

54 FREEDOM

Distributor ID _____

DISTRIBUTOR AGREEMENT

THIS AGREEMENT, (the “Agreement”) is made this _____ (the “Effective Date”) by and between 54 Freedom a New York corporation (“54 FREEDOM”) and _____ DISTRIBUTOR”).

1. **Engagement:** Effective as of the date set forth above, 54 FREEDOM engages DISTRIBUTOR as an independent contractor, to perform the Services outlined on Exhibit “A,” attached hereto and made a part hereof (the “Services”).
2. **Compensation:** In consideration for performing the “Services,” Distributor will receive the commissions outlined in Exhibit “A” for all Subscribers submitted by Distributor or Distributor’s agents.
3. **No False Marketing:** All sales, advertising and marketing materials to be used by DISTRIBUTOR in performing the Services must receive prior written approval from 54 FREEDOM. DISTRIBUTOR shall not make any false or fraudulent statements regarding the financial or medical benefits that may accrue to a prospective member as a result of utilizing any products or services offered through 54 FREEDOM. Any such statements shall be cause for immediate termination of this Agreement.
4. **Indemnification.** 54 FREEDOM and DISTRIBUTOR hereby agree to hold each other harmless and indemnify the other for any and all liability, claims, damages or loss (including court and reasonable attorney's fees) arising out of a breach of this Agreement by the other or its agents.
5. **No Exclusive Territory:** It is expressly agreed that there are no exclusive territories being assigned to pursuant to this Agreement. 54 FREEDOM reserves the right to engage other individuals or organizations, as independent contractors or as employees, to perform the same or similar services as DISTRIBUTOR is performing for 54 FREEDOM in the same geographical locations where DISTRIBUTOR is performing said services.
6. **Pricing:** DISTRIBUTOR agrees to market the Products and/or Services at the retail price stipulated by 54 FREEDOM and described in Exhibit “A” unless Distributor receives prior written approval from 54 FREEDOM to market said products and/or services at different prices. Prices of benefit cards are subject to change without notice.
7. **Remittance of Sales Proceeds:** DISTRIBUTOR agrees to remit to 54 FREEDOM all www.HealthyLife.OptumHealthAllies.com member applications and all payments received for, which DISTRIBUTOR has received in the course of performance of this Agreement, daily if possible, but at least within seventy-two (72) hours of receipt of same. DISTRIBUTOR shall affix its name and identification number to all remittance documents so as to enable 54 FREEDOM to make appropriate payment of commissions to DISTRIBUTOR. DISTRIBUTOR acknowledges that failure to properly identify itself, or promptly

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Remit payments to 54 FREEDOM may delay payment of commissions, and that time is of the essence in remitting money and applications to 54 FREEDOM. DISTRIBUTOR further acknowledges responsibility for all funds collected for said Services while said funds are in DISTRIBUTOR'S or DISTRIBUTOR'S agent's possession.

8. Term of Agreement/Termination:

The term of this Agreement shall be for a period of two years from the date first written below and renew automatically for one-year periods unless either party gives written termination notice at least ninety (90) days prior to the annual renewal date.

This Agreement shall automatically terminate upon the dissolution, bankruptcy or insolvency of Company or Distributor; and/or any other termination of Distributor's representation of any such qualified client; and if Company ceases to offer the products and services which are the subject of this Agreement.

Should this agreement be terminated for Cause under this section, Company will not be obligated to pay Distributor any additional compensation other than the compensation due and owing through the date of termination. "Cause" for the purposes of this Agreement shall mean any of the following: (i) willful breach of any provision of this Agreement; (ii) gross negligence or dishonesty in the performance of Distributor's duties hereunder; (iii) engaging in conduct or activities or holding any position that materially conflicts with the interest of, or materially interferes with duties of Company; (iv) engaging in conduct that is materially detrimental to the business of Company; or (v) any intentional violation of Company's policies if provided and communicated in writing. Upon written notice sent US Mail Certified Return Receipt to Distributor setting forth the cause for termination, Account shall then have thirty (30) days to cure such breach. If the breach is not cured within the thirty (30) days, then this Agreement shall terminate as of the thirty-first (31st) day following receipt of such written notice. If, however, the default cannot be remedied within such thirty (30) day period, such time period shall be extended for an additional period of not more than thirty (30) days in the event that Distributor has notified Company in writing and in detail of the plans to initiate substantive steps to remedy the default and diligently thereafter pursues the same to completion within such additional thirty (30) day period.

9. **Relationship:** In performing the services pursuant to this Agreement, DISTRIBUTOR shall be deemed to be an independent contractor of 54 FREEDOM. Nothing in this Agreement shall be deemed to create an employer/employee or master/servant relationship between DISTRIBUTOR and 54 FREEDOM. All payments to DISTRIBUTOR from 54 FREEDOM as part of this Agreement shall be reported as "1099" income by 54 FREEDOM.
10. **Confidential Information:** DISTRIBUTOR shall not disclose to any person whatsoever or use any trade secrets or confidential information of 54 FREEDOM other than as necessary in the fulfillment of this Agreement. Confidential information includes, but is not limited to, provider lists, member names and addresses, pricing information, and sales and marketing strategy employed by 54 FREEDOM. This Section shall be effective during the term hereof and for two (2) years after termination of this Agreement.

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11. Miscellaneous:

- a. Distributor may not assign any compensation or other rights or benefits accruing from this Agreement without prior written consent of 54 FREEDOM, which consent will not be unreasonably withheld.
- b. This Agreement constitutes the entire agreement among the parties hereto with respect to the subject matter hereof and any amendments must be agreed to in writing by both parties.
- c. Except as otherwise provided herein, this Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective heirs, successors and assigns.
- d. The invalidity or unenforceability of any particular provision of this Agreement shall not affect the validity of enforceability of the other provisions hereof and this Agreement shall be construed in all aspects as if such invalid or unenforceable provisions were omitted.
- e. Any waiver as to any terms and conditions of this Agreement shall not operate as a future waiver of the same terms or conditions or prevent the future enforcement of any such terms or conditions hereof.
- f. This Agreement may be executed in several counterparts, each of which shall be deemed for all purposes one and the same instrument.
- g. The paragraph headings of this Agreement are inserted for convenience and reference only and shall not limit or otherwise affect the meaning or interpretation of the terms or provisions hereof.
- h. This Agreement is made under and shall be governed by the laws of the State of New York in all respects, including matters of construction, validity and performance.
- i. Time is of the essence in this Agreement.
- j. Neither party shall be deemed to be in default of any provisions of this Agreement, or for failure in performance, resulting from acts or events beyond the control of any such party provided the party claiming force majeure gives the other party prompt notice of such condition. Such acts shall include, but not be limited to, acts of God, civil or military authority and disturbance, war, strikes, fires, other catastrophes, or other events beyond the parties' reasonable control. Force majeure conditions shall not excuse payment obligations provided services remain current.

The parties have executed this Agreement in two counterparts each of which shall be considered an original intending to be bound as of the date set forth on the first page.

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By: _____
James Griffin, CEO

By: _____

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THE UNDERSIGNED HEREBY ACKNOWLEDGES THAT (HE/SHE/IT) HAS READ, UNDERSTOOD AND AGREED TO ALL OF THE PROVISIONS OF THIS AGREEMENT, INCLUDING EXHIBIT "A."

DISTRIBUTOR

By: _____

Identification Number (Social Security #, or EIN#)

Address

E-mail address (if available)

City, State, Zip

Work Phone

Home Phone

Fax Phone

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Exhibit "A"

1. **Services:** Distributor agrees to offer for sale of www.HealthyLife.OptumHealthAllies.com programs sold through 54 FREEDOM. DISTRIBUTOR agrees to sell the following consumer directed health savings programs called www.HealthyLife.OptumHealthAllies.com the, for the retail price of www.healthylife.optumhealthallies.com

The Primary Program \$19.95 per month plus one time \$15 Registration fee

2. **Commissions:** 54 FREEDOM shall pay to DISTRIBUTOR a total commission \$5.00 for each **HealthyLife.OptumHealthAllies** sold by DISTRIBUTOR or by Distributor's employees or agents, unless different commission terms are agreed upon in advance by both parties. DISTRIBUTOR shall also receive a \$5.00 commission for each **HealthyLife.optumHealthAllies.com** monthly renewal.

Commissions shall be due to DISTRIBUTOR based on the individual payment methods of each client account, but payments made to 54 FREEDOM shall not be held by 54 FREEDOM for more than thirty working days before commissions are distributed to DISTRIBUTOR.

- 3- **Chargeback's:** DISTRIBUTOR shall be responsible for any commission chargeback's from refunds from HealthyLife.HealthAllies Cards sold by DISTRIBUTOR or DISTRIBUTOR'S Agents. 54 FREEDOM shall deduct any applicable chargeback's from commissions due to the DISTRIBUTOR. If insufficient commissions are available to cover chargeback's, then DISTRIBUTOR agrees to promptly refund 54 FREEDOM for the balance.