return said materials then he/she agrees that he/she will pay Company all costs of collection, including attorney fees, which Company incurs in order to recover said materials.

IV. BREACH OF AGREEMENT

Representative understands that any breach or threatened breach by him/her of this Agreement will cause Company irreparable harm and injury and that Company should have the right to obtain an injunction in court against him/her. This right would be in addition to any other rights Company would have against *Representative* if he/she breaches this Agreement. Therefore, whenever Company may apply for a restraining order or injunction against *Representative*, for breaching or threatening to breach this agreement, *Representative* waives any notice to which he/she might be entitled, and he/she consents to such order or injunction. *Representative* further agrees that any bond required of Company in connection with any restraining order or preliminary injunction shall not exceed \$500. If Company should decide to proceed against *Representative* in the Common Pleas Court in New York or the United

States District Court for the District of New York, on any cause of action, *Representative* agrees that such Court shall have jurisdiction over him/her, regardless of where he/she may be at the time of such proceedings.

Representative also understands that in the event of his/her breach of some of the provisions of this agreement, the damage to Company would be substantial but may be difficult to measure. Therefore, in addition to Company's right to an injunction, *Representative* agrees to pay Company the following damages, which he/she feels are reasonable.

A. If *Representative* breaches the restriction in paragraph II (9) (A) against competing with Company, *Representative* agrees to pay Company the sum of \$10,000 for each county of less than 100,000 in population, and \$25,000 for each county of more than 100,000 population, in which such competition occurs.

B. If *Representative* breaches the restriction in paragraph II (9) (B) of his/her agreement against Soliciting or accepting any business from Company's customers, *Representative* agrees to pay Company the greatest of the following: (1) all sums which will be paid by such customers for the business solicited or accepted or (2) where the business solicited or accepted is the collection of debts, \$100 for each debt to be collected or (3) \$5,000 for each customer.

C. If *Representative* breaches the restriction in paragraph II (10) of this agreement against soliciting Company's employees, agents or representatives, *Representative* agrees to pay Company the greatest of the following: (1) a sum equal to 12 months salary for any person replacing such employee, agent or representative or (2) the gross sales revenue generated by such employee, agent or representative during the last 12 months he/she worked for Company or (3) \$10,000 for each employee, agent or representative.

D. If *Representative* breaches the restriction in paragraph II (11) of this agreement against disclosing secret information, he/she agrees to pay Company the greater of the following (1) the cost of Company of designing, creating, improving and protecting such information or (2) \$25,000 for each item.

V. MISCELLANEOUS PROVISIONS

Each written notice to either Company or *Representative* shall be mailed to the addresses set forth in the agreement until and unless such addresses are changed in writing. Such notices shall be considered given when mailed by certified mail, return receipt requested, or mail-gram. Instead of mailed notices, any written notice may be personally delivered, but personally delivered notices shall be deemed given only on the date when receipt is acknowledged in writing.

This Agreement contains the entire understanding and agreement between the parties with respect to the terms and conditions of *Representative's* representation. This Agreement may be modified only by a written modification signed by both *Representative* and Company. Company may assign this Agreement to any successor or all or part of its business or to any parent, subsidiary or affiliated company. When both parties have signed this Agreement, it will bind and benefit both of them and any successors to the interests, including *Representative's* heirs, executors and administrators.

This Agreement shall be governed by and interpreted in accordance with the laws of the state of New York. If any provision of this Agreement shall be invalid under such laws, the validity of the other provisions shall not be affected. This Agreement terminates and supersedes any prior agreement between the parties.

Signed by *Representative* and Company at New York, NY, on the _____ day of _____ 20 _____

INDEPENDENT ACCOUNT REPRESENTATIVE

Complete following lines only if Name above is a Corporation

By: _____
Authorized Officer's Name

Its: _____
Officer's Title

I, _____ hereby guarantee and agree to be bound personally by all the conditions and restrictions set forth in this Agreement between Company and *Representative*, the same as if I was the representative. This includes liability for breach of the Agreement. In addition, I agree that any monies ever due me under any personal Agreement that I may have with Company can be used by Company to pay any amounts due Company by *Representative* under this Agreement.

Officer's Signature

NCSPlus Incorporated

By: _____
District / Regional Manager / RVP / VP / President

PROMISSORY NOTE FOR ISSUED BRIEFCASE AND COMPANY SUPPLIES

Thirty (30) days after the date of termination of my association with NCSPlus Incorporated for any reason, I promise to pay to the order of NCSPlus Incorporated of New York, the sum of five hundred dollars (\$500) with interest of eight percent (8%) per annum from the date of said termination, provided I have failed or refused to return the sales briefcase issued to me by NCSPlus Incorporated comprised of equipment, supplies, inventory and materials within (5) days from the date of such termination. It is further understood that the sales bag and materials must be mailed to NCSPlus Incorporated, 117 East 24th Street, 5th Floor, New York, NY 10010 and not given to the Manager or anyone else. Should suit be commenced to enforce payment of this note, I promise and agree to pay to NCSPlus Incorporated such additional sums that the court may adjudge as reasonable attorney fees and costs of suit. I further understand that such suit may be commenced in the Courts of New York.

INDEPENDENT ACCOUNT REPRESENTATIVE