

## ***CORE CONSULTANT AGREEMENT***

This Agreement is made effective as of \_\_\_\_\_, 2004, by and between The ProShop@Home, Inc., of 7837 Keystone Road, Orland Park, Illinois 60462, and \_\_\_\_\_ of \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_

In this Agreement, the party who is contracting to receive services shall be referred to as "The Company", and the party who will be providing the services shall be referred to as "Consultant".

Consultant has a background in Sales and is willing to provide services to The Company based on this background.

The Company desires to have services provided by Consultant.

Therefore, the parties agree as follows:

**1. DESCRIPTION OF SERVICES.** Beginning on \_\_\_\_\_, 2004, Consultant will provide the following services (collectively, the "Services"):

Actively seek out interested individuals for the purpose of hosting an in-home golf party. Executing said in-home golf party for the purpose of selling Companies products. Said parties to contain as a minimum technology discussion, entertainment section and a game of skill such as a putting contest. Further, it is understood that Consultant represents said Company and therefore shall presents themselves in a professional manner. Said Consultant during the course of executing a party shall have appropriately displayed at least two instances of said Company's logo and name (i.e. Golf shirt with Company logo). Further, said Consultant will actively solicit for the purpose of recruiting potential Consultants.

**2. PERFORMANCE OF SERVICES.** The manner in which the Services are to be performed and the specific hours to be worked by Consultant shall be determined by Consultant. The Company will rely on Consultant to work as many hours as may be reasonably necessary to fulfill Consultant's obligations under this Agreement.

**3. COMMISSION PAYMENTS.** The Company will make commission payments to Consultant based on Gross Sales.

For an annual fee of \$99 said Core Consultant will be allowed to actively market and sell golf equipment and apparel through providing in-home golf parties and via an interactive website on the world wide web. The Company will provide a website with a URL of

1<sup>st</sup> Choice www.\_\_\_\_\_.com  
2<sup>nd</sup> Choice www.\_\_\_\_\_.com  
3<sup>rd</sup> Choice www.\_\_\_\_\_.com

The Company will make commission payments to Consultant based on Gross Profit on Sales. For the purpose of this Agreement, Gross Profit on Sales is defined as Selling Price minus Cost of Goods Sold (COGS) according to the following schedule:

- 40% of Gross Profit on Sales for a period of one month after sale.
- 12% of 1<sup>st</sup> down-line Core Consultant Gross Profit on Sales
- 10% of 2<sup>nd</sup> down-line Core Consultant Gross Profit on Sales
- 8% of 3<sup>rd</sup> down-line Core Consultant Gross Profit on Sales

*a. Definitions.*

Gross profit is defined as Sales – Cost of Goods Sold. Gross profit can change.

A Core Consultant is defined as a Host or Hostess who has been signed to contract and who has chosen to establish their own online pro shop. A 1<sup>st</sup> down-line Core Consultant is defined as a Core Consultant who was personally recruited by said Consultant. A 2<sup>nd</sup> down-line Core Consultant is a person who has been recruited by a 1<sup>st</sup> down-line Core Consultant. A 3<sup>rd</sup> down-line Core Consultant is a person who has been recruited by a 2<sup>nd</sup> down-line Core Consultant.

*b. Payment Schedule.* The commission payments shall be payable monthly, no later than the fifth day of the month, each payment corresponding to the monthly period that ended approximately fifteen days prior to the payment date.

*c. Accounting.* The Company shall maintain records in sufficient detail for purposes of determining the amount of the commission. The Company shall provide to Consultant a written accounting that sets forth the manner in which the commission payment was calculated.

*d. Right to Inspect.* Consultant, or Consultant's agent, shall have the right to inspect The Company's records for the limited purpose of verifying the calculation of the commission payments, subject to such restrictions as The Company may reasonably impose to protect the confidentiality of the records. Such inspections shall be made during reasonable business hours as may be set by The Company.

**4. EXPENSE REIMBURSEMENT.** Consultant shall pay all "out-of-pocket" expenses, and shall not be entitled to reimbursement from The Company.

**5. SUPPORT SERVICES.** The Company will provide the following support services for the benefit of Consultant:

- Business Material Artwork including Brochures, business cards, etc.
- Email account
- Web eCommerce
- Sales Training.

**6. TERMINATION.** This Agreement may be terminated by either party upon 30 days written notice to the other party.

**7. RELATIONSHIP OF PARTIES.** It is understood by the parties that Consultant is an independent contractor with respect to The Company, and not an employee of The Company. The Company will not provide fringe benefits, including health insurance benefits, paid vacation, or any other employee benefit, for the benefit of Consultant.

**8. DISCLOSURE.** Consultant is required to disclose any outside activities or interests, including ownership or participation in the development of prior inventions, that conflict or may conflict with the best interests of The Company. Prompt disclosure is required under this paragraph if the activity or interest is related, directly or indirectly, to:

- a product or product line of The Company
- any activity that Consultant may be involved with on behalf of The Company

**9. EMPLOYEES.** Consultant's employees, if any, who perform services for The Company under this Agreement shall also be bound by the provisions of this Agreement. At the request of The Company, Consultant shall provide adequate evidence that such persons are Consultant's employees.

**10. INJURIES.** Consultant acknowledges Consultant's obligation to obtain appropriate insurance coverage for the benefit of Consultant (and Consultant's employees, if any). Consultant waives any rights to recovery from The Company for any injuries that Consultant (and/or Consultant's employees) may sustain while performing services under this Agreement and that are a result of the negligence of Consultant or Consultant's employees.

**11. INDEMNIFICATION.** Consultant agrees to indemnify and hold The Company harmless from all claims, losses, expenses, fees including attorney fees, costs, and judgments that may be asserted against The Company that result from the acts or omissions of Consultant, Consultant's employees, if any, and Consultant's agents.

**12. ASSIGNMENT.** Consultant's obligations under this Agreement may not be assigned or transferred to any other person, firm, or corporation without the prior written consent of The Company.

**13. INTELLECTUAL PROPERTY.** The following provisions shall apply with respect to copyrightable works, ideas, discoveries, inventions, applications for patents, and patents (collectively, "Intellectual Property"):

*a. Consultant's Intellectual Property.* Consultant personally holds an interest in the Intellectual Property that is described on the attached Exhibit A and which is not subject to this Agreement.

*b. Development of Intellectual Property.* Any improvements to Intellectual Property items listed on Exhibit A, further inventions or improvements, and any new items of Intellectual Property discovered or developed by Consultant (or Consultant's

employees, if any) during the term of this Agreement shall be the property of The Company. Consultant shall sign all documents necessary to perfect the rights of The Company in such Intellectual Property, including the filing and/or prosecution of any applications for copyrights or patents. Upon request, Consultant shall sign all documents necessary to assign the rights to such Intellectual Property to The Company.

**14. CONFIDENTIALITY.** The Company recognizes that Consultant has and will have the following information:

- inventions
- costs
- future plans
- business affairs
- process information
- trade secrets
- customer lists
- copyrights

and other proprietary information (collectively, "Information") which are valuable, special and unique assets of The ProShop@Home, Inc. and need to be protected from improper disclosure. In consideration for the disclosure of the Information, Consultant agrees that Consultant will not at any time or in any manner, either directly or indirectly, use any Information for Consultant's own benefit, or divulge, disclose, or communicate in any manner any Information to any third party without the prior written consent of The Company. Consultant will protect the Information and treat it as strictly confidential. A violation of this paragraph shall be a material violation of this Agreement.

**15. UNAUTHORIZED DISCLOSURE OF INFORMATION.** If it appears that Consultant has disclosed (or has threatened to disclose) Information in violation of this Agreement, The Company shall be entitled to an injunction to restrain Consultant from disclosing, in whole or in part, such Information, or from providing any services to any party to whom such Information has been disclosed or may be disclosed. The Company shall not be prohibited by this provision from pursuing other remedies, including a claim for losses and damages.

**16. CONFIDENTIALITY AFTER TERMINATION.** The confidentiality provisions of this Agreement shall remain in full force and effect after the termination of this Agreement.

**17. SERVICES TO THIRD PARTIES.** The parties recognize that Consultant may provide consulting services to third parties. However, Consultant is bound by the confidentiality provisions of this Agreement, and Consultant may not use the Information, directly or indirectly, for the benefit of third parties.

**18. NON-COMPETE AGREEMENT.** Recognizing that the various items of Information are special and unique assets of The Company that need to be protected from disclosure, and in consideration of the disclosure of the Information, Consultant agrees

and covenants that for a period of 3 years following the termination of this Agreement, whether such termination is voluntary or involuntary, Consultant will not directly or indirectly engage in retailing golf equipment, accessories and apparel through direct sell in-home parties. This covenant shall apply to the geographical area that includes the United States. Directly or indirectly engaging in said direct sell in-home parties includes, but is not limited to, (i) engaging in a business as owner, partner, or agent, (ii) becoming an employee of any third party that is engaged in such business, or (iii) becoming interested directly or indirectly in any such business, or (iv) soliciting any customer of The Company for the benefit of a third party that is engaged in such business. Consultant agrees that this non-compete provision will not adversely affect the livelihood of Consultant.

**19. RETURN OF RECORDS.** Upon termination of this Agreement, Consultant shall deliver all records, notes, data, memoranda, models, and equipment of any nature that are in Consultant's possession or under Consultant's control and that are The Company's property or relate to The Company's business.

**20. NOTICES.** All notices required or permitted under this Agreement shall be in writing and shall be deemed delivered when delivered in person or deposited in the United States mail, postage prepaid, addressed as follows:

IF for The Company:

The ProShop@Home,Inc.  
Gregory K. Qualizza  
President  
7837 Keystone Road  
Orland Park, Illinois 60462

IF for Consultant:

\_\_\_\_\_  
Principle  
\_\_\_\_\_  
\_\_\_\_\_, \_\_\_\_\_

Such address may be changed from time to time by either party by providing written notice to the other in the manner set forth above.

**21. ENTIRE AGREEMENT.** This Agreement contains the entire agreement of the parties and there are no other promises or conditions in any other agreement whether oral or written. This Agreement supersedes any prior written or oral agreements between the parties.

**22. AMENDMENT.** This Agreement may be modified or amended if the amendment is made in writing and is signed by both parties.

**23. SEVERABILITY.** If any provision of this Agreement shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Agreement is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

**24. WAIVER OF CONTRACTUAL RIGHT.** The failure of either party to enforce any provision of this Agreement shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Agreement.

**25. APPLICABLE LAW.** This Agreement shall be governed by the laws of the State of Illinois.

Party receiving services:  
The ProShop@Home, Inc.

By: \_\_\_\_\_  
Gregory K. Qualizza  
President

Party providing services:

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

**EXHIBIT A**  
*Intellectual Property*

Copyrightable works, ideas, discoveries, inventions, applications for patents and patents.

**CONSULTANT FEE**

**First Name:** \_\_\_\_\_ **Last Name** \_\_\_\_\_

**Address:** \_\_\_\_\_, **City:** \_\_\_\_\_ **State:** \_\_\_\_\_

**Zip Code:** \_\_\_\_\_ **email:** \_\_\_\_\_

**Date:** \_\_\_\_\_, 20\_\_\_\_

**Core Consultant (\$99/year)** \_\_\_\_\_ **Associate Consultant (\$49/year)** \_\_\_\_\_

**VISA** \_\_ **MASTERCARD** \_\_ **AMEX** \_\_ **DISCOVER** \_\_

**Card Number** \_\_\_\_\_

**Exp Date:** \_\_\_\_\\_\_\_\_ **Panel Code:** \_\_\_\_\_

**Website 1<sup>st</sup> Choice:** www.\_\_\_\_\_.com

**Website 2<sup>nd</sup> Choice** www.\_\_\_\_\_.com

**Website 3<sup>rd</sup> Choice** www.\_\_\_\_\_.com

**I hereby authorize The ProShop@Home, Inc. to charge my credit card for the amount shown above. I understand that my credit card will be charged an annual fee shown above each year on the date shown.**

**Signed:** \_\_\_\_\_

**Print name:** \_\_\_\_\_