

## SALES REPRESENTATION (“AGREEMENT”)

1. Budget PrePay®, Inc. d/b/a Budget Phone (“BP”) authorizes (“Dealer”), on behalf of BP to sell to purchasers the products and services checked below (“BP Products and Services”). This authority is a non-exclusive right to sell these products and services for BP. Dealer may not offer any BP Products and Services other than to end-users except Mobile Handsets and some long distance cards which are sold to Dealer for resale. Other than in the limited manner set forth herein, no principal and agent relationship shall exist between BP and Agent.

Prepaid Local Exchange Service (“PLES” )  
 Long-distance cards (WHOLESALE PROGRAM Y/N \_\_\_)  
 Prepaid cellular telephone service  
 Prepaid cellular telephone replenishment (WHOLESALE PROGRAM Y/N \_\_\_)  
 Budget BillPay Station®  
 Mobile Handsets

2. No partnership or employer-employee relationship is created between BP and Dealer by this Agreement. Dealer is an independent contractor working for his own benefit. Dealer and BP acknowledge that BP does not sell, manufacture, or assemble any equipment other than selling Mobile Handsets and has no responsibility for any equipment.

3. This Agreement shall remain in effect from the date set forth below until one (1) party provides to the other notice in writing of intent to terminate at least thirty (30) days prior to the end of any month which month shall be the last month of this Agreement. Any notice required under this Agreement may be given by email if delivery is confirmed.

4. Notwithstanding the preceding paragraph, in the event of failure by Dealer in the performance of any provision of this Agreement or Dealer’s act or omission damaging to the reputation of BP or Dealer’s failure to pay BP any sums at the time requested, then BP, at its option, may immediately suspend or terminate this Agreement. In such event, Dealer authorizes BP to notify purchasers how to continue to purchase BP Products and Services following termination and to refer or assign purchasers to another dealer.

5. All BP Products and Services (other than Mobile Handsets and Budget BillPay Station®, which are subject to separate agreements) shall be sold at prices and on terms prescribed by BP and which may be modified from time to time by BP. Commission to be paid to Dealer for all BP Products and Services, other than Mobile Handsets, Bill Pay Station and long distance cards, shall be \$8.00 per month per active line (except for subsidized service, which shall be \$4.00), as of the Commission Date. The Commission Date shall be set by BP. BP may set or modify prices for BP Products and Services other than Bill Pay Station and Mobile Handsets by Rate Cards which shall be incorporated into this Agreement. All purchasers of BP Products and Services, other than Mobile Handsets, shall be the customers of BP.

6. Dealer, upon obtaining an order for a BP Product or Service from a purchaser shall have each such purchaser fully fill out, date and sign BP’s prescribed order form and shall immediately transmit the order to BP at [www.budgetphone.com](http://www.budgetphone.com). BP reserves the right to accept or reject any order submitted by Dealer. Dealer must retain hard copies of all customer contracts and provide those copies to BP on request.

7. Dealer agrees that all funds collected by Dealer for sale of any BP Product or Service (other than Mobile Handsets and some long distance cards) are the property of BP, and Dealer accepts responsibility for those funds until remitted to BP as net collected funds. All funds collected for BP shall be paid or made available to BP in accordance with BP policy and procedures.

8. BP agrees to pay commission to Dealer monthly. The internal records of BP shall be conclusive as to the amount to be paid to Dealer.

9. Dealer agrees that BP shall have the right to modify its procedures for payment of commission, collection, payment, and/or deposit upon thirty (30) days written (including email notice) notice to Dealer.

10. Any sum due BP by Dealer and unpaid shall bear interest at the rate of ten (10%) percent per annum from the date due until paid.

11. In consideration for the rights and opportunities granted to Dealer in this Agreement, BP and Dealer agree that during the term of this Agreement and for a sixty (60) day period thereafter, Dealer shall not participate in the promotion, financing, ownership, and/or management of any business which offers any products and services for sale similar to any BP Products and Services within all counties and parishes in which Dealer is operating. Dealer shall not speak in a derogatory or negative manner regarding other companies offering similar products and/or services as offered by BP.

12. Dealer agrees that for the same period and within the Dealer’s specified marketing area, he shall not sell, solicit, divert, or receive any business from any person that was or is a customer of BP purchasing BP Products and Services.

13. Dealer and BP agree to indemnify and to hold harmless the other against any and all claims to the extent cause the intentional or negligent act or omission of the indemnitor.

14. BP makes no warranty whatsoever to Dealer or to any purchase, either express or implied, regarding the efficacy of BP Products and Services, including warranties of merchantability or fitness for a particular use or purpose.

15. The provisions of this Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Louisiana (excluding any conflicts of law rule or principal which might refer same to the laws of another jurisdiction). If it becomes necessary to file suit to enforce this Agreement, suit may be brought only in a Court located in Shreveport, Caddo Parish, Louisiana.

16. This Agreement and any addenda (if any) along with BP policies and procedures constitute the entire agreement between the parties hereto and supersede all prior agreements. BP policies and procedures and Rate Cards are incorporated herein by reference.

17. In the event it is necessary to refer this Agreement to an attorney for enforcement, the successful party shall be entitled to recover all costs and attorneys' fees expended in such enforcement.

18. BP and Dealer acknowledge that each has been given the opportunity to have this Agreement reviewed by competent counsel of such party's own choosing and agree that no provision of this Agreement shall be construed against either party based on the fact that such party drafted or such party's counsel drafted this Agreement or that it is a standardized document.

19. BP and Dealer agree that BP may, from time to time, modify or change certain aspects of this Agreement. BP is specifically authorized unilaterally to do so as to policies and procedures regarding collection and the amount of commission. Collection procedures may be changed immediately if Dealer fails to pay BP timely for monies owed for sale of BP Products and Services.

20. Dealer agrees to collect and to properly report all applicable sales and use taxes, charges and fees in connection with BP Products and Services.

21. BP is authorized to provide Services regulated by the Public Utilities Commissions or Public Service Commissions ("PUC") of various states. BP is required to adhere to rules and regulations of those PUC's in connection with the provision of certain products and services. BP has made Dealer aware that the providing of certain BP Products and Services is subject to the rules and regulations of that Dealer's state PUC and Dealer agrees to comply with such rules and regulations in offering the affected BP Products and Services to purchasers. The PUC rules and regulations are incorporated herein by reference.

22 Guarantor's obligations and liability under this Agreement shall be on a "solidary" basis along with Dealer and each other.

This Guaranty shall remain in full force and effect until such time as all of Dealer's indebtedness and obligations to BP shall be paid, performed and satisfied in full, in principal, interest, costs, expenses and attorneys' fees, and other applicable fees and charges and the Agreement (or any successor agreement) is no longer in force between BP and Dealer.

Guarantor agrees that a copy of this Guaranty shall be as effective as the original.

No course of dealing between Guarantor and BP (or any other guarantor, surety or endorser), nor any failure or delay on the part of BP to exercise any of its rights and remedies under this Agreement or any other agreement or agreements by and between BP and Dealer (or any other guarantor, surety or endorser), shall have the effect of impairing or releasing Guarantor's obligations and liabilities to BP, or of waiving any of BP's rights and remedies under this Agreement or otherwise.

Obligations and liability under this Agreement shall not be released, impaired, reduced, or otherwise affected by, and shall continue in full force and effect notwithstanding the occurrence of any event, including without limitation any one or more of the following events:

(a) The death, insolvency, bankruptcy, arrangement, adjustment, composition, liquidation, disability, dissolution, or lack of authority (whether corporate, partnership or trust) of Dealer (or any person acting on Dealer's behalf), or of any other guarantor, surety or endorser.

(b) The dissolution, bankruptcy, termination of business of Dealer.

Witnesses

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Budget PrePay®, Inc.

By: \_\_\_\_\_

\_\_\_\_\_  
Print name and title

Date: \_\_\_\_\_

Dealer: \_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_  
Print name and title

Date: \_\_\_\_\_