

INDEPENDENT CONTRACTOR AGREEMENT

TERMS OF AGREEMENT

This agreement shall remain in effect for three (3) years from date of this agreement, provided Independent Contractor has not violated any part of this agreement, and agreement will be renewable at the option of both parties every three (3) years for a period of three (3) years.

This agreement is entered into by **Jones Motor Purr Co., Inc.** hereinafter referred to as “**Company**”, and _____, hereinafter referred to as “**Independent Contractor**”. Independent Contractor will service the geographical area of _____. (City, County, State).

This area encompasses Automotive Repair shops, Auto Parts Houses, Transmission and Radiator Shops, etc., hereinafter referred to as “**Accounts**”, and New car Dealerships, Used car Lots, Schools, Police Departments, Fire Departments, etc., hereinafter referred to as “**Fleet Accounts**”.

This area does not have any given boundaries. Independent Contractors have an agreement that is called a “**Gentlemen’s Agreement**”: One Independent Contractor does not sell to another Independent Contractor’s accounts

COVENANTS OF INDENDENT CONTRACTORS

1. It is understood that I, _____, am an **Independent Contractor** and I am not an Employee, Partner or Agent, nor am I engaged in a joint venture with the **Company**.

I have read and agree with page 1. Sign _____ Date _____

2. Independent Contractor agrees to devote full time to the transaction of **Company's** business, to file with the **Company** prompt, complete, and accurate report of his/her work. Independent Contractor further agrees during the existence of this Agreement to not engage, be engaged, or have interests of any other business or in any activity in conflict with the interests of **Company**.
3. Independent Contractor will comply with all Federal, State and Local **Licensing Requirements** necessary for his/her business.
4. Independent Contractor will furnish **Company** a legible photo static copy of his/her State Resale Permit, and will file a signed Resale Card with **Company**.
5. Independent Contractor is liable for all **Workman's Compensation Insurance** required for his/her business.
6. Independent Contractor is liable for all **Business Insurance** required for his/her business. **Company** must be named as additional insured. **Company** must be equipped with "Certificate of Liability Insurance" ten (10) days after date of this Agreement.
7. Independent Contractor will comply with all **Federal, State and Local Tax** requirements, and hold the **Company** harmless from any penalty which may occur to the **Company** by reason of failure of Independent Contractor. An Independent Contractor is liable for his/her own Federal Income Tax, State Income Tax, Social Security Tax, Medicare Tax, State Disability Insurance (SDI), UI Tax and any other Tax required.
8. Independent Contractor will rent a **warehouse** to keep all products in an orderly, clean manner and he/she will furnish his/her own lock and key.
9. Independent Contractors are required to have a **vehicle** adequate for servicing his/her accounts. Independent Contractor is liable for all maintenance, fuel and insurance for his/her vehicle. An Independent Contractor who uses his/her vehicle must name the **Company** as additional insured and must provide the **Company** a "Certificate of Insurance" ten (10) days after date of this Agreement.

I have read and agree with page 2. Sign _____ Date _____

10. Independent Contractor agrees to follow the **Company's**
"Guideline for Business Success".

- Independent Contractor has **Established Accounts** in the defined area that Independent Contractor will service every six weeks.
- Independent Contractor will keep his **Demo Briefcase** clean at all times, ready to give a demonstration of the products.
- Independent Contractor will **Demo Products** as trained.
- Independent Contractor will not leave products with anyone other than the **owner** of the business.
- Independent Contractor must ask if the owner would like the products priced and displayed.
- Independent Contractor **will service his/her accounts** regularly every six weeks by calling on them in person.
- Independent Contractor will **service fifteen (15) accounts each day**.
- Independent Contractor agrees to **replace any account lost**, regardless of reason, with another account within one week. Independent Contractor must maintain four hundred and fifty (**450**) established accounts at all times.
- The company will furnish two qualified sales representatives using company products to help you establish your first four hundred and fifty (**450**) account at no cost to you. They will open and service the account one (1) time and then the account will be yours. Any balance due for product sold by company representative you will collect and send to Motor Purr.

Independent Contractor must follow this daily routine:

- Independent Contractor will **receive and e-mail from the Company's** home office Monday through Friday between 2:00 p.m. and 3:00 p.m. if you have any messages of accounts that may need extra service, and/or to receive any other message.
- Independent Contractor are required (for a limited time to be determined by **Company**) to **e-mail the Company's home office** (othojones@att.net) Monday through Friday between 7:00 a.m. and 8:00 a.m. CST. Report information should be in order:
 - **Your name**
 - **Your route area**
 - **Cases sold.**
 - **Cases returned.**
 - **Amount of money collected.**

I have read and agree with page 3. Sign _____ Date _____

- Independent Contractor will **log in routes book daily sales**, using invoice records.
- Independent Contractor **will run daily an itemized tape on all sales and collections** for the day.
- Independent Contractor will **turn into the office copies of Invoices**: White copy of Invoices for all sales and all collections. (for a limited time to be determined by **Company**)
 - All **Sales Receipt Invoices must be written in black ink and must be completely filled out** with the business name, address, city, state, zip code and owner or authorized person's readable signature on Receipt/Invoice. Independent Contractor must print the name of the person who signed above signature.
- Independent Contractor will **maintain pink copies of Invoices** in numerical order for his/hers ready reference.
- Independent Contractor will send a weekly report to the home office each Monday by express next daily mail, so home office has Independent Contractor report by Tuesday. Report will consist of All Sales Receipt Invoices and Collection Invoices.
- **Independent Contractor must collect from new accounts or first time over route after opening new accounts by applying one of these four:**
 - Collect all money
 - Collect not less than half the balance
 - Pick up products that have not been sold/used and collect for what has been sold/used
 - Pick up all the products.
- Independent Contractor will **note book # and Page# (3-25)** in the upper left hand corner of sales invoice just above the Customer Order Number.
- Independent Contractor **must record daily sales from invoices in route books.**
- Independent Contractor will **make two (2) route cards for each new account.** One route card to be placed in his/her route book, the second to be sent to the home office with weekly report. Route Cards must be filled out with the business name, street address, city, state, zip code, resale permit number, phone number owner's name, cross street, and type of business.

I have read and agree with page 4. Sign _____ Date _____

Covenants of Company

Company will be entering into agreement similar to this with other Independent Contractors. Gentlemen's Agreement on page 1 will apply. **Company** Guidelines for Business Success:

1. **Company** will train how to demo the products during the training period. If **Company** decides that this business is not suitable for Independent Contractor, or if Independent Contractor decides this business is not suitable for him/her. Agreement will be void, and your cashier check of \$31,520.00 will be returned to you.
2. **Company** reserves the right to change and modify its sales program and policies from time to time.
3. In order to service four hundred and fifty (450) accounts in six (6) weeks, Independent Contractors must service accounts five (5) days a week, fifteen (15) accounts per day, with a total of seventy five (75) accounts per week.
4. **Company** will pay freight or will deliver stock to warehouse when four hundred (400) cases or more are ordered.
5. It is understood and agreed that the success of an Independent Contractor is related directly to the effectiveness of his/her efforts and therefore no guarantees of sales volume can be made.
6. The parties agree that the Independent Contractor is neither an employee nor agent of the **Company** and has no authority express or implied to act for or in the name of the **Company**, unless so authorized in writing by the **Company**. Independent Contractor agrees to hold **Company** harmless and to indemnify **Company** for any loss or expense incurred by **Company** to third person as a results of this agreement.
7. **Company** authorizes its Independent Contractor, so long as this Agreement is in effect, to advertise himself/herself as an Independent Contractor selling Jones Motor Purr products. No other use of the Jones Motor Purr name will be used by the Independent Contractor without the prior written authorization of the **Company**.
8. Failure of **Company** to insist upon strict performance of the terms and provisions hereto, or any of them, shall not constitute or be constructed as a waiver or relinquishment of the **Company's** right thereafter to enforce any such term or provision, but the same shall continue in full force and effect. No waiver by the **Company** of any breach by the Independent Contractor of any provision or condition hereof shall be construed to be a waiver of any succeeding breach of the same or any other provision or condition hereto.

I have read and agree with page 5. Sign _____ Date _____

9. This Agreement covers the entire Agreement of the parties and no employees, agents or representatives of the **Company** have authorization to change or modify its terms, and there are no inducements, promises representations or warranties affecting it, except as stated herein.
 - The parties agree that the effective date of this agreement is the date on which both parties sign this Agreement. It is agreed that no representations have been made to Independent Contractor as an inducement to the execution of this Agreement or the payment of any money pursuant thereto, or this appointment, other than is contained in this agreement.
10. In the event of breach of this Agreement, the prevailing party in any legal action to enforce this Agreement shall be entitled to all cost of such action including reasonable attorney's fees.
11. Any notice required to be given by either party to this Agreement shall be in writing, addressed to the party's place of business/home. Independent Contractors address must be on file in the **Company's** offices at all times.
12. **Company** reserve the right to terminate this Agreement upon failure of the Independent Contractor to perform strictly by the terms set forth in this Agreement.
13. Independent Contractor when leaving the **Company** for whatever reason agrees not to sell other products that are compatible with the Jones Motor Purr product line for the period of three (3) years from the time he/she leaves the **Company**.

I have read and agree with page 6. Sign _____ Date _____

Supplies

6 Pack Counter Displays: No Charge

- Tune Up
- Seal Up
- Oil Stabilizer 16 ounce
- Gas & Diesel
- Oil Stabilizer 32 ounces

Other Supplies: No Charge

- IV Tubes
- Can Demos – To demonstrate Seal up product
- Rubber Demos – To demonstrate Tune up products
- Route Books & cards

Limited Supplies:

- First 100 Sales Pads (your company name)
- First 500 Brochures
- First 1000 Business cards with your name (peel off back)
- 1 Two Wheel Dolly
- Demo knives with sharpener

For every 400 cases of product you purchase, you will receive 8 free cases of product (your choice) to use for demonstrations and for replacement of any product a customer returned for any reason.

I have read and agree with page 7. Sign _____ Date _____

Independent Contractor' Signature

I HAVE READ, FULLY UNDERSTAND, AND AGREE
WITH THE TERMS OF THIS AGREEMENT.

Jones Motor Purr Co., Inc.

700 Otho Drive

Hemphill, TX 75948

Street Address

Phone: (409) 787-1321

Fax: (409) 787-1393

Toll free 800 XXX-XXXX

City, State and Zip Code

Social Security Number

Officer

Driver's License Number

Title

Area Code and Phone Number

Subscribed and sworn before me this day

_____ of _____ 20_____

Notary Public

State

Principle Office