FYI SYSTEMS, INC.

CONTRACTOR AGREEMENT

COPYRIGHT 2009 NACCB. All rights reserved. Use of all or part of this agreement by anyone who is not a member in good standing of NACCB is strictly prohibited.

This Agreement ("Agreement") is entered into this <u>DAY</u> day of <u>MONTH, YEAR</u> , between F		
and CONTRACTOR'S C	COMPANY	NAME
("Contractor") located at CONTRACTOR'S OFFICE ADDRESS. The parties agree as follows:		

1. SCOPE

A third party client has requested FYI SYSTEMS, INC. to locate temporary staffing services for its project. FYI has referred Contractor to Client based on Client's requirements. Contractor agrees to provide technical or other specialized services as an independent contractor to Client. FYI and Contractor agree to the terms of the Purchase Order attached as Exhibit A. Contractor shall provide services through the personnel listed in Paragraph 8 of Exhibit A. Contractor agrees that all of its personnel will sign an "Employee Consent" in the form of Exhibit B (which shall be provided to FYI before such personnel begin work).

2. TERM OF AGREEMENT

Contractor may not voluntarily terminate its services under this Agreement. Contractor's services under this Agreement will terminate on (1) the "end date" reflected on Exhibit A; (2) any new end date established by a renewal or extension of the term; (3) completion of the project; (4) by client or FYI for any reason upon one day notice; however, in the event the assignment is cancelled, or postponed prior to the start date, neither FYI nor Client shall have any obligation to provide any notice to Contractor; or (5) by Contractor in the event of a material breach by FYI where Contractor has met all of the requirements for termination for material breach. In order to terminate for a material breach, Contractor must provide FYI with detailed written notice of a material breach, a 30 day opportunity to cure, and FYI must have not cured the material breach within the 30 day period. After all these requirements are met, Contractor must then provide FYI with 5 days written notice that it is terminating its services. Upon termination of services or if services should not commence, Contractor shall still be bound to its obligations under paragraphs 3, 4, 7, 13, and 14.

3. FEES FOR USE OF FYI CLIENTS, EMPLOYEES AND OTHER CONTRACTORS

During the term of this Agreement (including any renewals or extensions) and for a period of one year thereafter, Contractor agrees that it will immediately pay FYI a finder's fee of if: (a) Contractor or anyone acting on its behalf, directly or indirectly provides or advises another of the opportunity to provide, any services to a client introduced through FYI; or (b) Contractor or anyone acting on its behalf, directly or indirectly, retains or solicits for itself or for another party, the services of any of the FYI's employees or other contractors introduced through FYI. For purposes of this paragraph, "introduced through FYI" means where a client, employee, or other contractor came to the attention of Contractor in any manner through FYI. "Client" includes any affiliates, customers or clients of the Client. FYI's Client shall have the right to hire Contractor's employee if agreed to and stated in the attached Purchase Order.

4. REPRESENTATIONS

Contractor states to the best of its knowledge, information, and belief: (a) all information provided to FYI and Client related to contractor's qualifications and the qualifications of its personnel is accurate; and (b) Contractor is not subject to any contractual limitations on its ability to perform services under this Agreement.

5. PAYMENT FOR SERVICES

Contractor will be paid in accordance with the terms of the Purchase Order (Exhibit A) and shall not be entitled to any other form of compensation (including benefits) by FYI or any other party. Contractor will only be paid for invoices supported by records reflecting the hours services were performed and which have been approved for payment by the client as evidenced by the signature of a client representative. Contractor's invoice shall be paid in accordance with the following procedure: (a) FYI will bill client in accordance with the number of hours reflected on the Contractor's invoice at the agreed rate between FYI and Client; (b) Contractor will be paid for approved hours at the agreed rate between FYI and Contractor; and (c) FYI shall retain difference between amount billed client and amount properly invoiced by Contractor as a commission from client to FYI for its efforts. Contractor agrees that the Client controls the payment of fees to Contractor. Contractor shall only be entitled to payment from FYI after FYI has been paid by Client. However, upon Contractor's request and for its convenience, FYI may advance payment to Contractor prior to FYI receiving funds from the client. Contractor's invoice shall be paid on a net 30 days basis. If FYI is not paid in whole or in part by Client, then immediately upon written demand, Contractor must return the advance for any hours Client has failed to pay FYI.

6. TRAVEL, LIVING AND OTHER COSTS

FYI will not pay Contractor's travel expenses, living expenses, entertainment expenses or any other costs. If Client agrees to pay such expenses in accordance with industry practice, Contractor may include such client-authorized expenses in its invoice. FYI will provide no training, tools, equipment or other materials to Contractor. Neither FYI nor Client will provide formal training or compensate Contractor for any time expended in formal training.

7. CONFIDENTIALITY

Contractor and its personnel agree not to disclose to any third party, confidential information of FYI, the Client, or anyone with a business or employment relationship with FYI or Client. Contractor further agrees that neither it nor its personnel will use, remove, transfer, transmit, reproduce or otherwise deal with confidential information or other tangible or intangible property of another party, except for the sole purpose of performing its services under this Agreement.

8. CONDUCT, INDEPENDENT STATUS, AND BENEFITS

In performing its services under this Agreement as an independent contractor, Contractor shall be responsible for: (a) providing competent professional services in the required areas of expertise; (b) using its own independent skill and judgment; and (c) determining the manner and means best suited to perform its services. FYI shall have no right to direct, control or evaluate Contractor in the performance of these services. FYI shall not: (a) set the sequence services will be performed, (b) set Contractor's hours or location where services will be performed (no services shall be performed on FYI's premises); or (c) require progress reports or other evaluations of Contractor's performance (at its option, Client may evaluate Contractor). Contractor may provide services through other IT Services firms or directly to other end-users. Contractor warrants that it is (a) a valid corporation existing under laws of the State of CONTRACTOR'S STATE OF INCORPORATION; and (b) it maintains a set of books and records, which reflect its income and expenses as a trade or business.

All of Contractor's personnel performing services under this Agreement are employees of Contractor and are not employees of FYI or Client. In negotiating its fees with FYI and setting the compensation of its personnel, Contractor has taken into account that neither it nor its personnel are entitled to any benefits from FYI or Client, including group insurance, liability insurance, disability insurance, paid vacation, sick leave or other leave, retirement plan, health plan, premium "overtime" pay, or any other benefit. Should Contractor or its employees be deemed to be entitled to any benefits or employee rights from FYI or Client by operation of law or otherwise, Contractor and its employees expressly waive all such benefits. As an independent contractor, Contractor is responsible for: (a) paying or withholding as required, federal, state, and local employment taxes (e.g. FICA and FUTA) or other taxes or payments (Contractor will provide FYI with suitable evidence of payment upon request); (b) providing Worker's Compensation coverage to the extent required by law; (c) paying the premium "overtime" rate for overtime hours for non-exempt employees; neither FYI nor Client shall bear any responsibility for paying or withholding any of these taxes or other payments. In the event any individual or entity brings or threatens to bring a claim against FYI or Client related to the status, acts or omissions of Contractor or its personnel, Contractor agrees to cooperate with FYI and Client. Contractor's cooperation shall include providing accurate factual information to support Contractor's representations of independent contractor status.

9. **LIABILITY**

As an independent contractor, Contractor is solely responsible for the services it provides to the Client. Consequently, neither FYI, Client nor their customers or clients, shall be liable to any other party for the services provided under any circumstances. Neither FYI nor Client will indemnify Contractor for any liability incurred by Contractor, its agents or employees. While Contractor understands that FYI will act in good faith to describe the task requirements set forth by the Client, Contractor hereby releases FYI from any liability relating to these representations or Contractor's working conditions. Contractor acknowledges that FYI has no right to control any aspect of the project and Contractor has had the opportunity to discuss directly with the Client the task requirements prior to acceptance of the work. Contractor releases FYI from any liability for statements made to third parties by FYI regarding Contractor's performance.

10. OWNERSHIP OF INTELLECTUAL PROPERTY

Contractor agrees for itself and its personnel, that all documents, deliverables, software, systems designs, disks, tapes and any other materials (collectively, "materials") created in whole or in part by Contractor in the course of or related to providing services to the Client shall be treated as a "work for hire" for the Client. Contractor and its personnel will immediately disclose to the Client all discoveries, inventions, enhancements, improvements and similar creations (collectively, "creations") made, in whole or in part, by Contractor or its personnel in the course of or related to providing services to the Client. All ownership of any materials or creations shall vest exclusively with the client, including any copyright rights, patent rights or any other intellectual property rights. Contractor acknowledges that the

FYI SYSTEMS, INC.

fee it is receiving from FYI includes compensation for assigning all intellectual property rights that may arise in the course of performance of services under this Agreement. Contractor hereby assigns to Client all right, title and interest that Contractor may have in such materials and creations without entitlement to any additional compensation and free of all liens and encumbrances of any type. Contractor agrees to execute any documents necessary by Client to register or perfect its intellectual property rights. Any rights conferred upon Client under this paragraph may only be waived or assigned in writing signed by an authorized representative of Client.

11. INSURANCE

Contractor will at all times while performing work under this Agreement, maintain at its expense Comprehensive General Liability (GL) insurance coverage with limits of not less than \$100,000.

12. INDEMNIFICATION

Contractor shall indemnify and hold harmless FYI and Client, their owners, officers, directors, agents, and employees, from and against all claims, liabilities or costs (including attorney's fees and court costs), brought by any other party, including Contractor's employees, other private parties, or governmental entities. The types of claims covered by this indemnification provision, shall include, but shall not be limited to: worker's compensation claims, claims under wage and hour laws, employment tax liability, benefits claims, claims related to independent contractor status, the status of its personnel, or any other matters involving the acts or omissions of Contractor or its personnel.

13. BREACH

In the event of a breach of this Agreement, the other party shall have such rights and remedies to which it is entitled at law or in equity. In the event of impossibility of performance due to circumstances beyond a party's control (i.e. force majeure), such non-performance shall be excused. The prevailing party in any action shall be entitled from the other party its reasonable attorney's fees and other expenses of litigation.

14. OTHER PROVISIONS

This Agreement and any attached Purchase Order(s) represent the entire agreement of the parties. Any modification of this Agreement must be in writing and signed by both parties. Any agreement between the FYI and the Client, shall not modify any terms of this Agreement. Contractor may not assign its rights under this Agreement or any Purchase Order. If any provision of this Agreement is determined to be unenforceable in whole or in part, all remaining provisions shall be given full effect to the extent possible without the unenforceable provision. To the extent that there may be any conflict between the terms of this Agreement and of the Purchase Order, the terms of this Agreement shall control. This Agreement shall be governed by the laws of the State of New Jersey, without regard to choice of law principles, regardless of where Contractor's work is performed, and any litigation shall be brought in the state or federal courts of the State of New Jersey. Contractor agrees to the exercise of personal jurisdiction over it by such courts to the full extent permitted by law.

Contractor represents that its authorized representative has read, understands and agrees to the terms of this Agreement, has had an opportunity to ask any questions and to seek the assistance of an attorney regarding their legal effect, and is not relying upon any advice from FYI.

FYI SYSTEMS, INC.	CONTRACTOR'S COMPANY NAME
Signature:	Signature:
Print Name:	Print Name:
Title:	E.I.N.: <u>CONTRACTOR'S EIN</u>
Date:	Date:

FYI SYSTEMS, INC. EXHIBIT A

PURCHASE ORDER

In accordance with the Contractor Agreement dated MONTH DAY, YEAR the undersigned parties agree as follows:

- 1. <u>CONTRACTOR'S COMPANY NAME</u> ("Contractor") with E.I.N. <u>CONTRACTOR'S EIN</u>, and its office address at <u>CONTRACTOR'S OFFICE ADDRESS</u>, agrees to perform work for <u>CLIENT NAME</u> ("Client") and accomplish the following end result on Client's project <u>PROJECT NAME</u>. Contractor's services shall begin on <u>PROJECT START DATE</u> and end on <u>PROJECT END DATE</u> (the "end date") (this time period shall be the "minimum time requirement"). Contractor shall perform these services at a rate of \$PAY RATE per hour ("Contractor's Rate").
- 2. When the "minimum time requirement" has elapsed, this Purchase Order shall be extended on a month-to-month basis (i.e. to the same day of the following month) to a new "end date" until: (a) the end-result has been completed; (b) FYI or Client provides Contractor with notice that this Purchaser Order shall not be extended; or (c) Contractor provides 30 days prior written notice (which shall be effective upon receipt) of a refusal to extend this Purchase Order. If the Purchaser Order is extended, the same terms and conditions shall apply. This paragraph is intended to provide for extensions where the original time estimate for project completion requires readjustment; it is not intended to extend the end date indefinitely or create a continuous relationship. Paragraph 2 of the attached Contractor Agreement will govern any causes for Contractor termination prior to the elapsing of the "minimum time requirement".
- 3. For billing and payment purposes, Contractor shall within 3 days after the end of each month, submit to FYI an invoice along with a time record signed by an authorized Client representative verifying the number of hours services were provided to the Client. No payments will be made to Contractor prior to receipt of the invoice and verified time records.
- 4. Contractor and the Client will agree on the hours and location where services will be performed; FYI shall have no role in these decisions.
 - 5. Contractor agrees to complete the end result required by the Client.
- 6. Contractor's Rate is a confidential matter between Contractor and FYI; Contractor shall not divulge its rate to any other party, including the Client.
- 7. This Purchase Order and the related Contractor Agreement represents the full and complete understanding of the relationship between FYI Systems Inc. and <u>CONTRACTOR'S COMPANY NAME</u> and supersedes any and all communications, both verbal and written between the parties.
- 8. The following personnel of Contractor will work on the project. Contractor acknowledges that they have been informed and understand their obligations under this Purchase Order and the Contractor Agreement:

Name: <u>CONTRACTOR'S EMPLOYEE</u>	Date:
The undersigned has read, understands, and ag	rees to the terms and conditions set forth above.
FYI SYSTEMS, INC.	CONTRACTOR'S COMPANY NAME
Signature:	Signature:
Print Name:	Print name:
Title:	Title:
Date:	Date:

FYI SYSTEMS, INC. EXHIBIT B

EMPLOYEE CONSENT

FYI SYSTEMS, INC. and <u>CONTRACTOR'S COMPANY NAME</u> ("Contractor") have entered into an agreement ("Contractor Agreement") under which Contractor has agreed to provide services to a third party <u>CLIENT NAME</u> ("Client"). <u>CONTRACTOR'S EMPLOYEE</u> (Contractor's Employee) with S.S.N. <u>CONTRACTOR'S EMPLOYEE SSN</u>, will provide services on Client project as an employee of Contractor and agrees as follows:

1. FEES FOR USE OF FYI CLIENTS, EMPLOYEES AND CONTRACTORS

During the term of this Agreement (including any renewals or extensions) and for a period of one year thereafter, Contractor's Employee agrees that he/she will immediately pay FYI a finder's fee of \$15,000 if: (a) Contractor's Employee or anyone acting on his/her behalf, directly or indirectly provides or advises another of the opportunity to provide, any services to a client introduced through FYI; or (b) Contractor's Employee or anyone acting on his/her behalf, directly or indirectly, retains or solicits for himself/herself or for another party, the services of any of the FYI's employees or other contractors introduced through FYI. For purposes of this paragraph, "introduced through FYI" means where a client, employee, or other contractor came to the attention of Contractor's Employee in any manner through FYI or is identified in any agreement with FYI, Contractor or Contractor's Employee. "Client" includes any affiliates, customers or clients of the Client.

2. REPRESENTATIONS

Contractor's Employee states to the best of his/her knowledge, information, and belief: (a) all information provided to FYI, Client, Contractor related to Contractor's Employee's qualifications is accurate; and (b) Contractor's Employee is not subject to any contractual limitations on his/her ability to perform services under this Agreement.

3. CONFIDENTIALITY

Contractor's Employee agrees not to disclose to any third party, confidential information of FYI, the Client, or anyone with a business or employment relationship with FYI or Client. Contractor's Employee further agrees that he/she will not use, remove, transfer, transmit, reproduce or otherwise deal with confidential information or other tangible or intangible property of another party, except for the sole purpose of performing its services as an employee of Contractor on Client project.

4. BENEFITS

Contractor's Employee acknowledges that in performing services on Client project, he/she is an employee of Contractor and is not an employee of FYI or Client. Contractor's Employee acknowledges that he/she is not entitled to any benefits from FYI or Client, including group insurance, liability insurance, disability insurance, paid vacation, sick leave or other leave, retirement plan, health plan, premium "overtime" pay, or any other benefit. Should Contractor's Employee be deemed to be entitled to any benefits or employee rights from FYI or Client by operation of law or otherwise, Contractor's Employee expressly waives all such benefits. As an employee of Contractor, Contractor's Employee will look exclusively to Contractor to: (a) pay or withhold as required, federal, state, and local employment taxes (e.g. FICA and FUTA) or other taxes or payments (Contractor's Employee will provide FYI with suitable evidence of payment upon request); (b) provide Worker's Compensation coverage to the extent required by law; (c) pay the premium "overtime" rate for overtime hours if required; neither FYI nor Client shall bear any responsibility to pay or withhold any of these taxes or other payments. In the event any individual or entity brings or threatens to bring a claim against FYI or Client related to the status, acts or omissions of Contractor or Contractor's Employees, Contractor's Employee agrees to cooperate with FYI and Client. Contractor's cooperation shall include providing accurate factual information to support Contractor's Employee's representations of its status as an employee of Contractor.

5. OWNERSHIP OF INTELLECTUAL PROPERTY

Contractor's Employee agrees that all documents, deliverables, software, systems designs, disks, tapes and any other materials (collectively, "materials") created in whole or in part by Contractor's Employee in the course of or related to providing services to the Client shall be treated as a "work for hire" for the Client. Contractor's Employee will immediately disclose to the Client all discoveries, inventions, enhancements, improvements and similar creations (collectively, "creations") made, in whole or in part, by Contractor's Employee in the course of or related to providing services to the Client. All ownership of any materials or creations shall vest exclusively with the Client, including any copyright rights, patent rights or any other intellectual property rights. Contractor's Employee acknowledges that the compensation it receives from Contractor includes compensation for assigning all intellectual property rights that may arise in the course of performance of services on Client's project. Contractor's Employee hereby assigns to Client all right, title and interest that Contractor may have in such materials and creations without entitlement to any additional compensation and free of all liens and encumbrances of any type. Contractor's Employee agrees to execute any

FYI SYSTEMS, INC. EXHIBIT B

documents necessary by Client to register or perfect its intellectual property rights. Any rights conferred upon Client under this paragraph may only be waived or assigned in writing signed by an authorized representative of Client.

6. INDEMNIFICATION

Contractor's Employee shall indemnify and hold harmless FYI and Client, their owners, officers, directors, agents, and employees, from and against all claims, liabilities or costs (including attorney's fees and court costs), brought by any other party, including private parties or governmental entities. The types of claims covered by this indemnification provision, shall include, but shall not be limited to Contractor's Employee's breach of any provision under this Employee Consent.

7. <u>APPLICABLE LAW</u> This Employee Consent shall be governed by the laws of the State of New Jersey, without regard to choice of law principles, regardless of where Contractor's Employee is performing work, and any litigation shall be brought in the state or federal courts of the State of New Jersey. Contractor's Employee agrees to the exercise of personal jurisdiction over him/her by such courts to the full extent permitted by law.

As an employee of Contractor who will work on Client's project, I have been informed by Contractor and understand and agree to my obligations under this Employee Consent, the Contractor Agreement, and the Purchase Order.

Name: CON	ITRACTOR'S EMPLOYEE		
Signature:		Date:	
J	Contractor's Employee		