

Bay Yacht Agency/LetsGoCruising

Sales Associate Agreement

This is an Agreement (the AGREEMENT) made by and between: DouglassLD, Inc. T/A LetsGoCruising, and MMA, Inc. together, hereinafter referred to as LGC, 222 Second Ave. Annapolis, MD 21403 and:

_____ Hereinafter referred to as Sales Associate, SA, The name of the SA's business, marketing company is: _____(NAME).

ADDRESS: _____

The Sales Associate, SA, named herein, may also participate with LGC's Strategic partner, Bay Yacht Agency, on the same basis as shown here and BYA has an agreement with LGC to that affect.

The parties do hereby form a joint venture for the purpose of promoting and selling Yachts and or promoting charters.

As a part of this agreement, SA states and stipulates that he is purchasing or has purchased a boat from LGC to be used primarily for the purposes of chartering, demonstration and promotion of his business. While the SA may qualify for certain income opportunities under this agreement, LGC makes no claims and accepts no responsibility regarding SA's activities. Further, SA acknowledges his responsibility to pay any and all taxes or other fees that might be due and to follow the regulations of any legal authority having jurisdiction as a result of this activity.

GENERAL TERMS...

1. This agreement is in effect upon the signing by the SA and acceptance by an officer of LGC.
2. Term and scope of this agreement. The parties agree that this agreement shall remain in effect for a period of one year, but can be cancelled with 30 days notice by either party. If not cancelled, the agreement will automatically renew and extend for an additional year upon each years one year anniversary.
3. The SA agrees to establish a marketing business for the purposes of marketing charters and the sale of boats, and agrees that he is responsible for obtaining any required licenses, permits, or other authorizations required by any state or federal authority. As this is written, there are no licenses, permits or authorizations required in Maryland.
4. Non-exclusivity. The SA may market the LGC products to any party on a non-exclusive basis.
5. Client priority. LGC shall be the final arbitrator in any case where one or more SA's refers a client to LGC, or when a client is already an established LGC client.
6. SA not an Agent for LGC. The relationship created by this agreement is not that of principal and agent. Under no circumstances is the SA to be considered an agent of LGC. SA has no authority to incur obligations or liabilities on behalf of LGC or to transact any business in the name of LGC. SA agrees to be solely responsible in the event that any suit or legal action is instituted solely as a result of his actions outside of the authorities or scope of this agreement. LGC agrees that SA is totally not responsible for any actions, or suits that may occur as a result of it's activities, including suits or actions as a result of it's chartering or sales activities once a contract is entered into between LGC and a client..
7. Restrictions on marketing. SA may promote LGC products through personal solicitations of friends, relatives, business associates or acquaintances, may advertise in local trade publications and/or on bulletin boards, etc. SA may not engage in any national advertising or promotions, or participate in any boat shows without the specific authorization of an agent of LGC. SA agrees and acknowledges that much of the material, and computer programs of LGC are proprietary and that he will not use the materials in any unauthorized manner, provide them to unauthorized people, nor copy or incorporate them in any other program or promotion without the express authority of an officer of LGC.
8. Restriction of authority. SA is in no way authorized to commit LGC to any purchase or charter contract or other agreement with any client, agent or person without specific authorization. When any sale or agreement is executed, it shall not be considered in force unless approved by and signed by an officer of LGC.
9. Insurance and indemnity protection. SA agrees to keep appropriate insurance in effect for his boat(s) and business and to defend and hold harmless LGC, it's officers and agents from any claims or actions of any nature whatsoever instituted as a result of his activities or actions.

In consideration of this agreement, SA agrees:

10. To promote and market the boats and programs established by LGC.
11. To use his boat to promote and demonstrate the programs of LGC and to allow LGC personal to use his boat for demonstration purposes per the terms of any LGC Owner's agreement.
12. By mutual, prior agreement and agreed, financial consideration, to use SA's boat in boat shows and or to deliver the boat to specific locations where it is to be made available for specific showing or demonstration purposes.

In consideration of this agreement, LGC agrees:

13. To pay commissions to the SA per ADDENDUM (A), attached.
14. At LGC's sole discretion, LGC agrees to assist SA with his marketing efforts in any way possible, including, but not limited to:

- Providing expert advice and assistance.
- Providing written and/or other media promotional materials.
- Providing access to computer programs to price out boats, and/or work up projections for putting a boat into charter.
- Providing access to price lists and computer scheduling to facilitate the booking of charters.

15. From time to time, and at LGC's sole discretion, LGC may request that SA arrange a demo sail, work at a boat show, or meet with a client in which case SA will be compensated per the terms of Addendum (A).

Other terms and conditions.

16. Termination.

A. Shall be considered to have been given when written notice is received by either party by email and/or communication at the stated address and shall be effective within 30 days from the date of such notice.

B. Shall occur immediately if SA participates in any prejudicial way with any competitor of LGC.

C. Immediately if SA sets up his own competing business with LGC and/or lists his boat for sale as a business without using LGC as his express, designated central agent.

D. Upon breach of this agreement. If SA does any action that is not in keeping with the terms of this agreement, then LGC may terminate this agreement immediately without prejudice or claims for damage and any commissions due and unpaid are forfeited.

E. If a petition in bankruptcy or other insolvency proceeding should be filed by or against the SA, or if application should be made for the appointment of a receiver for the SA or any of his property, or if the SA should make an assignment for the benefit of creditors, become commercially insolvent, suspend or be caused to suspend business, or commit or be caused to commit any other act amounting to a business failure, then in any and all such events, LGC may, at its option, immediately terminate this agreement without the necessity of serving notice, written or otherwise on the SA.

F. Upon the death of SA.

Upon termination, it is agreed and understood that much of the promotional material is proprietary to LGC and SA agrees, in so far as possible, to return any unused promotional material in his possession to LGC upon termination. Further, SA agrees not to use the LGC materials, marketing methods, trade names, nor any other promotional materials, products, videos, computer programs or other electronic media or the like for any other than personal purposes upon termination of this agreement.

Upon any termination, other than default, LGC's sole obligation is to pay any outstanding commissions per the terms of Addendum (A).

The parties further agree that this agreement is not transferable nor saleable and that its benefits may not be passed on to any other party under any circumstance.

Disputes or controversy.

In the event of any dispute, controversy or claim regarding this agreement, any action taken, or claim made shall be in the State or Country of LGC and interpreted by the laws of the State or Country of LGC.

This Agreement with the attached Addendum of fees and/or any other signed agreement or understanding referring to this agreement constitutes the entire agreement between the parties regarding this boat and transaction and merges and supersedes all prior discussions, agreements and understandings of any nature between them regarding the issues covered here and this agreement may not be changed, modified or added to except by agreement in writing and signed by the party to be bound. Neither LGC or the OWNER shall be bound by any condition, covenant, warranty or representation except as expressly set forth in this Agreement, or as may be set forth in a subsequent written addendum signed by the parties to be bound thereby.

The parties agree and expressly stipulate that this Agreement shall survive the completion of any transaction undertaken as a result of this agreement being in effect and shall remain in effect until all financial or legal transactions, including suits instituted by any party, whether during the term of this agreement or not, are completed.

All of the terms and provisions of this Agreement shall be binding upon and shall inure to the benefit of and be enforceable by the successors in interest of the Parties, including but not limited to their heirs, executors, administrators or assigns

SIGNED, SALES ASSOCIATE: _____ **DATE:** _____

SIGNED, LGC REPRESENTATIVE: _____ **DATE:** _____

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ADDENDUM (A). Commission schedule for LGC Agreement.

This addendum is to be considered a part of the LGC AGREEMENT signed by the parties. In the case of a dispute between the SA's, or between the SA and LGC regarding the interpretation of this commission schedule, then the decision of an officer of LGC shall be final and binding upon the parties.

It is agreed and understood that LGC shall have the right, from time to time, to amend the commission schedule and/or other policies and SA's sole recourse if he does not agree with such modifications is to leave the program per the terms of the Agreement.

The parties agree that LGC's computer program shall be used as the authority for establishing assignment, priorities, and dates of contact between SA and clients assigned or referred by/to SA.

General referrals from SA.

It is preferred that SA use the Prospect forms provided by LGC, filled out in full when referring a client. Alternatively, and/or when a quick response is necessary, such referral may be phoned in, or entered into a web based form which access shall be provided by LGC.

Boat show participation.

When a SA is assisting at a boat show, he should place his name, or SA number on the lead card of each client he works with.

Recognition of the referral.

Upon receipt of the information, the SA's Identification and the date shall be entered in the computer and shall remain attached to the client for a period of one year. In the event of any activity or sale, a report will be sent to the SA advising him of the status. SA may also request a status report on any referred client at any time.

Payment of commissions.

The payment of any commission due shall be made upon the completion of the transaction, after any and all contingencies, if any, to the transaction are complete.

COMMISSIONS...

This commission structure applies to clients not previously registered on the LGC computer, or not actively worked with within the last 6 months (as designated by the UPDATE DATE in the computer).

CHARTERS...

Charters can be booked on any LGC boat at any LGC location. They do not need to be booked on the SA's boat.

1. If a SA refers a non-registered, prospective charterer to LGC, then he will be paid a commission of 5% of the charter fee.

2. If a SA acts as a full charter agent, then he will receive the normal Broker's commission of 15%.

Duties of a Charter Agent:

- To advertise and promote charters
- To verify availability, and pricing and phone in a tentative booking.
- To receive a reservation deposit (50%) by way of check or credit card (Master, Visa, Discover--Number and expiration date). To process that payment and forward the funds to LGC.
- To verify all details of the charter with the LGC booking office and communicate this back to the client--this includes the establishment of airline reservations (if appropriate) through the LGC travel agent.

SALES...

New boat, sales commissions are based on the published, base price of the boat. Commission applies if the prospect purchases within 1 year from the date of introduction. The parties agree that no commission is due if LGC asks SA to talk to a client about his participation in our programs as a *non-predjudiced* participant. In the event LGC uses SA's boat for a demo, by prior agreement, he will be paid a minimum of \$350, or the appropriate commission if a sale results within 30 days--*whichever is greatest*.

NON-BOAT SHOW...

LEVEL 1.

- SA introduces the client to the LGC Boat and/or program (Yacht Profit Sharing Management Program.)
- SA accompanies the client to a meeting with LGC personal at their office, or at a boat show for a sales presentation.
- Optionally, SA provides a demo on his boat personally, or allows LGC to demo his boat.
- SA maintains communication with the client throughout the sales process.
- The sale must occur within 90 days of the introduction.

COMMISSION, NEW BOATS 1%, USED BOATS .5% (Paid on the basic package price and assuming normal margins). LGC shall make the sole determination as to the commission due.

LEVEL 2.

- SA Discusses the boat and/or program with client and then arranges an appointment with LGC personal, but does not accompany client to the appointment.

- The sale must occur within 90 days of the introduction

COMMISSION, NEW BOATS .5%, USED BOATS .25% (Paid on the basic package price and assuming normal margins)

LEVEL 3.

1. SA Calls in, or sends in a lead, that is not already an active client and client purchases a boat within 1 year of registration.
2. Or, SA follows up on an assigned lead and places his initial in appropriate SA box in the database, or on the work sheet he's working with so that info gets transferred to the database.

COMMISSION, NEW BOAT: .25%, USED BOATS, .12%

BOAT SHOW... (Commissions paid per above.)

LEVEL 1. Client is a previous prospect of SA and a prior appointment is made and the prospect is introduced to LGC personal.

LEVEL 2. Client signs an agreement at the show, or within 14 days of the conclusion of the show.

LEVEL 3. Client signs a contract within 10 weeks of the termination of the show.

Non boat show leads can be reintroduced at a higher level at boat shows by prior arrangement.