

## **Terms of Agreement between Tree Craft Log Homes Inc. and Builder/Dealer**

1. Builder/Dealer would purchase an initial log home package at current retail price, with subsequent purchases discounted at 15% below current retail.
2. Builder/Dealer furnishes their own advertising, with Tree Craft Log Homes Inc. retaining the right to review and approve such advertising and provide graphics and media materials as needed at actual cost to Builder/Dealer.
3. Tree Craft Log Homes Inc. would list the Builder/Dealer in its own advertising promotions where appropriate.

### **Representations and Warranties:**

a. Builder/Dealer represents and warrants as follows:

- that he/she will act in a professional manner at all times when representing Tree Craft Log Homes Inc., including responding to customer and potential customer messages and inquiries promptly, and responding to Company messages and inquiries promptly;
- that he/she will not misrepresent any aspect of Tree Craft Log Homes Inc.'s business or products to any person or entity;
- that he/she will promptly obtain and transmit to Tree Craft information pertaining to the technical needs and requirements of potential customers as is applicable;
- that he/she will provide assistance to Tree Craft Log Homes Inc. in discussions, preparations of proposals in conjunction with selling the products;
- that he/she will assist Tree Craft Log Homes Inc. in obtaining any relevant financial or other information as requested by Tree Craft Log Homes Inc. Regarding existing and potential customers with whom Representative has sold or intends to sell Tree Craft Log Homes Inc.'s products;

b. Tree Craft Log Homes Inc. represents and warrants as follows:

- that it will prepare products for potential customers as reasonably requested by Builder/Dealer provided Builder/Dealer has given Company sufficient notice and has provided information to be used in producing such products;
- that it will provide Builder/Dealer with current information as to improvements and upgrades in the products and services covered hereunder; and
- that it will make timely payments of commissions earned as specified herein.

**Special Terms regarding Representatives:** REP further acknowledges and agrees as follows:

Initial \_\_\_\_\_

- that Company does not offer any form of exclusivity to its Builder/Dealers and does not place limitations or restrictions regarding territories or prospective customers on its representatives. Accordingly, representatives are subject to competition from other Company representatives and the Company's decision as to which representative sold the Services to any specific customer is binding. Company expressly reserves the right to market and sell its products through its own employees, other independent representatives and any other legal means.
- that REP is an independent contractor, and nothing herein shall be deemed to imply or create a relationship of employment, partnership or joint venture. REP shall not represent that he/she has the power or authority to enter into any agreements or contractual obligations on behalf of Company unless Company provides a separate letter of authorization authorizing REP to execute an agreement on behalf of Company.

**Term and Termination:**

The term of this Agreement shall be one (1) year from the date that Builder/Dealer returned the last page of this Agreement to Company (the "Term") and shall automatically renew at the end of each one (1) year Term unless terminated by one of the parties hereto.

**a. Termination by Either Party.** This Agreement may be terminated by either party upon 30 days written notice to the other party.

**b. Termination for Cause:** Company may terminate this Agreement immediately, without notice, if:

- REP fails to comply with the terms of this Agreement or breaches this Agreement;
- REP engages in fraud or misrepresentation in any business context;
- REP is convicted of, or pleads guilty to, any criminal act;
- REP becomes insolvent, bankrupt or any proceeding by or against Representative as a debtor is commenced; or
- REP sells, markets or refers any product or service determined by the Company, in its sole discretion, to be competitive with Company's Services and Company will use best efforts to inform REPs in advance of products or services which Company deems to be competitive.

**c. Return of Materials Upon Termination:** Upon termination of this Agreement, REP shall immediately return to Company all sales materials, product specs, technical documents, drawings, blue prints, and other written materials (the "Company Materials") as well as all tangible forms of Confidential Information, as defined below. Company reserves the right to withhold any and all Commissions until the return of all of the Company Materials and Confidential Information reasonably requested herein by Company at the time of termination.

**d. REP's Remedies:** Upon termination of this Agreement for whatever reason, Company's sole liability to REP, whether by claim or right in court or otherwise, shall be to pay previously earned but unpaid commissions to REP through the date of termination and except as set forth in this section. In no event shall Company be liable for indirect, incidental, consequential or punitive damages of any kind including but not limited to lost profits (real, anticipatory or otherwise), lost goodwill, damage to reputation, or advertising or other sales costs.

## **Confidentiality and Conflict of Interest**

**a. Confidential Information:** REP agrees not to divulge to anyone, or make use of, except in the performance of his/her duties hereunder, any Confidential Information of the Company. Confidential Information shall generally constitute any information of the Company which is not known publicly, and which includes but is not limited to, all business information regarding customers, prospects, plans, finances, prices, personnel, costs, research and development, as well as all intellectual property and technical information including, but not limited to, programs, software, hardware, methods, designs, protocols, know-how, Processes trade secrets, patents, patent applications, copyrights, trademarks, and the like. This confidentiality obligation shall survive the termination of this Agreement and continue in perpetuity for any information which is not known publicly.

## **Governing Law and Dispute Resolution**

**a. Governing Law:** The laws of the State of North Carolina shall govern this Agreement.

### **General:**

**a. Entire Agreement.** This Agreement, including any attachments and amendments hereto, constitutes the entire agreement between the parties and it supersedes and replaces all prior sales or representation agreements between Company and REP.

**b. Assignment:** REP may not transfer or assign this Agreement and any attempt to do so shall be null and void.

**c. Indemnification:** REP shall indemnify and hold harmless Company from any liability, loss, or damage whatsoever arising out of REP's performance of this Agreement or REP's breach of this Agreement.

**d. Conduct.** REP shall at all times conduct himself or herself in accordance with applicable laws and regulations and shall insure that his/her actions do not violate any regulations to which Company is bound.

**e. Notices.** Any notices required by this Agreement shall be provided in writing to the other party at the following addresses: to Company, at the business address set forth on Company's then-current website, and to REP, at the most recent address provided by REP to Company. Notices sent by email with evidence of receipt thereof shall be sufficient.

**f. Subsequent Questions.** Although this Agreement attempts to address all situations to be encountered in the relationship of Tree Craft Log Homes Inc. And Builder/Dealer, it is possible that questions will arise which are not adequately answered by this Agreement and, in such cases, the decision of Company shall govern and be binding.

**g. Amendment.** This Agreement shall not be amended, modified and/or altered without the express written consent of each party to this Agreement.

Initial \_\_\_\_\_

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement on the date and year in which the Builder/Dealer signs and returns this page to Company.

The person signing this agreement hereby represents that he or she is over the age of 18, is competent to execute this Agreement and perform the duties set forth herein and has read and understands the terms and conditions set forth herein.

Signature of Builder/Dealer\_\_\_\_\_

Of address:\_\_\_\_\_

\_\_\_\_\_

This Day\_\_\_\_\_of \_\_\_\_\_Month, 2008