

## AFFINITY MARKETING AGREEMENT

THIS AGREEMENT is made and entered into as of this \_\_\_\_ day of \_\_\_\_\_ (month) of \_\_\_\_\_ (year) by and between Teleplex Inc. 3116 E. Shea Blvd., Suite 199, Phoenix, AZ, 85028 and \_\_\_\_\_ (FULL LEGAL NAME WITH MIDDLE INITIAL), hereinafter referred to as Dealer.

WHEREAS, Teleplex has been authorized by various long distance carriers to market telephone services such as calling cards, long distance and toll-free #'s, and Internet products; and

WHEREAS, Dealer desires to serve as an independent contractor for Teleplex on the terms and conditions set forth in this agreement. NOW, THEREFORE, and in consideration of other promises and mutual covenants and agreements herein contained, the parties agree to as follows:

### 1. APPOINTMENT AS DEALER

- 1.1 Teleplex hereby appoints dealer to serve as an AUTHORIZED DEALER. Dealer asserts that he/she is of legal age and that the Dealer is an Independent Representative and is not and will not be treated as an employee of Teleplex. (The term "Dealer" in this Agreement is used to represent any level of participation, such as Regular Dealer or Master Distributor.)
- 1.2 TERM: The term of this agreement shall be for a period of 12 months, and shall renew automatically for a period of the same number of months unless either party terminates this agreement by giving written notice of termination to the other at least thirty (30) days prior to the effective date of any such period.
- 1.3 NOTWITHSTANDING THE TERMINATION OF THIS AGREEMENT, A DEALER IN GOOD STANDING SHALL BE ENTITLED TO RESIDUAL COMMISSIONS. A dealer in good standing is a dealer who has not violated any of the terms of this agreement.

### 2. DUTIES AND SERVICE

- 2.1 Dealer will not place marketing materials in places where such placement has not been authorized.
- 2.2 Dealers will not mislead any potential customers.
- 2.3 All Dealer-generated marketing materials, sales materials and/or Web sites must first be submitted to and approved in writing by Teleplex. Please allow 7 - 10 days to approve material.
- 2.4 If a dealer violates any of the terms of this agreement, Teleplex, at its sole right and power may elect to suspend or terminate dealer's authorized status and residual commissions.
- 2.5 Dealers shall not have the authority, either expressed or implied, to incur any obligation or debt on behalf of Teleplex or any carrier.
- 2.6 Dealer shall not market telecommunication services to any person or entity, which Dealer knows or discovers, is a customer of Teleplex.
- 2.7 DEALER CODES: Dealer agrees to place their dealer code on all service orders in the designated area or they will not get credit for that customer, unless a tracking code is pre-printed.
- 2.8 Dealer agrees not to send unsolicited e-mails or faxes to prospective customers.
- 2.9 Confidentiality and Non-Disclosure: Dealer agrees to keep the terms and conditions of this agreement confidential. Dealer agrees to keep Teleplex's marketing materials and business strategies confidential. This provision shall remain in full force and effect after the expiration or termination of this agreement. Violation of this provision shall entitle Teleplex to terminate commission payments and to injunctive relief without a showing of irreparable harm.
- 2.10 NON-CIRCUMVENT: Dealer agrees not to directly or indirectly contact or form any agreements with any of the carriers, resellers or companies that Teleplex is utilizing. Dealer agrees not to contact any of Teleplex's suppliers without the express written consent of Teleplex.
- 2.11 Dealer agrees not to market any communications products from another company to any customer submitted to Teleplex under this agreement.

- 2.12 Non-Solicitation: During the term of this Agreement, and for a period of 36 months after its termination, Dealer agrees to not solicit any customer submitted to Teleplex or any of its carriers.
- 2.13 Responsibility for Valid Orders: Dealer understands that he/she is responsible for any orders submitted to Teleplex, as well as for the correctness of the information that is contained in the orders. Any disputes regarding the validity of an order that results in a PIC dispute charge upon Teleplex shall be reimbursed to Teleplex by Dealer fully, immediately and in cash. Teleplex may obtain such reimbursement through a deduction from any commissions owed by Teleplex to Dealer. In the event the amount of the commissions owed is insufficient to fully reimburse Teleplex pursuant to this paragraph, Dealer agrees to fully and immediately pay Teleplex the remainder in cash. If it is determined by Teleplex that the Dealer has not properly obtained a customer's authorization for service, Teleplex, in its sole discretion, can immediately and irrevocably terminate the Dealer; all residual commission payments will immediately be stopped.

### **3. COMPENSATION AND REMITTANCE**

- 3.1 Dealer shall not be entitled to any commissions for services unless the dealer was specifically responsible for obtaining that service. However, services for an existing Teleplex customer added by a second dealer may continue to be credited to the first dealer at Teleplex's sole discretion.
- 3.2 Each monthly commission check will be accompanied by a summary calculation of how the amount was obtained. Detailed commission reports will be e-mailed monthly.
- 3.3 Teleplex reserves the right to not issue commission checks to dealers until the accumulated commission amount reaches \$20 per code.
- 3.4 All commission checks will have a 50¢ processing fee.
- 3.5 Teleplex reserves the right to modify monthly commission percentage to dealers without notice to correspond with the applicable sliding scale, or if the monthly commission percentage has been decreased by our carrier(s). All changes will be made in good faith.
- 3.6 All commission payments will be final and binding on Dealer unless written objection thereto is delivered to Teleplex within thirty (30) days after the commission check envelope has been postmarked.
- 3.7 HOLDBACK. Our carrier will retain 5% of all commission money to offset any fraud or uncollectibles. For example, if a Dealer is to be paid a \$100 commission, they would actually only receive \$95.
- 3.8 Teleplex agrees to pay commissions for as long as customer is generating revenue AND carrier is paying Teleplex commission for that revenue.
- 3.9 Teleplex will pay commissions approximately 90 days after the end of the month in which customer is billed for the services. Teleplex generates commission checks once per month and mails them by the 7th of each month.
- 3.10 The commissions described in Appendices A and B will apply to only NEW customers enrolled after the date this Agreement is signed by Teleplex (effective date). Existing customers for dealers under a previous agreement will remain under the previous commission schedule.

### **4. MISCELLANEOUS**

- 4.1 Representation of Dealer: Dealer represents and warrants that the undersigned has the unrestricted right, power and authority to execute this agreement and bind the Dealer to the terms and conditions herein.
- 4.2 Representation of Teleplex: Teleplex represents and warrants that the undersigned officer of Teleplex has the unrestricted right, power and authority to execute this agreement and to bind Teleplex to the terms and conditions herein.
- 4.3 Dealer covenants and agrees to hold Teleplex and its long distance carrier harmless from any and all losses, damages, lost profits, liabilities, expenses or claims directly or indirectly resulting from or arising out of this agreement or the performance of this agreement. Teleplex's maximum liability arising from this contract shall be Dealer's right to cancel said contract.
- 4.4 Regulatory Action: The services provided pursuant to this agreement may be subject to regulation by Federal and State governments. Teleplex reserves the right to reform this agreement as required to comply with government requirements, or to terminate this agreement if future government or carrier action renders performance of this agreement uneconomical.

- 4.5 **Notices:** Any and all notices to be given hereunder shall be properly given if in writing and either hand delivered or sent by certified mail, return receipt requested, to a party at its address set forth herein or such other address as a party may hereafter specify by written notice to the other.
- 4.6 **Successors:** Dealer can not assign this agreement.
- 4.7 **Entire Agreement:** This represents the entire agreement between the parties and no representations have been made or relied upon by either party except as contained herein.
- 4.8 **Compliance with Law:** The agreement shall be governed by and construed in accordance with AZ state law. All disputes will be filed in Phoenix, AZ and shall be decided by binding arbitration.
- 4.9 **Severability:** If any clause or section of the contract shall be determined to be unenforceable or unlawful, the remaining items shall remain in force.
- 4.10 **Headings:** Numbering and headings are used only for convenience.

**DEALER PROGRAM**

- 1. Dealers will make a monthly residual commission based upon the sliding scale shown below.
- 2. The scale below applies to NEW customers enrolled after the effective date of this agreement.
- 3. A NEW Dealer Code will be issued upon the acceptance of this contract by Teleplex. NEW customers are those enrolled under the NEW Dealer Code.
- 4. During the first year of this Agreement, the Domestic Commission is 11%. After the first year, the Domestic Commission is based upon the monthly revenue sliding scale below.
- 5. The commission on international calls in all cases is 4%.

**Regular Dealer Monthly Commission Scale**

Monthly Revenue	Commission Paid to Dealer
<i>First Year: Any Amount</i>	11%
<i>After First Year:</i>	
0 - \$250	0%
\$251 - \$500	8%
\$501 - \$1000	9%
\$1001 - \$2000	10%
\$2001 - \$10000	12%
\$10001 - \$50000	13%
\$50000 plus	14%

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed, acknowledged and delivered in a form and manner proper and sufficient at law, all as of the date and the year first above written.

(Did you initial pages 1, 2, and 3?)

**TELEPLEX:**

X \_\_\_\_\_  
Signature

X \_\_\_\_\_  
Signature Date

Please print neatly and legibly:

Jeffrey P. Bein, President  
3116 E. Shea Blvd., Ste. #199  
Phoenix, AZ 85028

\_\_\_\_\_  
Print Name Date

1-800-520-5676 Dealer Support  
1-800-700-4387 FAX

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City/ State/ Zip

Sponsoring Dealer's EC Code: \_\_\_\_\_

\_\_\_\_\_  
SS# or Fed Tax ID#

\_\_\_\_\_  
Specify individual or Corporation

\_\_\_\_\_  
Telephone Number (required)

\_\_\_\_\_  
Fax Number

\_\_\_\_\_  
Email Address

For faster service, you may fax your dealer application to 1-800-700-4387. Please remember to fax all six pages of your agreement plus the one page Order Form (attached). If any pages are missing or if there is incomplete information, your application can not be processed and will be returned to you. You must sign W-9 below. Most people check the first option.

**Substitute Form W-9 - All dealers are required sign below:**

REQUEST FOR TAXPAYER IDENTIFICATION NUMBER AND CERTIFICATION: Under penalties of perjury, I certify that: 1) The number shown above is my correct Taxpayer Identification Number, and 2) UNLESS I HAVE CHECKED SUBJECT TO BACKUP WITHHOLDING BELOW, I am not subject to backup withholding either because I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or the IRS has notified me that I am no longer subject to backup withholding (does not apply to real estate transactions, mortgage interest paid, the acquisition or abandonment of secured property, contributions to an Individual Retirement Account (IRA), and payments other than interest or dividends).

- \_\_\_ I am NOT subject to backup withholding. (Most people check here.)
- \_\_\_ I am subject to backup withholding (Only check here if IRS has told you are required to.)
- \_\_\_ Corporation: I am exempt from backup withholding because I am a corporation.

X \_\_\_\_\_  
Signature (Dealer must sign here also) Date