

Ideal Merchant Service, LLC Agent Agreement

Whereas, Ideal Merchant Services, LLC, hereafter referred to as “IMS or Company” agrees to contract with: _____ DBA _____, hereafter referred to as “Agent” for performance of certain tasks; Whereas Agent’s principle place of business is located at _____ Whereas, IMS main office is located at the following address: 908 N. 1400 W. St. George, UT 84770

“Company” helps merchants and others (“Subscribers”) establish a merchant account, and obtain point of sale software and terminal equipment, all to enable them to accept credit cards. “Company” works with a variety of merchant processing vendors to ensure that each merchant receives a merchant account that will best suit the merchants’ industry type. “Company” specializes in establishing merchant processing accounts for certain industry niches, including restaurants, high risk (Telemarketing, Seminar, Continuity Membership Programs), bars, and nightclubs, associations as well as point of sale equipment that enables these merchants to become more efficient in business and credit/debit card transaction processing (the “Services”).

The Agent works with Subscribers in the course of its business that would benefit from having access to “Company”. Accordingly, the Agent desires to market the IMS Services as part of its own programs and services, and to refer Subscribers to IMS for application. In return, IMS desires that Agent be (i) authorized to market the IMS Services, and (ii) compensated for such referrals.

THEREFORE, IN CONSIDERATION OF THE FOREGOING REPRESENTATIONS AND THE FOLLOWING TERMS AND CONDITIONS, THE PARTIES AGREE:

1. Services to be Performed

Company agrees to perform the following tasks or services, but is not limited to the following services. Company will present new Subscriber applications to the appropriate Banks and Processors according to the application and underwriting guidelines of such Bank and Processor. Company will work through the process of underwriting and approval and assist in the manner of deployment, installation or setup, and customer support. Company has the right and ability to monitor any account associated with the Agent and give notice to Subscriber of any needs, problems or changes needed to comply with Association rules and regulations. Company also has the right and ability to terminate a Subscriber in due cause of any fraudulent or delinquent activity by the Subscriber. Company has the right to solicit new programs and partnerships to Agent that will create additional profit centers and/ or give Agent better options to service their Subscribers needs. Company also has the right to remove programs and services or partnerships that Company feels they no longer benefit all parties involved. This will also be communicated to Agent.

2. Relationship of Parties

The Parties acknowledge and agree that their respective relationship with one another is strictly that of an independent contractor and nothing herein shall be construed to constitute a relationship as an employee, partner, joint venture, or otherwise. It is also understood that Agent will provide, at its own expense, all equipment, supplies, work areas, prospect lists, transportation and all other items necessary to fulfill the obligation under this agreement. Agent shall not receive any fringe benefits, no insurance benefits, no disability, no workers compensation, no vacation pay, no holiday pay, no sick pay, no expense reimbursement, no profit sharing or pension or retirement plan contributions or any other fringe benefits from Company. The Agent shall not be required to work any specified hours or specified days.

3. Duties of Agents

- a) Solicitation of Merchants: In addition to any such duties provided in this agreement, Agent shall solicit prospective merchants to apply for a merchant account through the appropriate merchant agreement of Company Approved Providers. It shall be the responsibility of the Agent to provide a completed IMS Enrollment Form along with the required documentation for each Subscriber. Agent may also offer to such Subscriber the opportunity to buy and/or lease certain point of sale equipment, supplies and related equipment to fulfill the processing needs of Subscriber. Agent shall perform all duties and conduct themselves in a reputable manner and in full compliance with all applicable laws, rules, regulations, decisions and orders, including any and all applicable rules and regulations of the Card Associations.
- b) Submission of Completed Documents: It shall be the responsibility of Agent to submit to Company, all prospective merchants applying for quotation and approval during the term of this agreement. Agent must submit all such materials, documents, and information in a complete, accurate and legible manner to be accepted and presented to Company.
- c) Merchant Approval and Cancellation: Agent acknowledges that the Company has the right, in their sole and exclusive discretion to approve or disapprove all applications of prospective merchants submitted by Agent, and that the Company may cancel or terminate any merchant agreements between Company and approved Subscriber in its sole discretion.

4. Covenants and Warranties of Agent

- a) Self-Employment: Agent is self-employed and holds any necessary business license, if required, to conduct business as an independent Agent. Agent is responsible to prepare and file with the IRS and relevant state and local revenue authorities all appropriate tax forms and schedules and to report the compensation paid to the Agent by Company pursuant to the terms of this agreement. Agent shall pay and assume all liabilities for payment of all state and federal income

taxes arising out of the relationship between Company and Agent. It is the responsibility and obligation of Agent to maintain its own books and records of income and expenses during the tax period under which Agent has established by all local, state and federal authorities.

5. Terms of Agreement:

The initial term of the agreement shall be for a period of one year commencing on the date that this agreement is executed by all parties. This agreement shall thereafter be automatically renewed for a period of one year unless proper notification by either party is given at least 30 days prior to the end of the current term in which the party does not wish to renew the agreement. Notwithstanding the foregoing, either party shall have the absolute right to terminate this Agreement at anytime, with or without cause, upon 30 days of written notice to the other party. Furthermore, either party has the absolute right to terminate this Agreement, with or without cause, and without notice if the other party breaches or otherwise fails to perform any of the provisions or covenants of this Agreement.

6. Terms of Non-Exclusivity:

During the term of this Agreement, Agent shall not solicit new merchant accounts for any other merchant account provider, except on behalf of Company. Agent absolutely agrees to not solicit any relationship directly with any of IMS's Approved Provider (including Bank's, ISO's, and Processors) established, made knowledgeable and set forth by this Agreement to Agent by Company for a period of 6 months following the termination of this Agreement, unless specifically approved in writing by IMS during the term this Agreement remains in affect.

7. Confidentiality of Information:

Agent acknowledges that they may directly or indirectly receive information and/or resources of Company in which herein are set forth as trade secrets, methods, processes, or procedures and other confidential financial or business information in the course of negotiations of and performance of this Agreement. All such confidential information shall be the sole property of Company, and Agent shall have no ownership or interest or rights with respect to this confidential information. Agent agrees to adhere to and keep Company confidential information and execute this confidential agreement as set forth for a period of two years after the end of this agreement. Agent will not solicit the employees, agents, or known referral sources of Company to terminate their relationship with the Company.

8. Compensation

During the period of time this Agreement is full force and effect, Company shall pay Agent the compensation set forth on the attached Schedule "A" the terms of which are a part of this Agreement. Agent hereby agrees that the payment of any such commissions

earned shall not become due or payable until such time that Company is in actual receipt of the commissions or concessions beyond recourse.

9. Entire Agreement

This agreement constitutes the entire understanding between the parties in connection with the subject matter hereof and supersedes all prior and contemporaneous agreements, understandings, negotiations and discussions whether oral or written of the parties, and there are no warranties, representations and/or agreements among the parties in conjunction with the subject matter hereof except as set forth in this Agreement. No modification or amendment of or waiver under this Agreement shall be valid unless in writing and signed by an Executive of the Company and approved by an Executive of the Company. This Agreement including the Exhibits hereto (which are incorporated as part hereof) may be executed in counterparts, each which shall be deemed an original, but all of which together shall constitute one and the same instrument. If any portion hereof shall be found invalid for any reason it shall not effect the other portions. Agent shall not assign, delegate, subcontract, license, or in any manner attempt to extend to any third party any right or obligation under this Agreement except as otherwise permitted herein without the prior consent of Company.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above and agree to all terms above.

This agreement is entered as of _____ day of _____, 20__

Agent Name: _____ Date: _____

Agent Signature: _____

This agreement is effective when executed by IMS, LLC.

Signature: _____ Date: _____

Schedule A

Ideal Merchant Services Processing – Reseller Agreement

IMS agrees to pay Agent the following:

- 50% split to active Ideal Club Members of net commissions
- 40% split to non or inactive Ideal Club Members of net commissions

Estimated Earnings:

Average merchant processes \$20,000 per month

Average earnings is 0.15%

If you have 5 merchants processing a total of \$100,000 per month, you will earn \$150.

**the estimated earnings is only an estimate, not a guaranteed residual amount.