

MASCOT AFFILIATION NETWORK AGREEMENT

The Affiliate Network Agreement (the "Agreement"), is made and entered into this ___ day of _____, 2016, by and between Mascot Construction Inc. ("Mascot" or the "Company"), and _____ (the "Affiliate").

WITNESSETH:

WHEREAS, Mascot is engaged in the business of providing construction services to its clients ("Clients"), which services include routine preventative and emergency repair services to its Clients' locations;

WHEREAS, Mascot desires to build a network of skilled subcontractors and suppliers to assist Mascot in delivering timely, efficient and cost-effective maintenance and repair services to its Clients; and

WHEREAS, Affiliate has represented to Mascot that Affiliate possesses the requisite skills, talents, availability, contacts, judgment and knowledge of the construction and maintenance industry to achieve the results sought by Mascot and Mascot's Clients; and

WHEREAS, the Company desires to include Affiliate in Mascot's Affiliate Network (the "Network"), which program is designed to allow Mascot to call upon Affiliate as a "preferred provider" to provide maintenance and other construction related services to Mascot's Clients; and

WHEREAS, the Company desires to obtain reasonable protection against unfair competition from the Affiliate to protect the Company against unfair use of its trade secrets and confidential business information, and the Affiliate is willing to grant the Company benefits of a covenant not to compete, preferential pricing, preferential priority scheduling of work and other protections, for these purposes; and

NOW, THEREFORE, for and in consideration of the mutual promises herein contained, the Company and Affiliate agree as follows:

1. Application Requirement. To become an Affiliate and part of the Mascot Affiliation Network, an applicant must submit an application ("Application") to be approved or disapproved at the sole discretion of Mascot. Once accepted as an Affiliate and part of Mascot's Subcontractor Affiliation Network, the benefits enjoyed by the Affiliate during the term of this Agreement, as well as affiliate's duties and responsibilities, are described below.
2. Definition of Affiliated and Affiliation. Mascot has created this network of affiliates to assist Mascot in delivering timely, efficient and cost-effective routine maintenance and break/fix services to its Clients through the use of qualified subcontractors who are familiar with the manner in which both Mascot and Mascot's clients desire to have maintenance provided to the clients' locations. All products and services provided by the Affiliate to the Client are collectively referred to herein as the "Work".
3. Benefits and Responsibilities as Network Affiliate.
 - a) Affiliate will receive an opportunity or opportunities to provide services through a maintenance order or request (a "Routine Maintenance Request") for one of Mascot's Clients through the Mascot work order process (as described herein). The pricing on Routine Maintenance Requests payable to Affiliate will be contained on Affiliate's Application (as approved by Mascot), and if such item or service is not included on such sheet, then the Affiliate must obtain the pricing for such services payable to Affiliate in writing from Mascot before work or repairs commence, which may be in email or text form prior to commencement of any work or repairs.
 - b) Once the Affiliate quotes a price to Mascot for the Work, the Affiliate shall not commence work until directed to do so in writing by Mascot.
 - c) Affiliate agrees to perform maintenance as described on a Routine Maintenance Request (a "Request") sent to Affiliate by the Company in the time required on the Requests, and at the prices agreed upon by the Company and Affiliate.

d) The Affiliate will have access to the Company's Affiliate data base for use and reference. Affiliate will have access to use the Company system for Mascot Work Orders.

4. Fees For Network Affiliate Participation. There will be an initial sign-up fee of \$125 to join the Mascot Affiliation Network and an annual fee of \$75 charged yearly after the first full year of affiliation with the Network.

5. Workmanship and Quality. Affiliate shall perform the Work and discharge all duties and responsibilities under this Agreement diligently and faithfully, in a high quality, first class manner and consistent with the "Mascot Affiliation Network Agreement Requirements" attached to this Agreement, and acknowledges that workmanship of only the highest quality will be acceptable. All Work under this Agreement shall be performed by competent workmen and executed in a timely, professional, neat, first-class and workmanlike manner. Affiliate agrees to carry out fulfill and perform all such duties and responsibilities to Company, in such a manner to enhance and develop further business interests and welfare of the Company, and not to undertake or engage in any activity at any time during the term of their Affiliation that would in any manner interfere with a discharge of their duties and responsibilities as an Affiliate of the Network or compete or take any action which might result, or appear to result (in the opinion of the Company or any Client) in competition with the Company's business or relationship with any Client. The determination of the quality of the Work of Affiliate shall be in the sole discretion of the Company. The utilization and participation of the Affiliate in the Network shall continue only as long as the services rendered by Affiliate are satisfactory to the Company, regardless of any other provision contained in this Agreement. The Company shall be the sole judge as to whether the services of the Affiliate are satisfactory. The Affiliate shall cooperate to the fullest extent possible with the Company in scheduling and performing the Affiliate's Work to avoid interference with the Client's business operations and to meet all completion dates.

6. Safety Precautions and Procedures. The Affiliate shall take reasonable safety precautions with respect to performance of the Subcontract and shall comply with all safety measures initiated by the Company, the Client and with applicable laws, ordinances, rules, regulations and orders of public authorities for the safety of persons or property. The Affiliate shall report to the Company within three days of an injury to an employee or agent of the Affiliate which occurred on a job for a Client. The Affiliate shall keep the premises and surrounding area free from accumulation of waste materials or rubbish caused by operations and the Work performed under this Agreement. Affiliate will have insurance (as described herein) and will have the proper licensing in each city, state, county or their jurisdiction for the trade in which they are working.

7. Changes in the Work. There will be no changes to the assigned work unless approved in writing by the Company. Affiliate waives any and all lien rights it has or may have against any property, project site, location or leasehold interest for which any Work was provided.

8. Payment. Payment for work completed shall be made by the Company to the Affiliate when the Affiliate's Work is fully performed in accordance with the requirements of the Request, the Company has been paid by the Client and Affiliate has fulfilled all conditions under this Agreement. If all other conditions precedent have been met, Mascot will pay Affiliate within ten (10) days of Mascot's receipt of payment from the Client relating to such work. Before issuance of the final payment, the Affiliate, if required by Company shall submit written evidence, including final lien waivers, that materials and equipment and all indebtedness connected with the Affiliate's Work has been satisfied or paid. If written notification is made to the Company by suppliers, employees, independent contractors or subcontractors of the Affiliate of non-payment, then Company may immediately pay these claims and deduct the cost from the Affiliate's balance due. The Company requires the Affiliate to submit all warranties, a signed off work order by the store manager, and "before and after" pictures of work completed before any payment will be issued to the Affiliate.

9. Warranty. All materials and workmanship shall be guaranteed for a minimum of one year after the date of acceptance of the Work by the Owner unless specific guarantees extend this date by

contract document or manufacturer warranty. All manufactured articles, materials and equipment shall be applied as recommended by the manufacturer.

10. Inability to Bind Company. Affiliate shall not have the ability or authority to bind Mascot to any agreement, incur any liability on behalf of Mascot, or otherwise obligate the Company to any third party without a written resolution from the Company authorizing such act.

11. Term/Termination of Affiliation. Affiliate's participation in the Network may be terminated: (a) by either party upon thirty (30) days prior written notice to the other party, (b) by the Company, without prior notice, in the sole discretion of the Company.

12. Non-Competition. Affiliate acknowledges and agrees that during the course of their affiliation with Mascot and the Network, Affiliate will that Affiliate will have access to confidential information about the operations, business and affairs of the Company; that clients have been attracted and retained at great expense and that these clients are of great value to the Company; that Affiliate is now or during the course of their affiliation will become, familiar with and possessed of the manner and methods by which the Company conducts its business and the secrets and confidential information that pertain to such business; that by virtue of their affiliation Affiliate has or will become personally acquainted with the Clients of Mascot; and that the Company will suffer great loss and damage if Affiliate, whether during or after his/its affiliation with the Company, should divulge or disclose information about the Company's business for purpose of causing benefit or gain of whatever character to accrue to anyone other than the Company. Accordingly, Affiliate does hereby covenant and agree that they shall not in any way, directly or indirectly, on behalf of any person or entity, as an affiliate, agent, representative, independent contractor, owner (in whole or in part), officer, director, consultant, advisor or in any other capacity, for a period of two (2) years following termination of Affiliate's affiliation with the Network for any reason whatsoever, do any of the following:

- a) Perform for any Client of the Company for which Affiliate provided any Work (as that term is defined herein), any Work which is the same, similar or competitive with the services performed or offered by the Company;
- b) Solicit or influence or attempt to solicit or influence any Client (i) to do business with Affiliate; (ii) not to do business with the Company; or (iii) to curtail, withdraw or cancel any business with the Company; and/or
- c) Take any action with respect to any Client which would adversely affect the Company or its business or operations.

The term "Client" shall refer to any person or entity for which Affiliate performed any Work during the time in which Affiliate was affiliated with the Company and the Network.

d) Affiliate agrees, represents and warrants to the Company that the above covenants of non-competition are, reasonable in terms of duration and limitation of restricted activities; supported by full and adequate independent valuable consideration; impose no greater restraint than is reasonably necessary to protect the Company's business and goodwill; and not oppressive to Affiliate or injurious to the public.

13. Preservation of Trade Secrets and Confidential Information. Affiliate acknowledges and agrees that Affiliate has gained and will continue to gain in the course of their affiliation with the Company and the Network special knowledge of the Company's confidential information, data, processes, methods and records. Affiliate agrees that both during and after the affiliation of Affiliate hereunder, Affiliate will to in any way violate the confidence of the Company and will not without the Company's prior written consent, disclose, appropriate, divulge, or otherwise communicate to anyone (i) any of the business methods of the Company or any of its affiliates, (ii) any of the business relations between the Company or an affiliate thereof and any customer or client of either, (iii) the identity of any Client of the Company or any of its affiliates, or (iv) any record of information of the Company or any of its affiliates. For purposes of this Agreement and interpretation and enforcement of this Agreement (by injunctive relief and/or damages), a "trade secret" is any formula, pattern, devise or compilation of information which is used in the Company's business (as it may exist from time to time), and which gives the Company an opportunity to obtain an advantage over competitors who do not know or use it. More specifically, the Company's customer lists, pricing information, pricing strategies, information on

margins, client information, customer preferences, market and marketing strategies, terms of contracts with clients, designs and drawings are to be considered as the Company's trade secrets. All of such items are to be considered as confidential and proprietary to Company and are the trade secrets of Company, regardless of whether or not Affiliate agrees or disagrees with such assessment. Affiliate acknowledges, agrees and recognizes that the Company's trade secrets are to be closely and carefully guarded by Affiliate, and are entitled to protection from disclosure as such information is not known outside the Company's business, the Company has taken measures to guard the secrecy of such information to prevent competitors from learning such information, that the information would be valuable and useful to any competitor of the Company, the Company has expended significant effort and money in developing the information, and that the Company would suffer great damage if any such information was disclosed to third parties.

14. Surrender of Company Documents. Affiliate agrees that upon termination of this Agreement by either party at any time, that Affiliate will immediately surrender to the Company all originals and all copies made of any papers, notes, documents, manuals, customer lists, writings, illustrations, models, plans, policies, computers, software, equipment and other property given to Affiliate, produced by Affiliate or coming into Affiliate's possession by, through or as a result of Affiliate's affiliation with the Company and the Network. Affiliate further expressly agrees, understands and acknowledges that all such materials are at all times the property of the Company.

15. Independent Contractor Status. Affiliate shall provide the Work to Mascot and Mascot's Clients as an independent contractor and not an employee. The Contractor shall:

- (a) Render services to the Company in the course of an independent engagement retaining his right to adopt his/her/its/their own means and methods;
- (b) Be independent from the Company except as to final results contemplated by this Agreement;
- (c) Be paid on a project by project basis;
- (d) Supply at Affiliate's sole expense, all travel, lodging, food, equipment, materials and/or supplies necessary to accomplish the Work agreed to be performed hereunder.
- (e) Not be treated as an employee with respect to Work performed hereunder for federal or state tax purposes, or any other purpose whatsoever, and will be issued an IRS form 1099 at year's end;
- (f) Bear sole responsibility for the payment of all taxes related to this engagement with the Company and affiliation with the Network, and is responsible to pay Affiliate's own income taxes; and
- (g) Obtain its own insurance, as Affiliate understands that Affiliate, nor Affiliate's employees or contractors, will have any insurance benefits through the Company, including any insurance related to health, illness, accident or injury, even if hurt on any project, regardless of fault or any other circumstance or condition.

16. Insurance. The Affiliate shall purchase and maintain and provide to the Company evidence of insurance of the following types of coverage and limits of liability:

- (a) Worker's Compensation -Amount required by law.
- (b) General Liability -\$1,000,000
- (c) Auto Liability-\$1,000,000

Each certificate of insurance must show Company as an additional named insured, and Company must receive 30-day notice prior to change or cancellation any policy. Failure to provide evidence of all required insurance to Company shall be a justification for non-payment to Subcontractor. If Affiliate's coverage does not meet these limits, Company may deduct any cost assessed to it by its insurance carrier from the Affiliate's payments.

17. Successors and Assigns. The provisions of this Agreement shall bind as well as inure to the benefit of the heirs, executors, legal representatives, affiliates, successors and assigns of both parties. The Affiliate shall have no right to assign any rights or delegate any duties arising hereunder. The Company may freely assign its rights hereunder.

18. Applicable Law and Venue/ Dispute Resolution. This Agreement shall be governed and construed in accordance with the laws of the State of Texas and exclusive venue for any dispute hereunder shall lie in Collin or Dallas County, Texas. Any dispute hereunder shall be submitted to binding arbitration if the parties are unable to resolve such dispute on their own. The prevailing party shall be entitled to recover its reasonable attorney's fees, cost and expenses from the non-prevailing party in addition to any other relief to which it may be entitled.

19. Waivers. Neither the Company's failure to exercise, nor its delay in exercising any of its rights hereunder shall constitute a waiver of any of them, nor shall any single or partial exercise of any of such rights preclude the Company's further exercise of them, nor shall any waiver by the Company of any breach of a provision hereof constitute a waiver of any further or subsequent breach of such provision or of any breach whatsoever of any other provisions hereof.

20. Agreement. This Agreement supersedes all previous agreements, written or oral, relating to Affiliate and participation in the Network. This Agreement cannot be amended except by a writing signed by the party to be charged.

21. Notice. Any notices to be given hereunder by either party to the other may be effected either by personal delivery in writing or by certified mail, return receipt requested. Mailed notices shall be addressed to the parties at their addresses listed below and shall be deemed to be received three (3) days after mailing with the United States Postal Service.

22. Miscellaneous. Whenever the context hereof shall so require, the singular shall include the plural and the plural the singular, and the gender of any pronoun shall include the masculine, feminine, and neutral gender.

EXECUTED as of this ____ day of _____, 20____.

COMPANY:

MASCOT CONSTRUCTION, INC.

By: _____ Date: _____
Signature

Name Printed Title

AFFILIATE:

Company Name: _____

By: _____ Date: _____
Signature

Name Printed Title