



For Questions call PRG 877.421.8002 fax to PRG 888.397.2622

June 01, 2012 Sales Agent Master Service Agreement

This agreement, between _____ (hereinafter "Sales Agent") and True Wireless, LLC ("True Wireless"), is entered for the purpose of establishing a master services agreement to govern the parties' relationship wherein Sales Agent will provide certain services as an independent contractor to assist True Wireless and its appointed agents and representatives, including Prepaidworx, LLC, in the enrollment of subscribers for True Wireless' Lifeline services, as is further described below and any addendums and work orders issued under this agreement.

TERMS

- 1. Sales Agent Commission:** Sales Agent will receive commissions 30 days after the last day of the prior month. Sales Agent will receive commissions only for those orders that are completed and activated in accordance with the Lifeline Addendum and Handset Addendum, as applicable. Commission rates vary by state. True Wireless reserves the right to change commission rates at any time at its sole discretion and without prior notice.
- 2. Term:** The term of this agreement shall be for twelve months beginning on the date of the party to sign latest in time. It shall automatically renew for successive, one month term, unless either party gives written notice to terminate the agreement at least one month prior to the end of the current term.
- 3. Termination:** True Wireless may terminate this agreement for failure by Sales Agent to comply with the terms of this agreement or, in the sole judgment of True Wireless, insufficient performance on the part of the Sales Agent to obtain new subscribers for True Wireless' Lifeline service, the routine failure on the part of the Sales Agent to comply with the "Lifeline Rules" section of the Lifeline Addendum or any fraudulent or suspected fraudulent activity on the part of the Sales Agent, including any employees, agents or affiliates of Sales Agent.
- 4. Equipment, Materials and Intellectual Property:** The following shall remain the property of True Wireless and shall at all times be subject to the ultimate control of True Wireless, even if delivered to the Sales Agent: all handsets, equipment, products, records, inventory, designs, and field marketing materials ("equipment and materials") and all intellectual property provided to the Sales Agent in connection with this agreement. Sales Agent assumes all risks of damage to or loss of any True Wireless equipment and materials while Sales Agent has possession (either actual possession or constructive possession). Constructive possession includes, but is not limited to, the period of time that equipment and materials (including returned handsets) travel through the channels of the mail or delivery service back to the possession of True Wireless (including to its agent, Prepaidworx). If the Sales Agent purchases insurance from the mail or delivery service and due to loss or damage of the equipment and materials the Sales Agent receives compensation from the insurance policy, True Wireless is entitled to such insurance payouts. True Wireless shall retain title and a security interest in all handsets and other equipment and materials belonging to True Wireless. The provision of the equipment and materials and the opportunity to earn commissions under this agreement provide sufficient consideration for such security interest. Sales Agent will lose all rights with respect to the equipment and materials if it does not abide by the terms and conditions of this agreement. True Wireless reserves, among other secured creditor rights, the right of filing a financing statement concerning the consignment inventory and the right of self-help repossession of the consignment inventory in case of default, including acting on these rights through its agent, Prepaidworx.



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- 5. **Severability:** Any provision of this agreement that is found to be void, voidable, nonbinding, invalid, or unconscionable is severable from the rest of this agreement to the extent that it cannot be enforced, and such provision shall not have the effect of invalidating or voiding any other provisions of the agreement.
- 6. **Applicable Law and Arbitration:** This agreement will be governed by the laws of Tennessee without regard to its choice of law provisions. All disputes arising out of or in connection with this agreement shall be finally resolved through arbitration under the administration of Federal Arbitration, Inc. and in accordance with its Rules for Arbitration.
- 7. **Amendments and Waiver:** Any amendments to or waiver of any provision of this agreement must be in writing and signed by both parties.
- 8. **Entire Agreement:** This agreement, any addendums, and any purchase orders issued pursuant to the agreement or addendums, replace any prior agreements, discussions or representations (written or oral) between the parties.
- 9. **Indemnification:** Sales Agent agrees to indemnify, defend and hold harmless True Wireless against any and all claims, fines, forfeitures, liabilities, lawsuits, damages, losses, judgments, costs, fees and expenses incurred by True Wireless, including but not limited to, reasonable attorney’s fees under this agreement, to the full extent that such arise from Sales Agent’s failure to comply with the “Lifeline Rules” section of the Lifeline Addendum or any fraudulent activity or willful misconduct on the part of the Sales Agent, including any employee, agent or affiliate of Sales Agent.
- 10. **Assignment or Transfer.** True Wireless may assign or transfer this agreement. Sales Agent may not assign or transfer (directly or indirectly) this agreement without prior written consent from True Wireless, which will not be unreasonably withheld.

For Sales Agent:

For True Wireless, LLC:

Signature:

Signature:

Printed Name:

Printed Name:

Date:

Date:

Address:

Telephone:

Email:



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June 01, 2012 Lifeline Addendum

This is an addendum to the Sales Agent Master Service Agreement between _____ (hereinafter "Sales Agent") and True Wireless, LLC ("True Wireless"). This addendum governs the Sales Agent's enrollment of subscribers for Lifeline service provided by True Wireless. This Addendum is intended to ensure that Sales Agent complies with applicable rules of the Federal Communications Commission ("FCC"), True Wireless' practices and procedures, and applicable rules of the relevant state regulatory commission.

LIFELINE RULES

Lifeline Application Forms and Supporting Documentation: Sales Agent may not subscribe any person to True Wireless' Lifeline service (or distribute any handset to any person, if the Sales Agent is distributing handsets) unless the subscriber has properly completed the current version of True Wireless' Lifeline Application Form for the state of residence of the subscriber (further described in section 1.1 below), and Sales Agent has reviewed the subscriber's Supporting Documentation (as defined in section 1.2 below). If the Lifeline Application Form or Supporting Documentation is incomplete or invalid, fails to comply with the requirements of these Lifeline Rules, or the information on the Application Form does not match the order information that Sales Agent has entered into the True Wireless ordering system by Sales Agent, and the correct information cannot be obtained within 30 days of the order being placed, the order will be cancelled, and Sales Agent's right to a commission for that subscriber will be nullified. If the Sales Agent is distributing handsets on behalf of True Wireless, a \$50 fee will be charged to Sales Agent for each incomplete or invalid Application Form or Supporting Documentation to cover the costs incurred by True Wireless.

- 1.1. **Lifeline Application Form:** Sales Agent must use the current version of True Wireless' Lifeline Application Form applicable to the state of residence of the subscriber. This form includes specific requirements mandated by the Lifeline program, including rules of the FCC and in certain states, the public utility commission of the relevant state.
- 1.2. **Supporting Documentation:** Subscribers may only receive Lifeline benefits by providing certain documentation demonstrating that they participate in a qualifying program or demonstrate that they meet certain household income levels ("Supporting Documentation"), which are specified on the Lifeline Application Form. Sales Agent shall review the validity of and note in the subscriber order or customer account the type of Supporting Documentation reviewed. In accordance with FCC rules, Sales Agent is not permitted to retain copies of Supporting Documentation.



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1.2.1. Forms of Supporting Documentation: In certain states for particular programs and/or income information, the Supporting Documentation may take the form of consulting (a) particular database(s). True Wireless (including through its agent, Prepaidworx) will direct Sales Agent when such databases must be consulted. Otherwise, the following shall constitute Supporting Documentation:

1.2.1.1. Program Based Lifeline Applications: For the specific programs on the Lifeline Application Form for the relevant state, acceptable documentation of program eligibility includes: **the current or prior year's statement of benefits from a qualifying assistance program, a notice or letter of participation in a qualifying assistance program, program participation documents, or another official document demonstrating that the prospective subscriber, one or more of the prospective subscriber's dependents or the prospective subscriber's household receives benefits from a qualifying assistance program.**

1.2.1.2. Income Based Lifeline Applications: For the specific income level on the Lifeline Certification Form for the relevant state, acceptable documentation of income eligibility includes the prior year's state, federal, or Tribal tax return; current income statement from an employer or paycheck stub; a Social Security statement of benefits; a Veterans Administration statement of benefits; a retirement/pension statement of benefits; an Unemployment/Workers' Compensation statement of benefit; federal or Tribal notice letter of participation in General Assistance; or a divorce decree, child support award, or other official document containing income information. If the prospective subscriber presents documentation of income that does not cover a full year, such as current pay stubs, the prospective subscriber must present the same type of documentation covering three consecutive months within the previous twelve months.

- 2. Non-Duplication Process.** FCC rules mandate that only one Lifeline service is available per household. Prior to placing an order for Lifeline service with True Wireless, Sales Agent shall query True Wireless' database to ensure that (1) the applicant's address is valid and (2) neither the applicant nor any other person in applicant's household is receiving Lifeline benefit from True Wireless.
- 3. Lifeline Restrictions:** Sales Agent acknowledges that: (i) Lifeline is a government assistance program;(ii) Lifeline benefits may not be transferred to anyone other than the eligible subscriber for which a valid and complete Lifeline Application Form and Supporting Documentation have been provided; and (iii) only one Lifeline benefit per household is permitted.
- 4. Submission of Lifeline Application Forms to True Wireless:** After Sales Agent places an order for Lifeline service with True Wireless, the corresponding Lifeline Application Form must be submitted to True Wireless via its agent, Prepaidworx, within the period of time specified by True Wireless. All Lifeline Application Forms must be submitted via e-mail or fax unless True Wireless has given Sales Agent express permission to submit forms in another manner. True Wireless reserves the right to revoke such permission unilaterally, at its sole discretion.



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5. **Timeliness of Submitting Forms:** If the Lifeline Application Form for an order is not received within the agreed upon time frame the Sales Agent’s commission for that order will be held until the form is received. The commission amount may be discounted for lateness to the extent that such lateness detrimentally affects the pecuniary interests of True Wireless. If True Wireless (including through its agent Prepaidworx) gives approval for Sales Agent to submit Lifeline Application Forms via U.S. mail services rather than fax or e-mail, receipt of the Lifeline Application Form will occur upon actual delivery to True Wireless (or its agent Prepaidworx)–and not upon Sales Agent’s mailing – for the purposes of establishing timeliness of the submission. Any commission earned after the original due date will be paid with the next scheduled commission payout following the receipt of the form.
6. **Commission:** Sales Agent shall be entitled to \$_____ per qualified Lifeline subscriber that completes a subscription to True Wireless’ Lifeline service in strict compliance with the requirements in this addendum and the Master Services Agreement. Sales Agent shall not be entitled to any commission for any and all subscriptions that True Wireless, in its sole discretion, has a reasonable basis to believe were obtained through fraudulent means or on the basis of fraudulent information.

For Sales Agent:

For True Wireless, LLC:

Signature:

Signature:

Printed Name:

Printed Name:

Date:

Date:

Address:

Telephone:

Email:

Other Sales Agents:

Signature:

Signature:

Signature:

Signature:
