



Charity Service Organization ("CSO") Marketing Agreement

ACTS Charity Assistance Network, Inc. (“*ACTS*” or “Company”), is a Cause Marketing company offering various products and services to individual consumers and companies; and whereby *ACTS* has developed a charitable support program (“Cause Marketing Program” or “Revenue Sharing Program”) wherein charities, through the activity performed by the *ACTS* sales force, who obtain such customers for the *ACTS* Cause Marketing Program, shall receive financial benefit from the sales revenue generated. Any and all monies received by *ACTS* from the fulfillment partners will be treated as *ACTS* “Revenue Share” which will be distributed 1/3 to the designated charitable cause, 1/3 to the marketing team (CRCs), and 1/3 to be retained by *ACTS* corporate to build and expand the programs. *ACTS* desires to market this Program on behalf of the consumer’s chosen charitable organizations. The “Church”, “Non-Profit”, or “Charity” identified below, is a qualified charitable organization recognized under U.S. Internal Revenue Service Code, with a Tax-Exempt Federal I.D.# _____, is desirous of expanding its level of donor support and wishes to enroll as a Charity Service Organization (“CSO”) and engage the use of *ACTS* and its resources to obtain and train CSO dedicated personnel (Charity Service Associates “CSAs”) and initiate an additional support program to their current donor base and to receive payments associated with the “Advertising” and/or “Sales” commission programs established by *ACTS* for assisting with the marketing effort as well; and because the registered Charity Service Organization (“CSO”) is willing and able to participate in such Program, and wishes to serve as a CSO for *ACTS*; this Agreement shall be executed on the date identified below, upon signing by CSO, and upon acceptance by *ACTS* Corporate, pursuant to the provisions contained herein.

Application is hereby made by the identified organization below to become a Charity Service Organization, hereafter referred to as a CSO. Further, CSO agrees to the provisions set forth in this CSO Agreement, Compensation Plan, Policies & Procedures, Bonus Program, and Code of Ethics; as the complete and exclusive agreement between the Parties related to the subject matter, and supersedes all prior communication, written and oral; all of which may be amended from time to time, as necessary, to conform with legislative requirements or suppliers’ regulations; any and all changes made hereafter must be universal in nature, have the same affect on all CSOs, and effect only the ongoing activity of *ACTS*, its associates, or Consultants. It is understood that *ACTS* reserves the right to reject an application for any CSO, at its sole discretion, and that *ACTS* may restrict the growth of the marketing program in order to insure the quality and integrity of the Program. It is further understood and agreed that **no CSO is required to purchase or lease** any products, supplies, equipment, services or to make any investment of any nature to become a CSO of *ACTS*.

Applicant agrees to complete the CSO Enrollment Authorization for the deposit of “Advertising” and “Sales” revenues as well as the “Revenue Share” resulting from being designated as the Charity of Choice by the consumer. Should the CSO desire to cancel their enrollment as a member of the CSO Program, notification by email is sufficient. The *ACTS* support system which contains a back office environment that tracks all activity on behalf of the CSO is known as ACTSLink. ACTSLink is also used by all other members of the *ACTS* Program and has a monthly cost of \$25 per user. However, *ACTS* is committed to assisting non-profits in obtaining monies needed for their important work and not to cause for any “out of pocket” expense to a CSO. Therefore, the monthly fee is accrued until sufficient monies are generated on behalf of the CSO and will be collected at the time of distribution of donated dollars to the CSO. This action will assure that the CSO does not experience any costs until the activity produces adequate results on behalf of the CSO.



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I have read this Agreement and acknowledge receipt of a copy of all documents referred to herein:

WHEREAS, *ACTS* and the Charity, collectively known hereafter as the Parties ("Parties") desire to enter into an agreement ("Agreement") for *ACTS* to provide the Cause Marketing Program to create financial support for the Charity enrolling as the CSO:

Term of Agreement

- A. Term: Term of the Agreement shall be one (1) year from the date of this Agreement, and it shall be automatically renewable for successive one year terms if not canceled in writing by either party within sixty (60) days of either the initial or subsequent contract termination date.
- B. Survivorship: Any provision of this Agreement, which by its nature is intended to survive any termination, cancellation, or expiration of this Agreement, will survive this Agreement. This includes but is not limited to the right of *ACTS* to continue to earn revenue income as the provider of products/services for accounts obtained prior to its termination by Charity or any Charity Service Associates (CSAs), and the obligation of *ACTS* to remit to Charity "Revenue Shares" and/or commissions earned on sales or services obtained through Charity. CSAs rights and relationship shall survive the termination of this Agreement and all monies that are earned by their efforts shall be remitted to them as if the Agreement continued in full force and effect.

Obligations of ACTS

ACTS will provide upon request the following at or below actual cost:

- A. Internet based order processing, paper format order forms, Letters of Authorization ("LOAs"), or other means of media to support and process the sale and delivery of any products or services offered by *ACTS* so as to provide the legal basis for fulfilling the process required by any strategic partner contracted by *ACTS*;
- B. Electronic service brochures describing the *ACTS* charity support program, other marketing collateral materials, sales training materials and other sales aids (each of which may be printed by the CSO as cooperative advertising materials);
- C. Monthly and/or quarterly reports via electronic transfer via the internet, of customer volume, revenue shares due CSO, advertising commissions, and related activity;
- D. Training 1) for all Project Directors designated by Charity who will train the Charity's Service Associates ("CSAs"), and 2) for the initial period of ninety (90) days, for all CSAs of the Charity, each training session to be conducted at a location to be designated by *ACTS* for a period not to exceed 2 days per session; and, as needed, for new product introductions at no cost to CSO;
- E. Ongoing notification regarding any changes in the policies, procedures, rules, and regulations of the *ACTS* program, or of its service providers;
- F. Assistance to Charity in soliciting selected key accounts from time to time, as agreed to by the Parties;
- G. Resolution of any problems observed or anticipated; and
- H. Payments to Charity, for Revenue Shares or commissions earned, as stated in Section 4.



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Obligations of the Charity

Charity obligations to ACTS will be as follows:

- A. Allow ACTS to use Charity's name in the promotion of ACTS services for marketing purposes, and will provide a reference for other entities contacted by ACTS;
- B. Maintain proper training levels necessary to avoid misrepresentation of services provided by ACTS;
- C. Immediately advise ACTS of any problems encountered by its Charity Service Associates;
- D. Actively develop the Charity Service Advisors and promote, within its organization, the charity support program developed jointly by ACTS and Charity, exercising proper supervision and management of its CSAs to ensure solicitation effectiveness;
- E. Forward weekly, all completed paper contracts to ACTS as well as transmit daily electronic orders;
- F. Obtain prior approval and/or assistance of ACTS before soliciting national or regional accounts;
- G. Follow ACTS sales and marketing guidelines as indicated in sales training and other materials.

Advertising Commissions Earned, Payments

- A. Charity will earn advertising commission payments according to the schedule in Exhibit 1.
- B. ACTS will remit payments to Charity according to the schedule denoted in Exhibit 1.
- C. Charity may if it so desires, recruit additional CSOs, CRCs, or CFAs to build residual commission benefits in the same fashion as the CRC program offered by ACTS.

Exclusive, Non Competition

Charity agrees that it will use the ACTS program exclusively for the purpose of donor solicitation where commissions, revenues, and/or donations payable to the charity on usage and/or consumption of products or services will not enter into similar contracts with any other organization, nor initiate a similar program on their own for a period of one year following the termination of this Agreement as provided herein.

Privacy Policy

Each party acknowledges the value of confidential data and programs developed by the other party. ACTS acknowledges that Charity's donor lists are confidential, and will not disclose them to outside parties without the express, written consent of Charity. Charity acknowledges that the ACTS marketing programs will be kept confidential, beyond information disclosed in the course of agreed marketing programs implemented pursuant to this Agreement. Charity agrees that it will not disclose the contents of this contract to third parties without the express, written consent of ACTS.

Cancellation, Right to Cure

Either Party has the right to terminate the Agreement in the event of non-performance of the other party, provided, however, that either Party has the right of formal, written notice of said failure, and the right to cure for sixty (60) days from receipt of such notice.

Arbitration

Should any dispute occur between the Parties arising from, or related to, this Agreement, that dispute shall be settled and determined by arbitration under the then-current rules of the American



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Arbitration Association. The Arbitrator shall not have the authority to award punitive damages. All questions of law shall be decided by reference to the laws of the state of California, County of Orange.

Relationship of the Parties

ACTS and Charity are independent contractors, and neither party shall represent itself to be the employee, agent, broker, partner, or representative of the other party for any purpose other than as defined herein. Neither party is granted any right or authority to assume any obligation or responsibility, express or implied, on behalf of the other party.

- A. ACTS warrants that it is authorized to enter into this Agreement and has not entered into any other agreement, exclusive or otherwise, the terms of which would conflict with the provisions of this Agreement.
- B. Charity warrants that it is authorized to enter into this Agreement and has not entered into any other agreement, exclusive or otherwise, the terms of which conflict with the provisions of this Agreement.

Severability

If any portion of this Agreement is adjudged to be unenforceable, all remaining portions shall continue in full force and effect.

Entire Agreement

This Agreement is the complete and exclusive statement of the agreement between the Parties related to the subject matter and supersedes all prior communications, written and oral.

Notice

Every notice or other writing required or permitted under this Agreement shall be signed by an authorized representative of the party initiating such notice, and shall be deemed given when, 1) hand-delivered to such authorized representative of the other party, or 2) three business days after mailing, postage prepaid, by first class mail (with the exception of notices pursuant to paragraph 6 or 7 above, which shall be sent by certified mail) to the following addresses:



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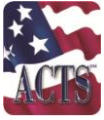
Exhibit 1

CSO COMPENSATION PLAN

The ACTS CSO Compensation Plan ("Payments") is designed to reward non-profit organizations for their efforts in assisting ACTS in securing market share through the ACTS Cause Marketing Program. These funds are in addition to the ACTS Revenue Sharing Program wherein the non-profit receives 1/3 of the revenues retained by ACTS from the sales of products or services fulfilled by the ACTS commerce partners. The additional funds are referred to as "Advertising Commissions" and are paid twice monthly and distributed every other Friday, following the revenue period which is also two weeks in length, and follow the receipt of any "Advertising Revenue" paid to ACTS Charity Assistance Network, Inc., for all "Personal Sales" and/or "Team Sales". All advertising commissions and bonus payments are sent via Electronic Funds Transfer (EFT), deposited into the CSO's designated bank account on file with ACTS Corporate offices by the CSO. It is understood and agreed that, since the CSO has the right to receive advertising commissions on an ongoing basis, as outlined herein, it is the CSO's responsibility to keep ACTS informed of any changes, including but not limited to the current mailing address or bank account information. In the event that ACTS should attempt to make payment of any commissions for a consecutive six (6) month period and for which the payments are returned to sender or not cashed, forfeiture of accrued or future commissions to the CSO shall result.

The following outlines the Advertising Revenue Share to the CSO for personal sales, as well as bonuses and profit sharing for the sales of any and all CSOs or members within the CSO's team. All payments to the CSO is based upon advertising revenue received by ACTS. Advertising revenue is defined as twenty-eight percent (28%) of gross revenues received by ACTS for sales.

- 1) Each CSO shall receive an advertising commission on their personal sales in the amount of ten percent (10%) of the advertising revenue received by ACTS for any product and service orders submitted through the ACTS Program, and for which ACTS has received advertising revenue in the prior commissioning period.
- 2) A CSO will receive commissions for each and every month that they are listed as "Active" in the ACTS program. "Active" shall mean that the CSO is in good standing and has met the requirements set forth in this agreement. A CSO shall be considered "Active" as long as they submit, and ACTS shall accept orders equaling Twenty-five (25) consumers within the 1st two full calendar quarters of the CSO enrollment. The CSO must maintain a minimum of 25 active consumers at all times from that point forward. Should any Consultant fall beneath the minimum activity requirement, they shall immediately be placed on ninety (90) day probation, and should the CSO remain below the minimum requirement throughout the probationary period; the CSO shall then be place on an In-Active status.
- 3) As an incentive to assist ACTS in acquiring a nationwide force of Charity Service Organizations, ACTS has established the following Advertising Commission Plan:
 - a. Any CSO assisting ACTS in the introduction to, and the recruitment of, any other CSOs shall receive ten percent (10%) of the advertising revenue received by ACTS as identified above for the personal production of said CSOs. These CSOs will be considered the "first tier" of the CSO.
 - b. Should any of their "first tier" sponsored CSOs personally recruit additional CSOs, the Consultant identified in "A" above shall receive ten percent (10%), of the gross revenue received by ACTS, as identified above. These CSOs shall be referred to as your "second tier" CSOs.



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- c. Should the “second tier” CSOs recruit additional CSOs, the CSO identified in “A” above shall receive three percent (3%) of the advertising revenue received by *ACTS*, as identified above. These CSOs shall be referred to as “third tier” CSOs.
 - d. Any CSOs recruited by the “third tier” CSOs will cause for the CSO identified in “A” to receive four percent (4%) on all advertising revenue received by *ACTS* from their activity. These CSOs shall be referred to as “forth tier” team CSOs.
 - e. Any CSOs recruited by the “forth tier” CSOs will cause for the CSO identified in “A” to receive five percent (5%) on all advertising revenue received by *ACTS* from their activity. These CSOs shall be referred to as “fifth tier” team CSOs.
 - f. Any CSOs recruited by the “fifth tier” CSOs will cause for the CSO identified in “A” to receive six percent (6%) on all revenue received by *ACTS* from their activity. These CSOs shall be referred to as “sixth tier” team CSOs.
- 4) A CSO will receive advertising commissions for each month that they are listed as “Active” in the *ACTS* program, should they become “In-Active”, the commission plan shall cease paying the CSO.
 - 5) Any CSO Agreement terminated for cause, or should CSO violate any terms or provisions of this Agreement; or for any form or action of fraud, misrepresentation, malfeasance or defamation, will lose all rights to further commissions and/or bonuses. In the event that any claim against Consultant occurs, the accused action will be investigated by *ACTS* and presented to an arbitration panel for final determination. The arbitration panel will consist of a minimum of three non-*ACTS* corporate Consultants and two Corporate officers or their appointees. Should the CSO be found innocent of any wrong doing, any and all payments which have been held by *ACTS* shall be reinstated to CSO within seven business days, along with all privileges and rights originally experienced by the CSO.
 - 6) Any CSO terminated as a result of a violation to the CSO Agreement, General Provision section, or Code of Ethics shall lose all rights to income or benefits thereto.