

## **AFE REFERRER AGREEMENT**

**WHEREAS**, Company is a duly licensed insurance agency and provides, among other things, exclusive management services for the **ASSOCIATION FOR ENTREPRENEURSHIP USA** (referred to herein as “Association”), and

**WHEREAS**, Association is a membership organization formed in 1991 under the nonprofit corporation laws of the State of Illinois for the purposes of being a trade association for Association’s members who have a common interest of being Individual Entrepreneurs, defined as persons who organize, operate and assume the risk for a business venture or other enterprise and includes a “Gig” or even “Micro Gig” worker who earns income providing on-demand work, services or goods through temporary, contract or freelance jobs. These activities may be full-time, part-time or even seasonal activities; and

**WHEREAS**, in the course of Referrer’s business Referrer may, from time to time, come across business opportunities that Referrer may desire to refer to Company and/or Association and the parties desire to enter into a relationship which will address the scenario of when and how such referrals are made and the rights and responsibilities of the parties that may arise in such instances;

**NOW, THEREFORE**, in consideration of the mutual covenants contained herein, and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

### **AGREEMENT**

1. **Appointment by Company.** Company appoints Referrer, on a non-exclusive basis, for the purposes of referring to Company prospects and customers either directly or through other business relationships of Referrer, collectively referred to herein as “Customers”).
2. **Duties of Company.** Company will make individual Association memberships available to any Customers introduced by or through Referrer, subject to state availability. With regard to the sales of the various Association memberships offered and any services and products included in such memberships Company, on behalf of Association, shall have the ultimate, sole and absolute discretion and authority to determine the prices and terms of any Association memberships and how such memberships are marketed and administered.
3. **Grant of Limited Right to Use.** Referrer grants Company a limited right to use the name of any Customer provided to Company by Referrer, either directly or indirectly, solely for the purpose of enabling Company to perform its duties and obligations under this Agreement. Ownership of Referrer’s Customer list will at all times remain with Referrer.
4. **Intellectual Property.** Each party shall own and retain all right, title and interest in their technology platforms, trade names, logos, marks, texts, trademarks, service marks, product names, service names, service emblems, symbols, slogans, internet domain names, copyrights, patents, trade secrets and proprietary technology, including, without limitation, those currently used or which

may be developed and/or used by it in the future, customer or member lists and all business goodwill associated therewith ("Intellectual Property"). Except as provided in this Agreement, neither party may distribute, sell, reproduce, publish, display, perform, prepare derivative works or otherwise use any of the Intellectual Property of the other Party without the express written consent of such party. Neither party shall use the other party's Intellectual Property in a manner that defames the other party or its products or services or the other party's trade names, trademarks, service marks or other intellectual property.

5. **Disclaimer.** The parties understand and acknowledge that neither Association nor Company is an insurance company. Pursuant to the terms of this Agreement, Referrer is not acting as an insurance agent, broker or producer. Referrer is only granting Company a limited right to access certain contacts of Referrer in order for Company to perform the Company's duties hereunder. Referrer shall not, under any circumstances, discuss or provide information of any kind about any specific terms, conditions or limitations of any group insurance policy that may be included as a benefit of any Association membership with any person and shall not render any opinion or advice regarding the purchase of any such insurance product. It is expressly agreed and understood that no part of the compensation payable by Company under this Agreement shall constitute, directly or indirectly, payment of any commission or other valuable consideration for a service performed as, or acting as, an insurance agent, broker or producer.

6. **Compensation.**

6.01 **Compensation.** During the term of this Agreement and any renewals thereof, including any payments made pursuant to Section 7.05, Company shall pay Referrer a referral fee in the amount of **\$1.00** per member per month ("PMPM") for any individual referred by Referrer, either directly or indirectly, that purchases any Association membership through Company. Other compensation may also be paid on a case-by-case basis if agreed to in writing in advance by both parties. Covered dependents of a primary Association member do not count as additional members.

6.02 **Payment.** Compensation shall become due to Referrer only upon actual receipt by Company of any monies due Company as a result of the sale of Association's memberships made under the terms of this Agreement. Compensation shall be paid by Company to Referrer monthly on or before the 20<sup>th</sup> day of each calendar month for business in force during the preceding month. Company shall provide Referrer with a statement showing the persons covered by any payment or in a format approved by both parties. Company will be liable for all expenses of soliciting, promoting, placing and administering any Association memberships that are subject to this Agreement.

7. **Term; Termination.**

7.01 **Term of Agreement.** The term of this Agreement ("Initial Term") shall commence on the Effective Date and shall continue for a period of one (1) year and shall automatically renew for successive one-year periods unless earlier terminated or extended as provided herein.

7.02 **Termination.** Except for the Initial Term of this Agreement, either party to this

Agreement may, in the party's sole discretion and for any reason whatsoever, terminate this Agreement prior to the expiration of the then current term of this Agreement by delivering notice in writing to the other party, within at least ninety (90) days prior to the expiration of the then current term, stating the effective date of the termination.

**7.03 Termination for Cause.** Either party shall have the right to immediately terminate this Agreement "for cause" by sending to the last known address of the other party a written notice of such termination in the event such other party: (a) fails to strictly comply with any federal or state law, regulation, rule or bulletin or fails to cooperate with any regulatory investigation; (b) other than as allowed under the terms of this Agreement, withholds any money or property belonging to the other party; (c) performs any fraudulent act in reference to the business under the terms of this Agreement, as proven by a court of competent jurisdiction; or (d) breaches any provision of this Agreement. If the event entitling the party giving notice to terminate this Agreement for cause is capable of being fully cured, then such termination shall not be effective if such default is cured in all material respects within thirty (30) calendar days after such notice is received by the defaulting party; provided, however, that if the nature of the event is such that the same cannot be cured within such thirty (30) calendar day period, then the termination will be effective on the last day of such period.

**7.04 Automatic Termination.** This Agreement shall automatically terminate as of the adjudged incompetency or date of death of Referrer. In the event of the adjudged incompetency of Referrer, any compensation due Referrer under this Agreement shall be paid when due to Referrer's legal representative. In the event of the death of Referrer, any compensation due Referrer under this Agreement shall be paid when due to the lawful spouse of Referrer, if living; otherwise to Referrer's surviving children, equally; otherwise, to the estate of Referrer. This Agreement will also automatically terminate on (a) the date legislation is effective or any court interprets a law so as to prohibit the continuation of this Agreement, or (b) the date on which either party initiates a petition in bankruptcy or for reorganization, suffers to be filed against it a petition in bankruptcy or reorganization and fails to cause such petition to be dismissed within sixty (60) days, or admits insolvency or is adjudicated insolvent, as to that bankrupt party.

**7.05 Post Termination Compensation.** Except for a Termination for Cause, Referrer's right to receive compensation shall be vested and payable to Referrer after termination of this Agreement as long as Association monthly membership fees due continue to be paid by any Customers of Referrer, which Company has already accepted or in the future shall accept, as long as that business (or any portion thereof) remains in force and is administered by or on behalf of the Association by Company.

## **8. Confidential Information.**

**8.01 Confidential Information.** The parties each agree and acknowledge that pursuant to the terms and conditions of this Agreement they will acquire knowledge and information about each other and each other's respective business, products, business contacts, clients, agents, contractors, suppliers and other vendors. This Agreement and such knowledge and information would appear to a reasonably prudent person to be non-public, confidential and proprietary in nature ("Confidential Information"). Confidential Information shall include but not be limited to all non-public information disclosed, whether written or oral, that is designated as confidential or

that, given the nature of the information or the circumstances surrounding its disclosure, reasonably should be considered as confidential and includes “trade secrets”. Trade secrets means information, including a formula, pattern, compilation, program, device, method, technique, process, financial data or list of actual or potential customers or suppliers that (a) derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use, and (b) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. Confidential Information does not include information that (a) was publicly known through no unauthorized act of the receiving Party, or otherwise known to the receiving Party without an obligation of confidentiality, at the time of disclosure, (b) subsequently becomes publicly known through no unauthorized act or omission of the receiving Party, (c) is rightfully received from a third party without an obligation of confidentiality; and (d) is independently developed by the receiving party without the use of the disclosing party's Confidential Information.

**8.02 Non-Disclosure and Protection of Confidential Information.** Each party (a) shall hold Confidential Information received from the other party in strict confidence, (b) shall not use Confidential Information in any way, commercially or otherwise, and (c) shall not disclose Confidential Information, in whole or in part, to any third party or other unauthorized person or entity except a party may disclose Confidential Information to its’ directors, officers, employees and agents or any affiliate that is controlled by, controlling or under common control with it, solely for the purpose of performing the functions and activities and/or providing the services or products pursuant to the terms and conditions of this Agreement. Confidential Information may, however, be disclosed as follows:

- (a) to a party’s legal counsel, accountants or other financial advisors;
- (b) if such disclosure is approved in advance, in writing, by the non-disclosing party,
- (c) if requested by a governmental authority or otherwise pursuant to a subpoena or binding court order, provided the disclosing party delivers prior written notice to the non-disclosing party within five (5) business days of any such action so the non-disclosing party may make such objections or otherwise intervene in the proceedings as it deems proper; or
- (d) to the extent required by applicable laws or regulations.

Each party shall promptly report to the other party any unauthorized disclosure or use of any Confidential Information of which it becomes aware. Upon request, each party shall return to the other party or destroy (and provide an appropriate written destruction certificate) all Confidential Information in its possession or control. No disclosure by a party of Confidential Information to the other party shall constitute a grant to the other party of any interest or right whatsoever in such Confidential Information, which shall remain the sole property of the disclosing party.

**8.03 Member Information.** The information concerning all persons who have joined and remain members of the Association through the efforts of Referrer, either directly or indirectly,

shall be considered Confidential Information of both parties.

8.04 **Injunctive Relief.** The Parties agree that the remedy at law for breach of any provision of this section may be inadequate and that, in addition to any other remedies at law that a party may have, the prevailing party shall be entitled to temporary and permanent injunctive relief without the necessity of proving actual damages. The failure to designate particular information as confidential and/or proprietary shall not preclude any later claim by a party that such information is confidential and proprietary. The terms of this section will survive for a period of two (2) years after any termination or expiration of this Agreement provided that such term shall survive indefinitely with respect to Confidential Information that constitutes a trade secret, until the information is no longer a trade secret under applicable law.

9. **Compliance.** Unless specifically prohibited by direction of any state or federal authority, a party shall notify the other party in writing within five (5) business days of the commencement of any material action, suit or proceeding, and of the issuance of any subpoena, order, writ, injunction, decree or judgment of any court, agency or other governmental entity involving such party pertaining to any matter subject to this Agreement. Both parties agree that the party responsible for any violation hereunder will be responsible for reasonable costs and expenses of both parties, including court costs and attorneys' fees, arising from or in connection with said violation.

10. **Indemnification.**

10.01 **Indemnification.** Each party (the "Indemnifying Party") will indemnify, hold harmless and defend the other party and their respective affiliates (an entity which controls, is controlled by, or is in common control with the party), shareholders, members, managers, directors, officers and employees (collectively, the "Indemnified Party") from and against any and all claims, losses, damages, liabilities, fines, penalties, costs and expenses (including reasonable attorneys' fees), involving a third party claim arising, directly or indirectly, out of, from or in connection with any conduct by the Indemnifying Party which is awarded as part of a final judgment or settlement by a court of competent jurisdiction or a binding arbitration award. This provision shall also include but is not limited to, any costs incurred by the Indemnified Party for any investigation or proceeding of any regulatory or governmental body in which the Indemnified Party is named and is determined not to have performed any unauthorized act or omission. The provisions of this section shall survive the termination of this Agreement.

10.02 **Conditions of Indemnification.** The parties hereunder shall have a right to be indemnified and held harmless herein; provided, however, that the party seeking such indemnification (a) notifies the party from whom indemnification is sought of such action, claim or proceeding; (b) does not have attributed to it in regard to such claims, damages, losses or expenses any negligent act or omission, nor its parents, affiliates, subsidiaries, contractors, subcontractors or agents; (c) provides the party from whom indemnification is sought with all information reasonably accessible to it for such party to defend that action, claim or proceeding; and (d) cooperates with the party from whom indemnification is sought in regard to its defense or settlement of the action, claim or proceeding. The party seeking such indemnification shall have the right, at its own expense, to participate in the defense of any action, claim or proceeding for

which it is indemnified and which has been assumed by this obligation or indemnity hereunder; however, it shall have no right to control the defense, consent to judgment, or agree to settle any such action, claim or proceeding without the prior written consent of the party from whom such indemnification is sought.

10.03 **Limit of Liability.** If allowed by applicable state law, neither party shall be liable to the other party for any indirect, punitive, incidental, special, consequential or exemplary damages, including damages resulting for lost profits, loss of goodwill, loss of data or other intangible losses, arising out of or relating to this Agreement. This limitation of liability applies whether the alleged liability is based on contract, tort, negligence, strict liability, or any other basis.

11. **Books and Records.** Each party shall maintain adequate books and records of all transactions arising out of this Agreement. Such records and accounts shall be maintained in a commercially reasonable manner and form and in accordance with generally accepted accounting practices and applicable state or federal record retention statutes. Each party agrees to permit the other party to inspect and audit all books and records relating to this Agreement. The requesting party must give the other party reasonable notice and conduct the inspection and audit during regular business hours and shall bear any expense related to the audit.

12. **Non-Circumvention.**

12.01 **Non-Circumvention – Employees, Agents or Sales Representatives.** During the term of this Agreement and for a period of one (1) year thereafter, a party shall not knowingly employ or engage or offer to employ or engage any person who is then (or was at any time within one (1) year prior to the time of such employment, engagement or offer) an employee, sales representative or agent of another party, without the prior written consent of such party.

12.02 **Non-Circumvention – Association Members.** Upon termination of this Agreement and for a period of one (1) year thereafter, Referrer agrees that Referrer will not take any systematic action to cause or attempt to cause any Association members to cancel or non-renew their membership or participation in any membership program offered by Association.

12.03 **Non-Circumvention – Referrer Business.** Company agrees not to approach, engage with or attempt to do business with any individual or entity introduced to Company by Referrer for the term of this Agreement and for a period of one (1) year thereafter, without the prior written consent of Referrer.

13. **General Provisions.**

13.01 **Entire Agreement.** This Agreement, including any exhibits, schedules or subsequent amendments, constitutes the entire agreement between the parties and supersedes all related prior agreements, discussions, communications and proposals.

13.02 **Amendments.** The terms of this Agreement may not be amended unless accepted and approved in writing by both parties. If changes to this Agreement are required by any law, then this Agreement may be amended in accordance with and subject to that law. If either party

objects to the interpretations of such law, the parties may mutually agree to modify or terminate the Agreement at a mutually agreed upon date.

**13.03 Assignment.** A party may not assign any rights or obligations under the terms of this Agreement without the prior written consent of the other party, which approval shall not be unreasonably withheld; provided, however, that either party may assign this Agreement, without the consent, to an entity that owns a majority of the voting equity interests of the assigning party or an entity in which the assigning party owns a majority of the voting equity interests, or to any successor entity by way of reorganization, merger, acquisition, or the sale of all or substantially all of the assigning party's assets or business to which this Agreement pertains.

**13.04 Relationship of the Parties.** The parties acknowledge that the only relationship between the parties is that of independent contractors. This Agreement does not and shall not be construed to create any partnership, joint venture, employer-employee, agency or franchisor-franchisee relationship between the parties. Neither party will provide any employee benefits or withhold any sums for income tax, franchise tax, social security, unemployment insurance or any other employee withholding, on behalf of the other party.

**13.05 No Third-Party Beneficiaries.** Nothing in this Agreement will confer upon any person, other than the parties, any rights, remedies, obligations or liabilities whatsoever.

**13.06 Binding Effect.** This Agreement shall be binding upon and shall inure to the benefit of the parties, their respective heirs, legal representatives, successors and permitted assigns.

**13.07 Notice.** Any notice required by this Agreement shall be in writing and shall be delivered by regular first-class US mail (postage prepaid), a nationally recognized reputable overnight courier service, by email including/receiving a confirming read receipt, facsimile transmission, certified or registered mail, return receipt requested, or verifiable personal delivery. Notice shall be considered delivered on the date of receipt except for regular mail which shall be deemed delivered five (5) days after deposit in the mail. Notices shall be sent to the addresses set forth in this Agreement or such other address as either party may specify in writing. Each party shall be responsible for notifying the other party or parties of a change in address and until such change of address is received by the other party or parties, any notice addressed to the previously designated place of business shall be deemed sufficient.

**13.08 No Waiver.** No waiver of any term of this Agreement shall be deemed a further or continuing waiver of such term or any other term, and a party's failure to assert any right or provision under this Agreement shall not constitute a waiver of such right or provision.

**13.09 Force Majeure.** A party will not be deemed in breach of this Agreement due to any event or occurrence beyond the party's control, including, without limitation, acts of God, storms, lockouts, shortage of labor, problems in obtaining raw materials or production facilities, terrorism, war, invasion, disease, epidemic, failures of any public networks or transportation networks, electrical shortages, equipment shortage, earthquakes or floods, civil disorder, strikes, fire, or other disaster.

13.10 **Severability.** If any provision of this Agreement violates any applicable law or regulation or is deemed invalid by a court of competent jurisdiction, the invalidity of such provision shall not affect the validity of the remaining provisions of this Agreement, which shall remain in full force and effect.

13.11 **Attorney Fees and Costs.** If a suit is brought by either party to enforce the terms of this Agreement, and such party prevails in court on such suit, the other party agrees to pay all costs in connection with such suit, including reasonable attorney fees and court costs.

13.12 **Governing Law.** All questions regarding the interpretation or enforcement of this Agreement shall be governed by the laws of the State of **Arizona**, without regard to conflict of law principles, except to the extent that federal law applies.

13.13 **Dispute Resolution and Arbitration.** The parties agree to work together in good faith to resolve any disputes arising under this Agreement. If the parties are unable to resolve the dispute in good faith within sixty (60) days following the date one party sends written notice of the dispute to the other party, the sole and exclusive remedy for any dispute shall be binding arbitration as the parties do not want the delay or expense of lawsuits; *provided, however, in the event a party is alleged to have breached any non-compete provisions, disclosed confidential information or improperly used copyrights, names, trademarks, service marks, or logos, the other party may file suit in a court of competent jurisdiction to obtain a restraining order and/or injunctive relief to resolve the dispute.* Arbitration shall be conducted in English before one arbitrator in **Maricopa County, State of Arizona**, unless another location is agreed to by the parties in accordance with the Commercial Rules of the American Arbitration Association. Both parties agree that a person who does not reside in the state where the arbitration is being held may appear at all proceedings via electronic means (i.e. “Zoom” or equivalent). During the arbitration process, all arbitration fees and expenses shall be paid by the party bringing the arbitration action, unless otherwise agreed. At the end of the arbitration process, all arbitration fees and expenses shall be paid by the non-prevailing party. A prevailing party may enforce the award rendered by the arbitrator in any court of competent jurisdiction.

13.14 **Electronic Storage of Document (Scanning and Photocopies).** The parties agree and stipulate that the original of this Agreement, including the signature page, may be scanned and stored in a computer database or similar device, and that any printout or other output readable by sight, the reproduction of which is shown to accurately reproduce the original of this Agreement, may be used for any purpose just as if it were the original, including proof of the content of the original writing.

13.15 **Construction.** Headings of all sections and paragraphs used in this Agreement are for reference purposes only and shall not constitute substantive matter to be considered in construing the terms of this Agreement.

13.16 **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall be one and the same agreement. The delivery by facsimile, scanned pdf or other electronic means of transmission of a copy of counterpart signature page on behalf of a party is as effective as executing and delivering



the original counterpart signature page to the other party.

13.17 **Authority.** Each party represents that it has all requisite corporate power and authority to enter into this Agreement, has sought the advice of legal counsel, and the execution, delivery and performance of this Agreement have been duly authorized by all required corporate action on the part of each party.

**IN WITNESS WHEREOF,** the parties have executed this Agreement to be effective as of the date INCLUDED ON THE ENROLLMENT FORM.