

NEW ASSOCIATE AGREEMENT (NAA)

This NEW ASSOCIATE AGREEMENT (hereafter referred to as "Agreement") is entered into by and between, CardEvo Inc., a New York Entity (hereafter referred to as "CardEvo"), and the undersigned individual (hereinafter referred to as the "Associate"). All individuals must execute this Agreement in order to be an Associate / member of CardEvo.

1. Relationship of the Parties

1.1 To be become and remain an Associate / member of CardEvo, you must:

1.1.1. Be a US citizen – OR – a resident alien holding a valid “Green Card” – AND;

1.1.2. Hold Social Security Number issued by the US Federal Government or ITIN Number in California ONLY – AND;

1.1.3. Be at least 18 years of age.

I HEREBY ATTEST THAT:

*I have read and fully understand this entire Section 1.1 -AND- I hereby represent that I conform to 1.1.1, 1.1.2 and 1.1.3 and **specifically warrant** that the US Social Security Number, or ITIN Number in California only, I am presenting and providing to CardEvo belongs only to me and has been legally obtained by me.*

ASSOCIATE SIGNATURE CONFIRMING THE ABOVE: _____

1.2 Associate understands and agrees that Associate shall be a self-employed independent contractor and CardEvo shall not control the Associate's work hours, number of hours worked or place of work. Associates shall source, own and use their own business tools including personal computer, tablet, mobile phone or any other office equipment. At no time shall anything in this agreement be construed to create an employee-employer relationship between CardEvo and the Associate.

1.3 Associate does not hold a franchise or distributorship with CardEvo; nor is Associate an agent of, partner with, owner of, officer of, or in a joint venture with CardEvo.

1.4 Associates shall be solely responsible for reporting and payment of all federal, state and local taxes based on business conducted or any form of income obtained under this agreement. This includes, but is not limited to, income taxes, payroll taxes, self-employment taxes, unemployment taxes, sales taxes, franchise taxes, intangible taxes and personal property taxes.

1.5 All individuals must certify that they currently meet, or shall promptly meet, the requirements and qualifications necessary to become an Associate under this Agreement.

1.6 Individuals shall become an Associate in the downline of Associate who recruited them. In the case of a remote recruitment or distance between locations, individuals may be credited to Associate “A” while also being in the downline of Associate “B”.

2. Associate Warranties

2.1 Associates agree to only represent themselves as an independent contractor and not an employee, owner or partner of CardEvo.

- 2.2 Associates agree not to present themselves to third parties as one who has the authority to make or execute contracts, agreements, covenants or any create ANY obligations on behalf of CardEvo or CardEvo's affiliated vendors companies. Associate understands and agrees to never denote or include any form or reference to CardEvo or any affiliated vendors, companies or partners on any leases, contracts or any other personal business agreements.
- 2.3 Associate agrees to comply with all policies, procedures, branding guidelines, rules, regulations and all other guidelines provided by CardEvo, as may be enacted or modified from time to time, and Associate shall comply with all policies, procedures, rules, regulations and guidelines of all affiliated vendors companies or other product providers with whom Associate may be appointed.
- 2.4 Associate agrees not to use any advertising or promotional material other than those provided by CardEvo, those specifically approved by CardEvo or those specifically provided and/or approved by CardEvo's affiliated vendors companies.
- 2.5 Associate agrees not to disclose or pay ANY commission in ANY manner or form to ANY other CardEvo Associate(s) and further agrees that commission payments must be properly administered and paid ONLY by CardEvo.
- 2.6 Associates agree to comply with ALL local, state and federal laws or regulations or ordinances governing their license(s), as may be obtained, and their actions as financial solution associates.
- 2.7 Associate agrees not to misrepresent CardEvo or CardEvo membership or any product offered by CardEvo's affiliated vendors companies.
- 2.8 Associate agrees not to institute any legal proceedings against CardEvo and forever waives any right to a formal jury trial and, instead, agrees to submit any and all disputes to binding arbitration under the rules of the American Arbitration Association "AAA" using an impartial mediator selected by and through AAA as part of a binding arbitration facilitated by AAA.
- 2.9 Associate acknowledges and hereby voluntarily consents to CardEvo obtaining a background check and authorizes and instructs CardEvo to obtain a credit and criminal background and/or driving record reports from a third party (utilizing a social security number trace or other information such as name, address or driver's license number) as CardEvo deems necessary in order to comply with CardEvo's obligations to vendors and Merchants.

3. Duties of the Associate

- 3.1 Associate shall conduct Associate's business in a legal, ethical, honest and fair manner and in the best interest of the Associate's clients and CardEvo.
- 3.2 Associates shall protect and preserve the reputation, integrity and dignity of CardEvo and its affiliated vendors at all times.
- 3.3 Associates shall be responsible for obtaining and maintaining any licenses and permits as required by the appropriate state, local and federal authorities governing business conducted under this agreement.
- 3.4 Associates shall at all times remain current on all license(s) continuing education requirements as may be required in their state of residence or by CardEvo's affiliated payment processing companies with which Associate is appointed.
- 3.5 Associates shall proactively and independently take steps to remain knowledgeable about CardEvo and the products and services offered by CardEvo's vendors and companies.
- 3.6 Associate shall conduct business activities including, but not limited to, leasing or purchasing a vehicle, leasing an office, purchasing business service ONLY in the name of Associate and NOT in the name of CardEvo Inc. See also

Section 1.2.

- 3.7 Associates shall reference CardEvo's Branding Guidelines and obtain approval from CardEvo for ALL permitted presentations or permitted representations of CardEvo and its logo / identity in the course of business.
- 3.8 Associates shall submit all applications and documents for financial solutions solicited hereunder to CardEvo for new business review, processing, renewals and submissions to CardEvo's home office within 24 hours of completion of the application(s) by the client.
- 3.9 Associate shall promptly coordinate the completion of, or obtain from, Associate's client(s), any documentation, or specific information as necessary to facilitate the underwriting process.
- 3.10 Associate shall, within 24 hours of approval, offer to deliver details to merchant(s) and coordinate the proceeding steps with the home office.
- 3.11 In the event CardEvo changes its association with any of its affiliated vendor companies, Associate agrees to promptly cooperate with CardEvo accordingly.
- 3.12 Associates shall immediately report to CardEvo any improper behavior, violations, acts of non-compliance, citations, warnings, or illegal acts for which the Associate has any knowledge.
- 3.13 Associate shall not solicit nor accept any funds from Associate's client(s) that are not made payable directly to CardEvo.
- 3.14 Training. Associate shall provide training to each Merchant and its employees in the Rules applicable to the Services, the operation of any terminal equipment supplied by Associate, CardEvo or vendor, including all requirements relating to the security of cardholder and other non-public personal information.
- 3.15 Service. During the term of and so long as Associate is receiving any compensation hereunder, Associate shall provide ongoing support to Merchants and remedy any customer service problems encountered by them. All requests for service by Merchants will receive a timely response from Associate.
- 3.16 No Financial Crime. Associate has never been convicted of a crime that involves fraud or dishonesty in a financial sector.
- 3.17 No Litigation. Associate is not a party to any pending litigation that would have an impact on the Agreement and has never been fined or penalized by Visa, MasterCard or any other association in the credit, payments, or banking industry.

4. Authority of the Associate

- 4.1 The Associate's authority under this agreement shall extend no further than is stated herein.
- 4.2 Associate is authorized by CardEvo to solicit applications for payment processing and related products offered by CardEvo's affiliated vendor companies (and non-payment processing companies) – but only those for which Associate is legally eligible to represent.
- 4.3 Associate is authorized to recruit other prospective Associate(s) to CardEvo and to facilitate the progress of such recruited Associate(s) as they navigate the training, licensing and financing process.
- 4.4 Associate has no authority to bind CardEvo or its affiliated vendors to any agreement or other financial obligation.
- 4.5 Associate has no authority to make any representations on behalf of CardEvo concerning reimbursement of ANY expenses, including, but not limited to, study-courses, licensing costs or office expenses.

5. Compensation of Associate

- 5.1 The Associate's compensation shall be determined by Associate's commission level as set forth in the CardEvo Compensation Plan, as may be amended from time to time in the sole discretion of CardEvo.
- 5.2 Associate may become entitled to override commissions for Associates that Associate recruits, trains and mentors on an ongoing basis, provided however, Associate holds all necessary licenses, meets jurisdictional requirements and has received authorization from CardEvo to be eligible for such overrides. Any such override commissions shall be computed and paid pursuant to the Associate's pay level as set forth in the CardEvo Compensation Plan.
- 5.3 Associate hereby agrees that any debit for chargeback from any of CardEvo's affiliated payment processing companies for business upon which Associate has been paid, or for which an Associate's downline Associate has been paid, or any other obligation due from Associate to CardEvo, shall be offset against current and/or future compensation due to Associate from CardEvo.

6. Advances to Associate

- 6.1 To the extent that CardEvo may have contracts with its affiliated vendors companies that advance commissions for new deals prior to when they would normally be earned, CardEvo may pay such advances to Associate as deemed appropriate. However, if a Merchant for which such a additional payment was paid ceases processing or terminates their Merchant Agreement within 12 consecutive months of this first transaction that they process under it, then Associate shall be obligated to repay the amount of the additional payment to CardEvo or, at the discretion of CardEvo shall deduct the amount thereof from future payments to Associate hereunder.
- 6.2 Associate acknowledges that CardEvo has a lien on Associate's earned commissions for new business and may apply said earned commissions to repay any advances made to Associates; and that Associate is personally responsible for repayment of any advances and/or commissions that have been charged-back.
- 6.3 Any advances and/or commissions paid to Associate by CardEvo become debts owed to CardEvo by Associate and Associate agrees to repay such debts should the client(s) cancel or lapse within the first 30 days. To the extent that Associate's downline Associates shall have chargebacks for commissions advances paid to Associate's downline Associates that are not or cannot promptly pay on demand, then, any such advanced commissions shall be "rolled-up" to the Associate, who shall be responsible for repayment.

7. Associate's Vesting Rights

- 7.1 All renewal commissions as may be earned on deals sold by Associate hereunder together with renewal commissions earned on all payment processing business sold by any other Associates that Associate is entitled to override hereunder, shall vest after twelve (12) consecutive months of uninterrupted payments as an Associate of CardEvo; WHILE ALSO remaining in good standing without being disciplined or placed on any form of probation by CardEvo, a business partner of CardEvo or any state's financing laws/regulations; WHILE ALSO having achieved the CardEvo level of Field Associate or higher.
- 7.2 The vesting percent shall be as determined in Associate Promotion Guidelines. The renewals earned hereunder shall be paid when received by CardEvo at the pay rate set forth in the CardEvo Compensation Plan. For-Cause Termination of Associate by CardEvo shall end the vesting rights.
- 7.3 Ownership of Merchants. As between CardEvo and Associate, CardEvo has full and exclusive ownership rights in all Merchant Agreements and all information relating to Merchants. CardEvo may have the right to cause the Vendor to assign Vendor's rights in all or any of the Merchant Agreements to any third party at any time and for any reason, in accordance with CardEvo's agreement with the Vendor and CardEvo may dispose of its right to receive compensation

in respect of some or all Merchants. If CardEvo disposes of some or all of its rights in respect of Merchants, CardEvo shall, at its discretion: (a) require the purchaser thereof to pay to the Associate all Residuals payable hereunder; and/or (b) pay Associate a single lump sum payment equivalent to the fair market value of the Associate's rights under this Agreement, as determined by CardEvo in its sole discretion, without consent or notice from or to Associate. In the event that Associate receives an offer to purchase its Residuals, Associate shall not have the right to consummate any such offer prior to providing CardEvo with a written copy of any offer so received by Associate and giving CardEvo a first right of refusal to purchase said residuals and related accounts. Such fair market value shall be between eight (8) to (24) times the monthly Residuals paid hereunder with a purchase price to be payable in two payments as follows: sixty percent (60%) of the purchase price shall be payable on closing of the transaction and forty percent (40%) of the purchase price shall be payable at the expiration of an eighteen (18) month warranty period OR one hundred percent (100%) upfront in the sole discretion of CardEvo. Following completion of (a) or (b), CardEvo shall not be itself obliged to pay any additional residuals or other compensation to Associate hereunder. CardEvo also has the right to change or terminate its sponsorship with Vendor and enter sponsorship with another Vendor at any time and without the consent of Associate.

8. Effects of Divorce

- 8.1 In the event of a divorce, CardEvo will not allow an Associate position or CardEvo Code Number to be partitioned or in any way divided unless there is a specific written agreement that is acceptable to CardEvo and agreed to by the divorcing spouses.
- 8.2 If any partition is agreed upon by CardEvo, such partition shall not become effective until the divorce is final per the divorce decree that is filed in, and confirmed "final" by, the state of jurisdiction. In such a case, if a promotion is granted after the divorce is final (per the aforementioned divorce decree), the promoted spouse will be subject to 3-Year vesting from the date of such promotion.
- 8.3 In the time period prior to finalization of the divorce decree, CardEvo will continue to recognize the individual named in the New Associate Agreement as the owner of the CardEvo Code Number. CardEvo will require that associates conduct themselves professionally in ALL ways at ALL times on a "business-as-usual" basis during the divorce process.

Associate compensation paid by CardEvo will continue to be paid as it was being paid prior to Associate communicating the pending divorce to CardEvo. In the event of a pending divorce, the Associate agrees to provide a copy of this Section 8 to legal representation advising and/or representing both parties.

9. Death of an Associate

See also: Section 12 – Termination.

- 9.1 Should any Associate die, that Associate's vested interest in all business described herein shall, if permitted by the appropriate legal or regulatory authorities, pass to designated individual or Associate's surviving spouse and shall continue under the terms and conditions of this agreement until the death of the surviving spouse or designated individual.
- 9.2 After the death of the surviving spouse, CardEvo shall have no obligation to pay any further compensation or payments.
- 9.3 CardEvo may offset any obligations or debts owed by Associate to CardEvo against payment of any vested rights in renewal commissions.

10. Duties of CardEvo to Associate

- 10.1 CardEvo shall offer, on a regular basis, multiple forms of training and support to Associate in marketing CardEvo and the products offered by CardEvo's affiliated payment processing companies or other product providers. This includes conventions, local meetings and training events.
- 10.2 CardEvo shall devote ongoing efforts to optimize its business support systems and the array of products offered by its affiliated companies.
- 10.3 CardEvo shall maintain its website and other business systems that enable, support and inform the Associate.

11. For-Cause Termination of Associate

This agreement may be unilaterally terminated For-Cause by CardEvo, upon any one of the following actions by the Associate:

- 11.1 Providing a false, stolen or otherwise fraudulent Social Security Number; providing a false, stolen or otherwise fraudulent ITIN Number in California; becoming an Associate by using an ITIN number while residing outside of California; claiming, presenting or using ANY form of personal identification that was issued to another individual by a government authority.
- 11.2 Intentional breach of Associate's Warranties in Section 2.
- 11.3 Intentional breach of Associate's Duties in Section 3.
- 11.4 Knowingly exceeding Associate's Authority in Section 4.
- 11.5 Failure to obtain and maintain all required licenses and permits.
- 11.6 Failure to conform to market conduct and/or compliance standards of governmental regulatory and/or licensing authorities.
- 11.7 Replacement or manipulation of in-force business written with CardEvo's affiliated vendors.
- 11.8 Poor persistence, defined as below 75%, over any 24-month period.
- 11.9 Abandonment or blatant disregard of a client's interests.
- 11.10 Abandonment of, or failure to properly train, supervise and assist, recruited Associates.
- 11.11 Selling away from CardEvo's affiliated vendors companies.
- 11.12 Affiliation with another direct marketing organization without prior authorization from CardEvo.
- 11.13 Affiliation with another payment processing agency or Independent Sales Organization (ISO) without prior authorization from CardEvo.
- 11.14 Recruiting "away" CardEvo Associates or those CardEvo Associates within a separate downline.
- 11.15 Utilizing non-approved advertising or promotional materials.
- 11.16 Misrepresentation, fraud, forgery, unethical or illegal business practices.
- 11.17 Misrepresenting the CardEvo business or making potential income claims to recruits or any others regarding the CardEvo business.
- 11.18 Failure to comply with the policies, rules, regulations, and guidelines of CardEvo or its affiliated vendors companies.

- 11.19 Commission of a felony or a high-order misdemeanor such as spousal or child abuse.
- 11.20 Acts of moral turpitude and/or substance abuse.
- 11.21 Without limiting its authority to terminate for-cause stated above, CardEvo reserves the right to issue warnings, fines, suspensions and other lesser sanctions for special circumstances, minor infractions or first offenses of Associates.
- 11.22 Engaging in conduct or activities that may or will create a conflict of interest.
- 11.23 Selling or marketing any other goods for any other third party that are similar or may be confused with services and/or products sold or marketed by CardEvo.

12. Termination of Agreement

This agreement shall terminate upon any of the following events:

- 12.1 The death of Associate (except for heir's vested rights, if any, hereunder);
- 12.2 If Associate becomes permanently disabled or incapacitated so that Associate cannot perform his duties hereunder;
- 12.3 Should CardEvo cease doing business with its affiliated vendors companies and fail to become affiliated with another vendors within a reasonable period;
- 12.4 Upon the written resignation of Associate; or
 - 12.4.1 Resignation must be communicated via a signed and dated formal written request made to the Associate's upline Director -AND- simultaneously submitted to CardEvo via fax or overnight courier or as an attachment emailed to team@cardevo.com.
- 12.5 Upon the For-Cause Termination of Associate by CardEvo.
- 12.6 Upon unilateral decision by CardEvo.
- 12.7 Upon termination – other than termination for cause - of the Associate, commissions will be held in escrow for a period of six months to ensure that there are no intentional chargebacks.
- 12.8 Automatic Termination. The Agreement will automatically terminate if: (i) Visa or MAsterCard prohibits CardEvo from providing, or prohibits Vendor from allowing CardEvo to provide, the services set forth in this Agreement; (ii) CardEvo ceases to be registered as an independent sales organization or member service provider with Visa or MasterCard; (iii) Vendor stops providing merchant services; or (iv) Vendor is no longer a member of MasterCard or Visa.

13. Covenants of Associate Upon Termination

Terminated Associate covenants, warrants and agrees that, should this Agreement terminate as stated herein, or otherwise by action of law:

- 13.1 Terminated Associate shall meet reasonable deadlines denoted in the termination letter or email from CardEvo.
- 13.2 Terminated Associate shall return all marketing materials, recruiting materials, training materials, sales manuals and forms, and any other materials or documents generated by CardEvo for the benefit and use of Associate.
- 13.3 Terminated Associate shall immediately resign from all deals with CardEvo and affiliated vendors and cease and

refrain from all sales activities with CardEvo and CardEvo's vendor affiliates and turn over all active client files, leads and applications to CardEvo.

- 13.4 Terminated Associate shall not disclose any confidential or proprietary information by, from or about CardEvo or its business operations that were obtained by Associate (unless such information is generally known or has been publicly disclosed).
- 13.5 Terminated Associate shall not replace nor exchange any financing/payment processing solutions or contracts generated by Associate or his downline recruits for a period of five (5) years after termination.
- 13.6 Terminated associates shall not compete directly or indirectly with CardEvo or any affiliated vendors for a period of thirty six (36) months after a For-Cause Termination or for a period of twenty four (24) months after a voluntary resignation from CardEvo. As a consequence of any action, suit or proceeding brought under this Agreement, the prevailing party shall be entitled to its costs, expenses, and if law permits, its reasonable attorneys' fees.
- 13.7 Terminated Associate shall not recruit away, induce or attempt to induce CardEvo Associates to depart CardEvo to sell or solicit products and services which are competitive with CardEvo for a period of twenty-four (24) months.

14. Miscellaneous

- 14.1 **Modifications.** CardEvo shall not be bound by any promise, agreement or understanding heretofore or hereafter made, unless made in writing and signed by a CardEvo executive containing detailed terms that modify this agreement.
- 14.2 **Indebtedness.** Any indebtedness of Associate to CardEvo shall be considered a loan payable upon demand. As security for any such indebtedness, CardEvo shall have a first lien upon any compensation payable to Associate under this agreement and CardEvo may deduct the same from any such compensation due the Associate.
- 14.3 **No Waiver.** The failure of CardEvo to enforce any provision of the agreement or any policy, procedure, rule or regulation that it may promulgate, shall not constitute a waiver thereof.
- 14.4 **Entire Agreement.** This agreement and its attached and signed exhibits, if any, supersedes all prior agreements of any type or form and supersedes all forms of any communications prior to the execution hereof.
- 14.5 **Construction.** Should any part of this agreement be deemed, held or ruled to be invalid, illegal or otherwise unenforceable, the remainder of this agreement shall remain in force and be enforceable by its terms.
- 14.6 **Choice of Law/Forum.** Should there be any disagreement as to the interpretation, breach or other default under this agreement, the parties agree that the choice of the law shall be the State of New York. All parties consent to jurisdiction and venue in Nassau County, New York for disputes that may arise hereunder. This clause does not vacate the arbitration provision in Section 2.9.
- 14.7 **Counterparts.** This Agreement may be executed solely online with paper printout copies optional. The online Agreement shall be signed electronically and such "e-signatures" shall be legally binding.
- 14.8 **Photos and Videos Taken.** Associate understands that photos and videos are taken at various CardEvo events and business functions and these may include Associate's image. Associate forever grants full permission and all rights to CardEvo and acknowledges and allows pictures or videos containing Associate to be used by the company without any compensation to the Associate. This includes, but is not limited to, marketing materials, company websites, social media websites, training materials, books and company videos of any kind. Associate further understands these materials may be published and sold or otherwise distributed in the normal course of company business broadly to the public at events or via the Internet.

DATE _____

NAME OF ASSOCIATE _____

SIGNATURE OF ASSOCIATE _____

DESIGNATED BENEFICIARY _____

NAME OF ASSOCIATE'S SPOUSE
*If there is no spouse, please write the name of
whom shall be the designated beneficiary*

[End of Agreement]