

POSU

POS UPGRADES

1063 CHESTERFIELD CIRCLE, WINTER SPRINGS, FL 32708

PHONE (407) 694-4053 | FAX (407) 229-8294

This ISO Agreement (“Agreement”) made [date], between POS Upgrades, Inc., and incorporated company organized and existing under the laws of Florida, POS Upgrades Inc. (“POSU”), with its principal office located at 1063 Chesterfield Circle Winter Springs, FL 32708, and [contractor name], of [contractor address], [contractor city], [contractor state] (“ISO”).

1. INDEPENDENT CONTRACTOR RELATIONSHIP

The parties intend that ISO will be a non-exclusive independent contractor, and will not be an agent or employee of POSU. POSU is interested only in the results obtained under this contract. The manner and means of handling sales shall be under the sole control of ISO; however, the work contemplated in this agreement must meet the approval of POSU Processing and shall be subject to POSU Processing’s general right of inspection and supervision to secure the satisfactory completion of the work. Independent contractor shall adhere to all laws and ethical standards applicable to salespersons and shall act in good faith toward POSU and clients. The actual performance and superintendence of all work under this agreement shall be ISO, but POSU shall have the option to designate a representative or representatives who shall at all times have the ability to accompany ISO in the field for the purposes of training ISO or it’s employees, observing, inspecting, or supplementing the work performed by ISO, or to judge whether such work is being performed by ISO in accordance with the provisions of this agreement. Such representative or representatives shall be empowered to act for POSU in all matters relating to ISO’s performance of the work under this agreement.

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2. WORK TO BE PERFORMED & OBLIGATIONS TO BE FOLLOWED

2.1 By ISO

ISO will be responsible for performing the following work, and operating within the following guidelines:

- a) Soliciting Credit Card Statements from Merchants.
- b) Collecting all information needed for applications as provided by POSU and updated from time to time;
- c) Making Presentations;
- d) Closing Deals and Signing Applications while clearly and conspicuously disclosing all fees and charges;
- e) Performing site inspections or making commercially reasonable efforts to assist with any on-site work that may be necessary at a Merchant Customer Location;
- f) Making commercially reasonable efforts to assist POSU in the collection of any information or money from any clients Closed by ISO, and if necessary, assisting POSU with the communication of any important messages;
- g) Obeying by all applicable local, state, and federal laws;
- h) Complying with all of the Card Brand Rules and Regulations and any specific rules promulgated by POSU;
- i) Maintaining secure storage and transmission of all records in ISO's possession in accordance with Card Brand Rules;
- j) Obtaining written approval of all marketing materials used to solicit Merchants in connection with POSU; and
- k) Certifying that if ISO uses any sub agents or employees in the connection of his duties under this agreement, that all of ISO's sub agents have agreed to comply with all applicable terms of this Agreement, Card Brand Rules, and laws.

2.2 By POSU

POSU will be responsible for performing the following work:

- a) Performing Statement Analysis, and or providing tools for ISO to perform Analysis;
- b) Preparing proposals, and or providing tools for ISO to perform Analysis;
- c) Maintaining a commercially reasonable inventory of terminals and equipment to provide to new customers;
- d) Performing Downloads and programming equipment;

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- e) Shipping 'ready to use' equipment;
- f) Training Merchants;
- g) Providing ongoing Customer Support;
- h) Entering Applications;
- i) Monitoring underwriting;
- j) Managing approval process for Merchants;
- k) Providing training and support to ISO; and
- l) Accounting for all fees collected, and paying ISO in accordance with Section 3; POSU reserves the right to refuse any deal for any reason.

3. TERMS OF PAYMENT

A. COMMISSIONS OWED TO ISO

POSU will owe ISO a Residual Commission of the gross monthly profit earned on every account that ISO Closes, in accordance with Exhibit A. A deal is considered Closed when Independent Contractor provides POSU a merchant application that is signed by the merchant, the application is approved, the equipment is installed, and the Merchant begins processing payments through the equipment. POSU will owe ISO a percentage of the "Gross Profit" of equipment sales or upfront-fees charged to Merchants in accordance with Exhibit A. The Gross Profit will be calculated by taking the total Sales Price of the equipment minus the Cost of the equipment including deployment fees. A list of the equipment, and costs will be made available to ISO, and may be amended in writing from time to time.

B. WHEN COMMISSIONS WILL BE PAID.

POSU will pay ISO monthly residuals owed under Section 3.A. for each month, no later than the 5 days following the next full calendar month. (Example: Residual earned during the month of May will be paid before July 5th). Any upfront commissions owed to ISO will be paid in accordance with Exhibit A.

C. SURVIVAL

Section 3 will survive any termination of this agreement, unless the agreement was terminated due to fraud, misrepresentation, material violation of the agreement, or a breach of Section 10, Section 11, Section 12, or Section 14 by independent contractor.

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D. RIGHT TO OFFSET COMMISSION OWED TO ISO

From time to time, POSU will incur Switch Over Costs including but not limited to: the installation of new terminals or equipment; fees paid to software providers; fees paid to third party providers; and/or the payment of cancellation fees on behalf of the merchant. Switch Over Costs will always be deducted from the ISO's share of Gross Revenue generated by the account before Independent Contractor is paid his Residual Commission set forth in Section 3.A. If the ISO's share of Gross Revenue is insufficient to pay for the Switch Over Costs, the "Balance" will be carried forward to subsequent months until the Switch Over Cost is paid in full (The Balance will be calculated by subtracting the Gross Revenue from the Total Switch Over Cost). When accounting for all Switch Over Costs, POSU will apply the Switch Over Cost to the ISO's share of Gross Revenue generated by the particular account that was the source of the Switch Over Cost. For example, If Merchant X generates \$100 per month in Gross Revenue, ISO's share is \$20, and POSU incurred a \$200 Switch Over Cost to acquire Merchant X, POSU will deduct \$20 from the \$200 in month 1, and carry forward \$180 to month 2 without offsetting any other Residual Commissions from Merchant Y or Merchant Z in ISO's portfolio. Gross Revenue generated by ISO's entire Portfolio will only be used to offset a Switch Over Cost to a particular account if that particular account is terminated, and a Balance remains. POSU has the right to offset the gross residual in connection with any Merchant for any costs, comps, or expenses incurred in connection with the retention of ISO's Merchant Customer.

E. COMPENSATION THRESHOLD

Beginning six months after the Effective Date, POSU may suspend and hold payment of Compensation to ISO if the total monthly compensation payment amount falls below \$350.00. POSU will resume payments to ISO once Compensation amounts exceed \$350.00 per month. Any payments not made that fall under this threshold will be forfeited and not rollover.

F. OPTION TO PURCHASE

At any time, ISO may sell his future residuals to POSU at a mutually agreed upon multiple. In the event that POSU decides to sell all or a portion of its Merchant portfolio to another processor, POSU will have the option to purchase ISO's future residuals, owed under this section, at the same multiple that is negotiated for the sale of the entire portfolio.

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G. COLLECTION OF FEES FROM MERCHANTS

ISO acknowledges and agrees that under no circumstances shall ISO, or any third party working on behalf of ISO, directly collect from any Merchant any discount or fees related to POSU's Services or products without POSU's prior written consent. POSU will be completely and exclusively responsible for all customer, all accounting, and will remit all commissions to ISO.

H. CHARGEBACK LIABILITY

If ISO chooses to take any Upfront Commission, or any commission related to the sale or Lease of Equipment in connection to a Customer account as described in Exhibit A, ISO will be liable to POSU for the Aggregate Loss in connection with such Customer. The Aggregate Loss will be calculated by taking the sum of any out-of-pocket expenses incurred in connection to such Customer (such as ISO commissions, equipment costs, cancellation fees, etc) minus the sum of the total revenue collected from Customer and the resell value of equipment if equipment is returned in reasonable condition. Nothing in this section supersedes POSU's rights to offset ISO's future commissions or residuals in connection with any losses from ISO's current and future residuals and commissions.

I. INACTIVE ISO

If ISO doesn't submit a deal in 3 consecutive months, they will be deemed inactive. If ISO becomes inactive and their monthly residual is less than \$350 per month, they will no longer be owed residuals. If ISO becomes inactive and their monthly residual is greater than \$350 per month, and less than \$1500, POSU shall have the right to buyout ISO's interest in future residuals owed at 10x the average monthly residual amount. The average will be taken by using the 3 most recent full months of processing. Ex. If ISO is getting \$1,000 per month on average for March, April, May. POSU can buyout any future payments for a total of \$10,000.

4. EXPENSES

POSU Processing shall not be liable to the ISO for any expenses paid or incurred by the ISO unless agreed to in writing.

5. MATERIAL, SUPPLIES, EQUIPMENT AND TOOLS

The ISO shall supply, at its own expense, all materials, supplies, equipment and tools required to accomplish the work agreed to be performed under Section 2 including but not limited to vehicles, gas, paper, ink, and other office supplies.

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6. PAYROLL TAXES

Payroll taxes, including federal, state and local taxes, shall not be withheld or paid by POSU on behalf of ISO or for the employees of ISO. ISO shall not be treated as an employee for federal or state tax purposes with respect to the services performed under this agreement. ISO shall be responsible to pay all taxes as mandated by law.

7. FRINGE BENEFITS

Since ISO is not an employee of POSU Processing's business, ISO is not eligible for and shall not participate in any employer benefit of POSU including pension, health or other fringe benefits.

8. WORKER'S COMPENSATION

POSU shall not obtain worker's compensation insurance on behalf of ISO or the employees of ISO. ISO shall comply with the worker's compensation law concerning its business and its employees.

9. TAXES

Following the conclusion of the calendar year, POSU will issue to ISO a Form 1099, and ISO will be individually and solely responsible for the timely payment of any state, federal, social security, and other self-employment taxes that may be owed on amounts paid to ISO under this agreement.

10. CONFIDENTIALITY

ISO agrees that, during the Term hereof, so long as ISO is receiving any money under Section 3.3, and for a period of three (3) years thereafter neither ISO nor any of its affiliates will directly or indirectly engage in the following conduct itself nor permit or assist any third party to breach any of the following obligations (collectively, the "Confidentiality Obligations"):

A. Definition of Confidential Information

For the purposes of this Agreement, "Confidential Information" means all proprietary, secret or confidential information or data relating to POSU, and any of its respective affiliates, operations, employees, independent sales organizations, agents, products or services, clients, customers or potential customers, or merchants. Confidential Information shall include, without limitation, Merchant lists, all Merchant Agreements and all parts thereof, Merchant pricing, customer lists, cardholder account numbers, pricing information, rules & policies (other than publicly available laws and regulations), acquiring bank or processor relationships, Merchant information, leasing information, financial or other data in any format, computer access

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codes, instruction and/or procedural manuals, payroll information, human resource or personnel information, business strategies, trade secrets, and the terms and conditions of this Agreement. Information shall not be considered Confidential Information to the extent, but only to the extent, that such information is: (i) already known to the receiving party free of any restriction at the time it is obtained; (ii) subsequently learned from an independent third party free of any restriction and without breach of this Agreement; (iii) or becomes publicly available through no wrongful act of the receiving party; (iv) independently developed by the receiving party without reference to any Confidential Information of the other; or (v) required to be disclosed by law. In order for ISO to perform hereunder, POSU will be obliged to disclose to ISO certain Confidential Information.

B. Non-Disclosure & Non-Disparagement

ISO agrees that it will not, except as expressly required in the conduct of its obligations hereunder or as authorized in writing by POSU, publish or disclose, during ISO's provision of services to POSU or subsequent thereto, any trade secret or Confidential Information relating to Services (or POSU's sponsoring banks' or processors' products or services) that ISO may in any way acquire by reason of his or her association with POSU. Certain Confidential Information, such as, by example only, credit cardholder information must not only be kept strictly confidential, but must also be stored under lock and key and in encrypted format as is more fully spelled out in Visa and MasterCard Rules applicable to the business of POSU. ISO shall comply and respect all such Rules. ISO shall not speak to or communicate with any media or journalist or make any public statements concerning this Agreement, the Services, POSU or Bank without the prior written consent of POSU. Under no circumstances may ISO disparage POSU, its ISO's, employees, services, on the internet or to any third parties.

C. Legally Required Disclosure

In the event that ISO is required by law or legal process to disclose any trade secrets or Confidential Information, ISO shall provide POSU with prompt oral and written notice, unless notice is prohibited by law (in which case such notice shall be provided as early as may be legally permissible), of any such requirement so that POSU may seek a protective order or other appropriate remedy.

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D. No Misappropriation of Trade Secrets/No Unfair Competition

ISO promises and agrees not to engage in any Unfair Competition with POSU. ISO acknowledges and agrees that the names and addresses of POSU's (or POSU's sponsoring banks' or processors'), Merchants and other customers and all other Confidential Information relating to those Merchants and customers, including but not limited to account numbers, leasing information, financial information and special needs, are provided in confidence, and constitute trade secrets of POSU together with the Confidential Information in this section, and that the sale or unauthorized use or disclosure of any of POSU's trade secrets obtained by ISO during its association with POSU constitutes "Unfair Competition." ISO further promises and agrees not to engage in Unfair Competition with POSU (or POSU's sponsoring banks or processors), at any time after the termination of this agreement, while making use of Confidential Information relating to Merchants, POSU or Bank.

E. Return of Confidential Information

Upon any termination of this Agreement, ISO shall surrender to POSU all Confidential Information and materials furnished to ISO by POSU and any materials developed by ISO during the course of the Agreement's term including but not limited to the following: (1) all lists of Merchants and prospective Merchants, (2) forms, office supplies, manuals and any other material previously furnished or made available by POSU to ISO. In addition, upon any termination hereof, ISO shall cease any and all contact with any Merchant, agent or employee of POSU and shall no longer promote the Services.

F. Injunctive Relief and Indemnification.

The parties agree that any use or disclosure of Confidential Information in violation of this agreement or breach of the obligations under this Section (Section 10 inclusively) including the Non-Disparagement provision in Section 10. B may cause irreparable injury to POSU for which other remedies at law would be inadequate and that POSU shall be entitled to injunctive relief, equitable relief, and ISO shall be liable for all attorney costs and court fees as may be necessary or appropriate to prevent any use or disclosure of the Confidential Information or Disparaging statements in violation of this agreement. POSU may also exercise such other rights and remedies as POSU may have at law or in equity. ISO will be liable to POSU and its affiliates and subsidiaries for the disclosure of Confidential Information or Disparaging

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statements made by ISO's employees, agents, representatives, and independent contractors, and will indemnify, defend and hold POSU harmless from any third party claims and associated costs arising out of the acts, errors, or omissions relating to the Confidential Information of ISO or any agent, representative or independent contractor of ISO.

11. NON-SOLICITATION

A. Acknowledgements

As a consequence of the independent contractor relationship created between POSU and ISO, ISO will have access to information not generally known to the public or in the industries in which POSU is or may become engaged including but not limited to: business and marketing strategies, customers, customer lists, services, suppliers, pricing policies, trade secrets, business practices, and related matters. In addition, POSU will provide training to ISO in relation to these areas. It is the desire of POSU and ISO that all such training and information received by ISO remain part of the Confidential Information as defined in Section 10.

B. Non-Solicitation agreement

In consideration of the matters described in Section 3, 11.A., and of the mutual benefits and obligations set forth in this agreement, ISO agrees never to solicit, directly or indirectly, any customer or client of POSU during the term of this agreement, or for 3 years after the termination of this agreement, in any manner, that would cause POSU to lose credit card processing revenue from that client. ISO agrees never to solicit, directly or indirectly, any existing employee or independent contractor of POSU after the termination of this agreement without written permission from POSU.

C. Breach of this Section

ISO agrees that this Non-Solicitation Section (Section 11 inclusively) is necessary to protect POSU's business, and that ISO's violation of this Section would result in irreparable harm to POSU. If ISO breaches this Section, POSU shall be entitled to injunctive relief, Lost Profit, and any other remedies legally available that would result specifically from ISO's direct or indirect solicitation of an existing customer of POSU to a competitor of POSU. Lost Profit will be calculated by multiplying the Average Gross Monthly Profit earned from the solicited account by 48. Average Gross Monthly Profit will be

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calculated by averaging the six most recent months of gross revenue earned from the solicited client. If six months of earnings are not available for the solicited account, POSU will use the average of the most recent months available. ISO agrees that this is a reasonable calculation of Lost Profit because of POSU's demonstrated ability to retain clients and achieve very low attrition rates. In the event that POSU is required to bring an action in connection with the performance, breach, or interpretation of this agreement, or in any way relating to the ISO's relationship contemplated by this agreement, the prevailing party in that action shall be entitled to recover from the losing party all reasonable costs and expenses of litigation, including attorney's fees, court costs, costs of investigation, accounting, and other costs reasonably related to the litigation in both the trial and appellate courts.

12. CONFLICTS OF INTEREST

ISO shall not knowingly solicit existing customers of POSU or prospective customers that other independent contractors are in the process of soliciting (Pipeline Customers). If ISO discovers that a solicited merchant is already an existing customer of POSU, or a Pipeline Customer, he should immediately and professionally cease communication with that merchant.

13. TERM OF AGREEMENT

This agreement shall commence on the day it is signed, and last for a period of 3 years. This agreement shall automatically renew unless notice is received by POSU 90 days prior to the end of this agreement's term. Services satisfactorily performed up until the date of termination shall be compensated by POSU Processing and such compensation shall be pursuant to the terms of this Agreement.

14. TERMINATION WITH CAUSE

POSU may terminate this agreement immediately upon the occurrence of any of the following:

a) ISO commits fraud, misrepresentation, materially violates this agreement, or commits any act exposing POSU to liability, or any act or omission by ISO that

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- causes POSU to be in breach of any Card Brand Rule or Regulation.
- b) ISO breaches any covenant of this agreement which is not cured within 30 days.
- c) ISO becomes bankrupt or insolvent
- d) Company loses it's registration with the Card Brands
- e) Company is prevented from continuing its services under and regulatory order
- f) Company, in it's sole discretion provides ISO 90 days written notice that Agreement will be terminated.

15. NON-WAIVER

The failure of either party to this agreement to exercise any of its rights under this agreement at any time does not constitute a breach of this agreement and shall not be deemed to be a waiver of such rights or a waiver of any subsequent breach.

16. NO AUTHORITY TO BIND POSU

The ISO has no authority to enter into contracts on behalf of POSU or bind POSU to any agreement. ISO may only prepare Merchant Processing Applications or any other standard form agreements provided to ISO by POSU to facilitate ISO's work as described in Section 2.

17. COMPLIANCE WITH LAWS

ISO represents that it has complied with all federal, state and local laws regarding business permits and licenses that may be required to carry out the work to be performed under this agreement, and is not in violation of any Non-Solicitation, Non-Competition, or Unfair Competition Agreements.

18. NOTICES

Any notice given in connection with this agreement shall be given in writing and delivered either by hand to the party or by certified mail, return receipt requested, to the party at that party's address stated at the top of this

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agreement. Any party may change its notice address by giving notice of the change in accordance with this section.

19. ASSIGNMENT OF CONTRACT

While living or in existence, ISO shall only have the right to assign this agreement in whole or in part, with the express written consent of POSU. Any attempt to assign this agreement without such written consent shall be null and void. Upon the death or dissolution of ISO, commissions owed to it under Section 3 may pass to either his next of Kin or such person whom is named in his last Will and Testament or other Partnership Agreement (the Transferee).

20. CHOICE OF LAW AND VENUE

Any dispute under this agreement or related to this agreement shall be brought in a court within Orange County Florida, and decided in accordance with the laws of Florida.

21. LIABILITY

A. ISO to perform at his own risk.

ISO shall take all precautions necessary and shall be responsible for the safety of the work under this agreement. All work performed under Section 2 and in connection to this Agreement shall be done at ISO's risk. If any loss or damage shall result to ISO's property in connection with performing work for POSU (including automobile damage or personal injury), ISO will repair such damage or replace such loss free from all expense to POSU. ISO shall be responsible for any loss of or damage to property used or held for use in connection with the work described in Section 2, and for any negligence of ISO or ISO's employees, agents, or independent contractors.

B. Delays

It is agreed that both parties shall not be liable for any delays in connection with work described under Section 2, delays occasioned by natural causes or any other causes beyond POSU's or ISO's control. Nor will either party be liable for any special damages including lost profit or consequential damages resulting from a delay.

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C. Indemnification

ISO shall save, defend, indemnify, reimburse and hold POSU, and their respective affiliates, shareholders, directors, officers, agents and employees harmless for all suits, actions, proceedings, losses, claims, liabilities, damages, costs and expenses (including all costs and reasonable attorney's fees) actually incurred in connection with any consultation, negotiation, or actual action, suit, claim, losses or proceeding to which ISO shall be made a party by reason of:

- (a) the acts or omissions of ISO or any employee, agent, independent contractor or affiliate of ISO;
- (b) violation of this agreement, applicable Rule, including, without limitation, any and all fines or fees imposed by Visa, MasterCard or any credit card association or payment network;
- (c) any fraudulent or dishonest conduct or misrepresentation of POSU by ISO or any employee, agent, independent contractor or affiliate of ISO; or
- (d) taxes with respect to income received hereunder.

22. ENTIRE AGREEMENT

This is the entire agreement between the parties and cannot be changed or modified orally. This agreement may be supplemented, amended, or revised only by a writing that is signed by each of the parties.

23. SEVERABILITY

If any part of this agreement is held to be unenforceable, the rest of this agreement shall nevertheless remain in full force and effect.

24. COUNTERPARTS

This Agreement may be executed in counterparts, each which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Agreement may be executed by fax or the exchange of scanned copies of signed copies hereof, provided that ISO provides POSU with an original signature within ten (10) days of receiving the electronic copy.

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25. LIMITATION OF LIABILITY

COMPANY'S CUMULATIVE LIABILITY FOR ANY LOSS OR DAMAGE, DIRECT OR INDIRECT, FOR ANY CAUSE ARISING OUT OF OR RELATED TO THIS AGREEMENT WITH RESPECT TO ANY CLAIMS (WHETHER THIRD PARTY CLAIMS, INDEMNITY CLAIMS OR OTHERWISE) SHALL NOT UNDER ANY CIRCUMSTANCES EXCEED THE AMOUNT OF RESIDUAL FEES PAID TO REPRESENTATIVE DURING THE TWELVE (12) MONTHS IMMEDIATELY PRECEDING THE ASSERTION OF SUCH CLAIM. THIS AGREEMENT IS A SERVICE AGREEMENT AND, EXCEPT AS EXPRESSLY PROVIDED HEREIN, COMPANY EXPRESSLY DISCLAIMS ALL OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, MADE TO REPRESENTATIVE, MERCHANTS OR ANY OTHER PERSON OR ENTITY, INCLUDING ANY WARRANTIES REGARDING QUALITY, SUITABILITY, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE (REGARDLESS OF ANY COURSE OF DEALING, CUSTOM OR USAGE OF TRADE) OF ANY SERVICES OR ANY GOODS PROVIDED INCIDENTAL TO THE SERVICES PROVIDED UNDER THIS AGREEMENT. NEITHER PARTY HERETO SHALL BE LIABLE TO THE OTHER FOR (I) ANY PUNITIVE OR EXEMPLARY DAMAGES OF ANY KIND; OR (II) ANY SPECIAL, INDIRECT, CONSEQUENTIAL OR INCIDENTAL DAMAGES OF ANY KIND (INCLUDING LOST PROFITS) EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

This Agreement is executed by duly authorized officers of the parties and shall be effective as of the date appearing on the first page.

Stephen M. Cassidy II, Owner

POS Upgrades, Inc.
1063 Chesterfield Cir.
Winter Springs, FL 32708

PLEASE RETURN TO REGISTRATION PAGE TO SIGN AGREEMENT

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POSU ISO AGREEMENT – EXHIBIT A

Exhibit A will serve to define the terms of ISO’s compensation under Section 3 of the ISO Agreement.

I. Commissions owed to ISO

a. Commission Chart

The following Commission Chart will be used when calculating Residuals or Commissions for ISO. “Total Monthly Gross Profit of Portfolio” will refer to the amount paid to POSU by our networks. “Self-Generated Accounts” will refer to the percentage applied to the Gross Profit when calculating ISO’s monthly residual for account self-generated by the ISO. “POSU-Generated Accounts” will refer to the percentage applied to the Gross Profit when calculating ISO’s monthly residual for accounts POSU generated for the ISO.

Residual Commissions		
Total Monthly Gross Profit of Portfolio	Self-Generated Accounts	POSU-Generated Accounts
\$0 - \$4500	40%	25%
\$4500.01 - \$10,000	50%	25%
\$10,000.01 +	60%	25%

Outside Leasing Commissions	POSU Equipment Commissions		
Number of Leases Signed	Commission Split After Funded amount – all equipment costs	Program	Multiple or % Over Buy-Rate
1+	50%	Equipment Sales	50%

a. Self-Generated versus POSU-Generated Accounts

A POSU-Generated lead includes the following:

- 1) Appointments set by POSU or one of POSU’s affiliates,
- 2) Lead is generated through an incoming phone call, through POSU’s website, client recovery, or a referral partner that is given to a salesperson,
- 3) The lead includes the business owner and their contact information,
- 4) current client transfers of ownership that were originally POSU-generated,
- 5) Any businesses owned by the lead will be considered a POSU Gen (exceptions may be made on a case-by-case basis). Any accounts Closed based

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on a POSU-Generated lead are considered POSU-Generated Accounts. A Self-Generated lead includes any contacts made through the sales person's own efforts, including new business owners that may have been a referral from a POSU Gen. Any accounts Closed based on a Self-Generated lead are considered Self-Generated Accounts.

b. Residual Payments and Vesting

POSU will pay ISO monthly residuals owed for each month, no later than the 5 days following the next full calendar month. (Example: Residual earned during the month of May will be paid before July 5th).

c. Reporting

POSU agrees to provide ISO with monthly reports corresponding with the total Residual Paid to ISO. POSU will make commercially reasonable efforts to provide ISO with access to any back office tools available that would allow ISO to monitor its portfolio of merchants.

d. Equipment Sales Profit Split

ISO is entitled to a percentage of the Total Gross Profit (TGP) earned from the sale or lease of equipment as specified in the chart above. TGP will be calculated by taking the total revenue collected from a sale of equipment minus the current specified buy-rate. ACH Sales refer to payment that is collected via an ACH to the merchant's bank account, or physical check collected by the agent. CC Sales refer to payment that is collected from the merchant via credit card. Commission will be paid once full payment has been collected and cleared into POSU's bank account. i. If POSU decides to finance equipment to a Customer of ISO, and such Customer defaults on a payment. ISO will be liable to POSU for the Aggregate Loss on such account. The Aggregate Loss will be calculated by taking the sum of any up-front commissions paid to ISO and any out of pocket expenses incurred in connection to customer (such as equipment costs, cancellation fees, etc) minus the sum of the total lease or finance payments collected from such Customer.

ii. Nothing in this section supersedes any of POSU's rights in Section 3 of the agreement to offset ISO's future commissions or residuals in connection with any losses from ISO's Merchant Customers.

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e. Inside Leasing Commission

ISO is entitled to a commission of 4 times the monthly leasing amount for a 48 month lease falling within the lease range specified in the current Buy Rate Guide. One quarter of the total commission will be disbursed once all necessary paperwork has been submitted to POSU and the merchant has passed the verification call. The remainder of the commission will be paid once 4 lease payments have been successfully ACH'd from the merchant. If POSU decides to lease equipment to a Customer of ISO, and such Customer defaults on a payment, ISO will be responsible for recouping the equipment and transferring the lease. If ISO is unable to transfer the remaining lease to another client, ISO will be liable to POSU for the Aggregate Loss on such account. The Aggregate Loss will be calculated by taking the sum of any up-front commissions paid to ISO and any out of pocket expenses incurred in connection to customer (such as equipment costs, cancellation fees, legal fees, etc) minus the sum of the total lease or finance payments collected from such Customer. ii. Nothing in this section supersedes any of POSU's rights in Section 3 of the agreement to offset ISO's future commissions or residuals in connection with any losses from ISO's Merchant Customers.

f. Outside Leasing Commission

ISO is entitled to a commission as outlined in the Outside Leasing Commission chart. "Number of Leases Signed" refers to the number of leases signed through a 3rd party leasing company in a calendar month, and funded by the 15th of the following month. "Multiple of Monthly Lease Amount" refers to the multiple to be applied to the base monthly lease amount on a 48 month lease, falling within the lease range specified in the current Buy Rate Guide. For example, if the base monthly lease amount is \$50 and only one third party lease has been signed and funded, the commission would be $6 \times \$50 = \300 . Commission will be paid once POSU has received funding from the Outside Leasing company. i. POSU reserves the right to withhold any part or all of an upfront commission from a lease for up to 3 months after all necessary paperwork has been collected in connection to such lease.

ii. If ISO's Merchant Customer requests to return the leased equipment due to financial hardship any other qualifying term listed in the Equipment Lease Addendum, ISO will take on the responsibility of transferring the lease to another Merchant Customer.

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iii. If a 3rd party lease holder exercises their option to “charge a lease back” to POSU, ISO will be liable to return any up-front commission paid in connection to such lease as well as any additional losses associated with unreturned or damaged equipment.

iv. Nothing in this section supersedes any of POSU’s rights in Section 3 of the agreement to offset ISO’s future commissions or residuals in connection with any losses from ISO’s Merchant Customers.

g. Personal Guarantee

As consideration for POSU entering into this Agreement, the undersigned owner(s) (whether shareholders, partners, members or other owners), principal(s), officer(s), or other representative(s) of ISO (collectively, “Owners”) hereby personally and unconditionally guarantee the payment of and agree to pay POSU and its assignees any amounts owed to POSU including Indemnified Amounts awarded by a Court of Law. The obligations of Owners pursuant to the foregoing guarantees are primary, joint and several, and irrevocable, irrespective of the genuineness, validity, regularity or enforceability of this Agreement, and without regard to any circumstance that might constitute a legal or equitable discharge of a guarantor.

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This Exhibit A is executed by duly authorized officers of the parties on:
POS Upgrades, INC.

ISO

By: _____	By: _____
Print: _____	Print: _____
Title: _____	Title: _____
Date: _____	Date: _____

Personally Guaranteed by:

Sign: _____ Print: _____

ISO INFORMATION:

Business Address			
City	State	Zip	Federal Tax ID
Business Phone	Business Cell Phone	Fax Number	Years in Business
Email			

PERSONAL GUARANTOR INFORMATION:

Home Address			
City	State	Zip	Social Security Number
Home Phone	Cell Phone	Years lived at this address	
Email			

- Attach copy of personal guarantor's Driver's License
- Attach copy of voided check where commission income will be deposited

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Addendum B will supplement Exhibit A with additional opportunities for commissions.

A. Residual Commission

If ISO solicits an account currently processing with POSU and is categorized under another agent, ISO is not entitled to residual commission. If ISO solicits an account currently processing with POSU and is categorized as a “House” account, POSU will assign the account to ISO as a POSU-Gen provided that POSU’s net profit on the account is increased. Net profit will be calculated by subtracting the agent split from the new projected monthly profit. For example, if an account was currently averaging \$100/mo, and POSU’s projected net profit is estimated at \$135/mo, the account would be reassigned to the ISO’s POSU-Gen portfolio.

Addendum B is executed by duly authorized officers of the parties on:

POS Upgrades, INC

ISO

By: _____ By: _____

Print: _____ Print: _____

Title: _____	Title: _____
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Date: _____ Date: _____

Addendum A will supplement Exhibit A with additional opportunities for commissions.

I. Commissions owed to ISO from Cash Advances

a. When commissions are owed

ISO will be entitled to receive a Cash Advance commission from a client if ISO solicits a client and provides the necessary documentation to POSU that is required to underwrite the cash advance. The commission received on such eligible cash advances will depend on

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Addendum B will supplement Exhibit A with additional opportunities for commissions. Addendum A will supplement Exhibit A with additional opportunities for commissions.

I. Commissions owed to ISO from Cash Advances

a. When commissions are owed

ISO will be entitled to receive a Cash Advance commission from a client if ISO solicits a client and provides the necessary documentation to POSU that is required to underwrite the cash advance. The commission received on such eligible cash advances will depend on whether the deal is funded by POSU or another Cash Advance Provider.

b. Outsourced Cash Advance Deals

ISO is entitled to 40% of the Gross Commission that POSU receives from any Cash Advance company. For example, if POSU receives a total commission of \$1,000, ISO will receive \$400.

Advance company. For example, if POSU receives a total commission of \$1,000, ISO will receive \$400.

Addendum A is executed by duly authorized officers of the parties on:

POS Upgrades, INC

ISO

By: _____	By: _____
Print: _____	Print: _____
Title: _____	Title: _____
Date: _____	Date: _____