## POWUR, PBC APPLICATION AND AGREEMENT:

Advocate and the Company hereby agree to the following terms and conditions:

- 1. <u>Legal Age</u>. Advocate is of legal age to enter into this Application and Agreement (the "Agreement") in the state in which Advocate resides.
- 2. <u>Acceptance</u>. This Agreement shall be effective upon acceptance by the Company at its principal place of business. The Company reserves the right, in its sole discretion, to decline any Agreement or any renewal thereof.
- 3. <u>Term.</u> Subject to the provisions of <u>Section 18</u>, this Agreement shall have a term beginning on the date of acceptance by the Company and ending on one year from the date thereof (the "<u>Anniversary Date</u>") and shall be renewed on an annual basis on each Anniversary Date subject to acceptance by the Company which can be withheld in its sole discretion, upon payment of the then current renewal fee and in accordance with the then current renewal policy of the Company as set forth in the Policies and Procedures.
- 4. <u>Independent Contractor Status</u>. Advocate is an independent contractor and not an employee, agent or franchisee, joint venturer, partner or owner of the Company. Advocate shall not be treated as an employee, agent, franchisee, joint venturer, partner or owner of the Company for federal or state tax purposes including with regard to the Internal Revenue Code, Social Security Act, Federal Unemployment Act, Federal Insurance Contributions Act (FICA), or with regard to workers' compensation, any state unemployment act, or any other federal, state or local statute, ordinance, rule or regulation. Advocate is responsible for all liability, health, disability, workers' compensation and other insurance. Advocate is not authorized to bind the Company nor incur any obligation on behalf of the Company.
- 5. <u>Responsibility for Taxes</u>. Advocate solely is responsible for the payment of all applicable federal, state and local income, unemployment, social security and other taxes and premiums and license requirements and fees attributable to Advocate's sales activities and earnings.
- 6. <u>Sales and Use Taxes</u>. To ensure compliance with the sales and use tax requirements of each state, unless otherwise mandated by state law, the Company shall collect and remit all applicable sales and use taxes on its products and materials based upon the suggested retail price of the product. The applicable rate of tax due shall be based on the address to which the product and/or material is shipped. Solar City will collect and remit any applicable tax on its products.
- 7. <u>Compensation</u>. Any compensation Advocate receives from the Company is related solely to the sale of products and services. There is no compensation for sponsoring. Advocate is not guaranteed any income, profits or success and certifies that no such representations have been made to Advocate either by the Company or any advocate.
- 8. <u>No Purchase</u>. In order to become an Advocate and begin the business, Advocate is not required to make any purchase.

- 9. <u>Representations</u>. Advocate shall make no statements, representations or disclosures in promoting the Company, in sponsoring or training Advocates or in selling the Company's products and services, other than what is expressly permitted by the Policies and Procedures and in other literature produced by the Company. Advocate shall make no claims or representations of actual or potential earnings, guaranteed or anticipated profits or sales success.
- 10. <u>Refunds</u>. Advocate agrees to abide by Solar City's refund policy, as set forth in its materials. As more fully set forth in the Policies and Procedures, Advocate is eligible to receive a refund for products, services and literature purchased by Advocate directly from the Company, less a 10% handling fee, if Advocate chooses to terminate the Agreement and return the products or services in resalable currently marketable condition within 12 months of purchase. Commissions paid on refunded products must be repaid to the Company by the Advocate earning the commission.
- Proprietary Rights/Use of Company Materials. Advocate acknowledges that the Company's trademarks, service marks, tradenames, patents and copyrighted materials are owned solely by the Company, and that use of such marks and materials by Advocate must be in compliance with the Company's written policies, as such may be amended by the Company from time-to-time. Advocate agrees to use only written, recorded or other promotional or advertising materials which have been produced by the Company and/or approved in writing by the Company prior to use and bear its approval designation. Advocate further agrees that the Company has the exclusive proprietary interest in its customer lists, customer information developed by or for the Company (such as credit data, product purchase information and customer profile data), Advocate lists, manufacturing procedures, formulas, source codes, product development and in all operating, financial and marketing materials; and that all such information is confidential. Advocate shall not use or disclose such information to any third party except in strict accordance with this Agreement and the Policies and Procedures. Confidential information is disclosed to Advocate on a "need to know" basis solely for use in Advocate's business with the Company. Advocate agrees to use his or her best efforts to keep such information confidential and shall not use such information to sell products or services other than the Company's products and services or in connection with any other business during the term of and after termination of this Agreement. Upon termination or non-renewal of this Agreement, Advocate immediately shall cease all use of the Company's trademarks, service marks and proprietary and confidential information and, if requested by the Company, return all such materials in Advocate's possession to the Company.
- 12. <u>Non-Solicitation/Sale of Other Products</u>. As an inducement for the Company to enter into this Agreement and in consideration of the mutual covenants contained herein, Advocate agrees that during the term of this Agreement and for a period of one year thereafter, Advocate shall not, directly or indirectly, on his or her own behalf or on the behalf of any other person or entity, solicit, induce or hire or attempt to solicit, induce or hire any Advocate, employee, member, customer, supplier or vendor of the Company (i) to enter into any business relationship with any other direct sales or network marketing company or individual or (ii) to terminate or alter his or her business or contractual relationship with the Company. Advocate agrees that no products or services except for the Company's products or services shall be sold or shown at any event where the Company's products or services are sold or shown.
- 13. <u>Retail Sales</u>. In order to receive commissions and overrides, Advocate must make retail sales and comply with the Company's 70% Rule set forth in the Policies and Procedures.

- 14. <u>Training</u>. In the event Advocate sponsors other Advocates, Advocate agrees to perform a bonafide supervisory, distributive and selling function in connection with the sale of the Company's products and services to the ultimate consumer.
- 15. <u>Exclusive Territory</u>. No exclusive territory is granted by this Agreement, nor does this Agreement constitute the sale of a security or a franchise.
- 16. <u>Compliance</u>. Advocate shall abide by all applicable federal, state and local laws or regulations, and the terms of this Agreement, the Policies and Procedures and the Compensation Plan.
- 17. <u>Assignability</u>. This Agreement may not be transferred or assigned by Advocate without the prior written approval of the Company, in its sole discretion, and then only in accordance with the Policies and Procedures. The Company may assign this Agreement at any time.
- 18. <u>Termination</u>. (a) ADVOCATE ACKNOWLEDGES THAT HE OR SHE IS FREE TO TERMINATE THIS AGREEMENT AT ANY TIME FOR ANY REASON. (b) The Company may terminate this Agreement immediately upon written notice for cause. Where state laws on termination are inconsistent with this provision, then the applicable state law shall apply. Immediately upon termination or nonrenewal of this Agreement, Advocate shall (a) lose all rights to purchase products from the Company at Advocate cost; (b) cease from representing himself or herself as an Advocate of the Company; (c) lose all rights to his or her distributorship, his or her participation and position in the Compensation Plan, including all future commissions and earnings resulting therefrom shall immediately terminate; and (d) take all other actions reasonably required by the Company, including the discontinuance of the Company's trademarks and service marks.
- 19. <u>Amendment</u>. The Company may amend this Agreement, the Policies and Procedures, prices for product, company literature and/or the Compensation Plan, without prior notice, at any time, effective five days after publication or transmittal of such amendment in official Company publications, literature or voice mail, as applicable. In the event of any conflict between the terms of this Agreement, the Policies and Procedures or any other document and such amendment, the amendment shall control.
- 20. <u>Venue/Governing Law</u>. This Agreement is governed by the laws of the State of Delaware without reference to its conflict of laws rules. Any legal action concerning this Agreement shall be brought in the state and federal courts located in San Diego, California.
- 21. <u>Indemnification/Offset</u>. Advocate agrees to indemnify and hold harmless the Company, its subsidiaries, affiliates, and their shareholders, officers, agents, employees, and directors, from and against any claim, demand, liability, loss, cost or expense, including, but not limited to, court costs or attorneys' fees, asserted against or suffered or incurred by any of them by reason of, directly or indirectly, arising out of or in any way related to or connected with, allegedly or otherwise, Advocate's: (a) activities as an Advocate including, without limitation, any unauthorized representations made by Advocate; (b) breach of the terms of this Agreement; or (c) violation of or failure to comply with any applicable federal, state or local law or regulation. The Company shall have the right to offset any amounts owed by Advocate to the Company (including, without limitation, the repayment of commissions as a result of refunds) against the amount of any commissions or bonuses owed to Advocate.

- 22. <u>Notice</u>. Except as expressly set forth herein, any communication, notice or demand of any kind whatsoever, shall be in writing and delivered either (i) by electronic communication (whether by email or telecopy), (ii) personally or by same day local courier services or overnight express delivery services; or (iii) by registered or certified mail, postage pre-paid, return receipt requested. Notices delivered personally, by overnight express delivery service or by local courier service shall be deemed given as of actual receipt. Mailed notices shall be deemed given three Business Days after mailing. "Business Day" means any Monday through Friday other than any such day which, in the State of California, is a legal holiday or a day on which banking institutions are authorized or required by law or regulation to close. Any party may change its address for notice by giving written notice to the other in the manner provided in this Section.
- 23. <u>Cumulative Remedies/Waiver</u>. All rights, powers and remedies given to the Company are cumulative, not exclusive and in addition to any and all other rights and remedies provided by law. No failure or delay of the Company to exercise any power or right under this Agreement or to insist upon strict compliance by Advocate with any obligation or provision shall constitute a waiver of the Company's right to demand exact compliance therewith. Waiver by the Company can be effective only in writing by an authorized officer of the Company.
- 24. Release. To the extent permitted by law, the Company shall not be liable for and Advocate releases the Company from, and waives all claims for any loss of profits, indirect, direct, special or consequential damages or any other loss incurred or suffered by Advocate as a result of (a) the breach by Advocate of the terms of this Agreement and/or the Policies and Procedures; (b) the operation of Advocate's business; (c) any incorrect or wrong data or information provided by Advocate; or (d) the failure to provide any information or data necessary for the Company to operate its business, including without limitation, the enrollment and acceptance of Advocate or the payment of commissions and bonuses.
- 25. <u>Injunctive Relief.</u> Advocate agrees that upon a breach of this Agreement that the Company will be immediately and irreparably harmed and can not be made whole solely by monetary damages. Advocate agrees that the remedy at law for any breach of any provision of this Agreement shall be inadequate and that, in addition to any other remedies, in law or in equity, it may have, the Company shall be entitled, without the necessity of proving actual damages, to temporary and permanent injunctive relief to prevent the breach of any provision of this Agreement and/or to compel specific performance of this Agreement.
- 26. <u>Attorneys' Fees</u>. The Company shall be entitled to its cost and expenses, including reasonable attorneys' fees, in enforcing its rights under this Agreement.
- 27. <u>Severability</u>. If under any applicable law or rule of any applicable jurisdiction, any provision of the Agreement is held to be invalid or unenforceable, the remainder of the Agreement will be interpreted as best to effect the intent of the parties hereto. The remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from the Agreement.
- 28. <u>Survival</u>. The covenants and obligations of Advocate to abide by the nonsoliciation, trade secrets and confidential information covenants contained herein shall survive termination of this Agreement.

- 29. <u>Entire Agreement</u>. This Agreement, the Policies and Procedures and the Compensation Plan (all of which are incorporated herein by reference), constitute the entire agreement between Advocate and the Company, supersede all prior agreements and no other promises, representations, guarantees, or agreements of any kind shall be valid unless in writing and signed by both parties. In the event of any conflict during the terms of this Agreement and the Policies, the Policies shall prevail.
- 30. <u>Louisiana and Montana Residents Only</u>. Louisiana residents may bring an action against the Company with jurisdiction and venue as provided by Louisiana law. A Montana resident may cancel this Agreement within 15 days of the date of enrollment and may return the business kit for a full refund within such time.