

Independent Sales Agent – Terms and Agreements

I understand that there is no requirement beyond completing of this application and/or no purchase of sales or training materials are required to become an Independent Sales Agent (ISA) with David Allen Capital, Inc. (DAC). My advancement to higher levels in the DAC Compensation Plan commission structure is based solely on the ability to create Loan Commission Volume by securing funded loan clients. I acknowledge that any purchase of sales aids, training or training materials is strictly voluntary. I also understand that if I choose to enroll others to participate in DAC's Compensation Plan as an ISA, I will not receive any compensation whatsoever for the act of referring or recruiting and that I will be compensated based upon the activities of other Independent Sales Agents only to the extent of funded loans secured by them for end clients-and according to the DAC Compensation Plan.

1. I acknowledge that I am of legal age to enter into this Agreement. Else, I have written permission from my parent or legal guardian.

2. I understand and acknowledge that this Agreement is not binding until received and accepted by DAC.

3. I agree that as an ISA, I am responsible for determining my own business activities and that by agreeing to these terms, I am not an employee or legal owner of DAC.

4. I am responsible for the payment of all federal and state employment taxes and any other tax required under any federal, state, or regulatory law.

5. I understand that I am not being sold a franchise or business opportunity.

6. I may terminate this Agreement for any reason, at any time, by giving DAC written notice. DAC may terminate this Agreement in writing upon violation of any part of this Agreement. In such event, DAC will pay no further commissions.

7. I agree that as a DAC Independent Sales Agent, I shall place primary emphasis upon the marketing of DAC services to Business Owning consumers as a condition of my receipt of commissions. Commissions I receive will be based upon fulfilling certain terms of qualification as set forth by the Compensation Plan as may be amended from time to time.

8. I agree to keep accurate records and to abide by all federal, state, and local laws and regulations governing the sale or solicitation of the products and services marketed by DAC including, but not limited to, any and all permits and licenses required performing under this Agreement.

9. I agree that DAC shall not be liable under any circumstances for any damage or loss of any kind including indirect, special, punitive compensatory or consequential damages, losses or profits which may result from any cause, including but not limited to, breach of warranty, delay, act, error or omission of DAC.

10. DAC shall periodically make sales literature and/or promotional material available. However, I am under no obligation to purchase any materials or literature at any time. Refunds shall not be allowed under any circumstances, including, but not limited to, termination of this Agreement, obsolescence of such sales literature or promotional materials, or any other reason. Exception: DAC buy-back policy will be extended to sales aids where required by law, and Montana Independent Sales Agents who cancel within 15 days are entitled to a 100% refund of any consideration given to participate.

11. I agree that as an Independent Sales Agent this Agreement grants me the limited authority to promote and sell the products and services that DAC markets on behalf of companies subject to the terms and conditions established by said companies and/or DAC.

12. I will not make any false or misleading statements about DAC or its products, marketing program, or Compensation Plan. I agree that I will operate in a lawful, ethical and moral manner and will not engage in or perform any misleading, deceptive or unethical practices. In the event that I violate any of these conditions, my position may be terminated without further payment or compensation of any kind.

13. I acknowledge that I am responsible for supporting Independent Sales Agents I enroll into the program and in my commissionable team. I agree to maintain monthly communication and support to those individuals in my commissionable team.

14. I acknowledge that DAC expressly reserves all proprietary rights to the company name, logo, trademarks, service marks ("Proprietary Marks") and copy- righted materials. I understand, acknowledge and agree that any monies, which I pay DAC are in consideration of my receiving a non-exclusive license, during the term of this Agreement to use the Proprietary Marks of DAC in conjunction with the marketing program provided to me. I further agree that I will not use DAC's Proprietary Marks in any form whatsoever except as permitted in writing by DAC. I understand that I may not photocopy or duplicate any materials provided by or purchased from DAC with the exception of documents available to download from the DAC Independent Agent Resource Center.

15. I shall not use information gained through my involvement with DAC to facilitate direct contact with our banks or their agents, suppliers or their agents for the purpose of seeking confidential information or establishing a business relationship with said banks or suppliers outside of DAC. Should I do so, I will be in violation of this Agreement and at a minimum I will be liable and agree to equal financial sharing (50/50) of all commissions I earn for establishing that business relationship or for assisting others to establish a business relationship with any DAC bank or supplier. I also understand that DAC may seek other restitution for damages and/or loss of potential business

16. I understand that as an Independent Sales Agent, I am free to select my own means, methods, and manners of operation and that I am free to choose the hours and location of my activities under this Agreement subject only to the terms of this Agreement.

17. I acknowledge that DAC transacts business as a Marketing Agent and Independent Sales Organization for various national and regional companies which provide various products and services to end customers at rates established by such companies from time to time and that those products, services and rates shall be subject to change without prior notice.

18. I acknowledge that I am not guaranteed any income nor am I assured any profits or success. I certify that no claims of guaranteed profits or representations of expected earnings that might result from my efforts have been made by DAC or my referring ISA.

19. I acknowledge that I have the right to secure for funding as many personal clients as I wish. For each personal client I secure, I will receive a commission from my personal customer's funded loans and my team or network in accordance with the DAC Compensation Plan then in effect. Louisiana residents may choose Louisiana law and jurisdiction.

20. I agree to indemnify and hold harmless DAC from any and all claims, losses, damages and expenses, including any attorneys fees, arising out of my actions or conduct in violation of this Agreement or the Compensation Plan of DAC. I agree that in order to recoup any damages and expenses it has incurred due to such violation(s), DAC may offset any commissions or other payments due to me. In the event a dispute arises as to the respective rights, duties and obligations under this Agreement, The Marketing Plan, Compensation Plan, or any Policy or Procedure of DAC, it is agreed that such disputes shall be exclusively resolved in the Circuit Court for Oakland County, State of Michigan, or Federal Court located in Detroit, Michigan. Michigan law shall apply to the resolution of all disputes.

21. I acknowledge that this Agreement and the attached Compensation Plan also incorporated herein by reference, constitute the entire Agreement between the parties and shall not be modified or amended except in writing signed by DAC. This Agreement shall be binding upon and inure to the benefit of heirs, successors, and permitted assigns of the parties hereto. If any provision of the Agreement is determined by any authority of competent jurisdiction to be invalid or unenforceable in part or in whole for any reason whatsoever, the validity of the remaining provisions or portions thereof shall not be affected thereby.

22. During the term of this Agreement, and for one (1) year thereafter, I will not solicit or recruit DAC employees or ISAs, whether active or inactive, to participate in a similar Sales Agent Program or an Affiliate Marketing program whether or not such marketing company offers identical services. I acknowledge that my violation of this provision will result in termination of all commissions and payments of any kind and will at a minimum require me to share (50/50) any income I earn from the similar Sales Agent of Affiliate program as damages

COMPENSATION PLAN DETAILS

RESULTS-BASED REWARDS

(no income promises and NO INCOME ceiling)

Our compensation plan is designed to pay you for personal performance and has no income guarantee or ceiling. Our culture and compensation plan is designed to compensate Independent Sales Agents for attracting new funded loan clients - via Direct Sales. Most of the commissions paid out are done so in Personal Commissions to you as a 100% commission Independent Sales Agent (ISA), when you help a client to secure a loan. However, we will also compensate you to create and coach a productive team of other ISAs, if you enroll them into DAC and they also secure funded loan clients.

Loan Commission Value (LCV)

When one of your clients is approved, accepts, and receives a loan from one of our lending sources, our lending source will pay us a commission. We will then assign a Loan Commission Value (LCV) for that loan. The LCV is the dollar amount DAC will allocate to pay out across all Commission Types as described in this compensation plan document. Example: a \$100,000 loan will generally create a \$4,000-\$7,000 LCV. This means that DAC will allocate about \$4,000-\$7,000 in total commissions to be shared by the Independent Sales Agents and the Referring Sales Agents according to the following bonus categories: **Direct Pay Personal Commissions, Direct Pay Team Commissions, and Youngevity (YGYI) Override Commissions** shown in the Youngevity Pay Plan.

NOTE: Qualifying Volume (QV) and Bonus Volume (BV) of 20% of LCV will be generated on each funded loan and paid according to the YGYI plan and qualifications - should you chose to also participate in the YGYI compensation plan.

PERSONAL COMMISSIONS

WEEKLY PAYOUT *(Direct Pay)*

Personal Client Fundings (Direct Sales) is the foundation of DAC. We will significantly reward you for attracting and retaining new funded loan clients.

Until you have completed your first full calendar month with DAC, we will **BUMP YOU** to the 60% level.

The amount of Personal Direct Pay Commissions you earn for each funded loan ranges from 50% to 80% of the LCV, based upon your past personal performance. The percentage amount you earn each month will be determined by your Prior Month's Production or your Accumulated Production.

(See Chart on Right For Qualifications)

| | | | |
|------------|-------------------------------------|----|--------------------------------|
| 80% | If (5) Five Loans Closed Last Month | OR | Accumulated 200 Personal Loans |
| 70% | If (4) Four Loans Closed Last Month | OR | Accumulated 100 Personal Loans |
| 60% | If (2) Two Loans Closed Last Month | OR | Accumulated 50 Personal Loans |
| 50% | Minimum on all Loans | | |

Note: if you start during a calendar month, your bump up will last until the end of the following calendar month. Note: When a Sales Agent achieves 70% Personal Commissions, the LCV used for calculating the other bonuses (Direct Pay Team Commissions and YGYI Override Commissions) is reduced by 50%.

| ENROLLER LEVEL | 1 - PERSONAL CLIENT | 3 - PERSONAL CLIENTS | 6 - PERSONAL CLIENTS | 15 - PERSONAL CLIENTS |
|----------------|--|----------------------|----------------------|-----------------------|
| 1 | 10% | 10% | 20% | 25% |
| 2 | 10% | 10% | 10% | 10% |
| 3 | PERCENTAGES OF LCV You are qualified to earn a minimum of 10% of LCV on personally Enrolled Sales Agents (Level 1). After (1) funded loan client is personally secured, you are also paid on level (2); When (3) funded loan clients, you increase to 15% of LCV on level (1); When (6) funded loan clients, you increase to 20% of LCV on level (1), and 10% of LCV on level (2) and (3); When (15) funded loan clients, you increase to 25% of LCV on level (1) and paid thru level (4)** | | 10% | 10% |
| 4 | | | | 5% |

**There is a "Production Qualification" of (1) personally funded loan client every 6 months to maintain these level qualifications. Loan Renewals DO COUNT toward this Production Qualification.

TEAM COMMISSIONS

WEEKLY PAYOUT

(Direct Pay)

When you refer and enroll other Sales Agents to DAC, you are the "Enroller" and earn between 10% to 25% of the LCV from their personally secured loans, even if you place them lower in your organization. You may also qualify to earn on their personally Enrolled Sales Agents (your extended Enroller Team). The number of personal clients you have funded loans for will determine the number of levels of your Enroller Team and the percentage amount you are paid. *(See chart on left.)*

www.DavidAllenCapital.com

Please view the "DAC Compensation Plan Training Video" in the DAC Agent Resource Center for more examples and visual clarifications.
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