

# RAH Entertainment and Media



## Salesperson Agreement Commission Only

Effective Date \_\_\_\_\_

between [\_\_\_\_\_], (“Employee”)

a [\_\_\_\_\_] Resident, residing at [\_\_\_\_\_]

and

[RAH Entertainment and Media] (“Employer”)

located at

30 West Adams Street, Tucson, AZ 85705

In consideration for the mutual promises, covenants, and Agreements made below, the parties, intending to be legally bound, agree as follows:

### *1. Term & Termination*

*1.1 Term.* The Employer hereby employs the Employee and the Employee hereby accepts employment with the Employer for a period of [ \_\_\_\_\_ ] beginning on [ \_\_\_\_\_ ].

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### *1.2 Termination*

*1.2.1 Termination Events.* Unless otherwise waived by the Employer, this Agreement terminates on the occurrence of one or more of the following:

- The Employer's business shuts down.

- The Employee dies.
- The Employee loses his legal capacity.
- The death of any partner in the business.
- The Employer's loss of its legal capacity to contract.
- The Employee's breach of duty.
- The Employee's habitual neglect of his / her employment duties.
- The Employee's continued incapacity to perform his / her duties.
- The willful or permanent breach of the Employee's obligations.

*1.2.2 Effect on Compensation.* The Employee will be entitled to the compensation earned prior to the date of termination. The Employee will be entitled to no compensation beyond the date of termination.

*1.2.3 Effect on Commissions.* All claims for commissions are waived by the Employee if not made within 30 days of the date of the termination.

## *2. Employee's Obligations*

*2.1 Employment as Salesperson.* The Employee will provide sales services for the Employer; the Employee will sell Advertising Media and Services (the "Merchandise") in the territory described below to Employer approved buyers.

### *2.2 Territory*

*2.2.1* The Employee will provide sales services in Tucson (the "Territory.") The Employee will not make any sales outside of the designated Territory without the approval of the Employer.

*2.2.2* In its sole discretion, the Employer may change the Territory at any time and in any manner.

*2.3 Full Time & Energy.* The Employee agrees to devote his / her full time and energy to the performance of his / her duties, subject to the Employer's direction and control, and the Employee will use his / her best efforts to sell the Merchandise in the Territory.

*2.4 Prohibition Against Competitive Activities.* During the term of this contract the Employee shall not, in any capacity, participate in any business that competes in any manner with the Employer's business.

*2.5 Sales Reports.* On the last working day of each week, the Employee shall complete and submit to the Employer a written report, on a form provided by the Employer, stating the status of any contracts opened or closed and any other information or data that the Employer may request.

*2.6 Rules & Regulations.* The Employee shall strictly adhere to and obey all the rules and regulations now in effect or as subsequently modified relating to the conduct of the Employees.

*2.7 Satisfactory Performance.* The Employee's employment shall continue only as long as the services performed by the Employee are satisfactory to the Employer, in the Employer's sole and exclusive judgment.

### *3. Compensation*

*3.1 Commissions.* As compensation for the services performed pursuant to this Agreement, the Employee shall receive a commission of 20% of the Net Sales (defined below) of Merchandise sold to the customers in the Territory.

*3.2 Net Sales.* Defined as the amount of gross sales less any returns and allowances attributable to those gross sales.

*3.3 Accrual of Commissions.* Commissions are earned when payment for the Merchandise is actually received by the Employer.

### *4. Expenses*

*4.1 Travel, Entertainment, & Other Expenses.* It is recognized and agreed by the parties to this Agreement that in connection with the services to be performed for the Employer, the Employee will be obliged to expend money for travel, entertainment of customers, gifts, and similar business expenses. The Employee is authorized to incur reasonable business expenses for promoting the business of the Employer.

*4.2 Reimbursement.* The Employer shall reimburse the Employee from time to time for all business expenses incurred by the Employee, provided that the Employee presents Adequate Documentation (defined below) to the Employer.

*4.2 Reimbursement.* In addition to commissions paid and regardless of actual expenses incurred, the Employer will pay the Employee a set sum of \$20 per month to reimburse the Employee for its business expenses. The Employer will only be liable to the Employee for the repayment of any business expenses incurred by the Employee in any particular month as provided for in this section. The Employee shall present to the Employer Adequate Documentation for all business expenses.

*4.3 Adequate Documentation.* The Employee is required to maintain an account book in which he / she will record the amount, type, and reason for each expenditure and the nature of the business benefit derived or expected to be derived as a result of the expenditure. Furthermore, the names, addresses, and other relevant information concerning each person who was entertained or given a gift should be listed. The gifts made to any one individual shall not exceed a total value of \$0 in any twelve month period. In addition to an account book, the Employee must also keep documentary evidence of all expenses (receipts and paid bills).

## *5. Employer's Rights to Records & Lists*

### *5.1 Soliciting Customers after Termination of Employment*

*5.1.1* The Employee acknowledges and agrees that the names and addresses of the Employer's customers constitute trade secrets of the Employer and that the sale or unauthorized use or disclosure of any of the Employer's trade secrets by the Employee constitutes unfair competition. The Employee promises not to use or disclose any of the Employer's trade secrets or otherwise engage in any unfair competition with the Employer.

*5.1.2* For a period of 6 months following termination, the Employee shall not either directly or indirectly disclose to any entity the names or addresses or any other information pertaining to any of the Employer's customers. The Employee further agrees not to call on, solicit, or take away any of the Employer's customers on whom he / she called or with whom he / she became acquainted during his / her employment with the Employer.

*5.2 Ownership of Customer Records.* Regardless of who actually purchased the original book or record, all records relating in any manner whatsoever to the customers of the Employer, whether prepared by the Employee or otherwise, shall be the exclusive property of the Employer. Upon termination of the Employee's employment, all such books and records shall be immediately returned to the Employer.

### *6. Employee's Rights & Obligations*

*6.1 Examination of Books.* The Employee shall have the right, either personally or by his / her accountant, to examine the Employer's books and accounts, insofar as they relate to the Employee's compensation. This right may be exercised at times mutually convenient to the parties at least once every six months.

#### *6.2 Employee Automobile*

*6.2.1* Employee shall, at his / her own expense, obtain an automobile for use in selling the merchandise and otherwise performing his / her job in the Territory. The Employee agrees to indemnify and hold the Employer harmless from any claims arising out of the operation of that automobile.

*6.2.2 Insurance on Employee's Automobile.* The Employee agrees to keep in full force and effect, at his / her sole expense, an automobile insurance policy on any automobiles used at any time to carry out his / her employment duties. Each policy must include the name of the Employer as a named assured. Furthermore, the policy shall insure against liability for bodily injury in the minimum amount as prescribed by Arizona State Law. The Employee agrees to deliver a certificate evidencing each policy to the Employer upon demand.

*6.3 Qualification for Surety Bond.* The Employee agrees to furnish all information and take any other steps necessary for the Employer to procure a fidelity bond conditioned on the Employee providing a true account of all moneys, goods, or other property that may come into his / her custody or charge. In its sole discretion, the Employer may select the surety company and the amount of the bond. The Employer will pay all premiums on the bond. This Employment Contract will immediately terminate

upon the failure by the Employee to qualify for such a bond within 14 days from the date of this Agreement.

*6.4 Physical Examinations.* Upon the Employer's request, the Employee agrees to submit himself or herself for physical examination to a physician designated by the Employer annually or at any time requested.

*6.5 Payment of Sums Due Deceased Employee.* If the Employee dies prior to the expiration of the term of employment, any moneys that may be due under this Agreement as of the date of death shall be paid to his / her executors, administrators, heirs, personal representatives, successors, and assigns.

## *7. General Provisions*

*7.1 Independent Contractors.* The relationship between both parties established by this Agreement is that of independent contractors, and nothing contained in this Agreement shall be construed to give either party the power to direct and control the day-to-day activities of the other. Neither party is an agent, representative or partner of the other party. Neither party shall have any right, power or authority to enter into any agreement for, or on behalf of, or incur any obligation or liability of, or to otherwise bind, the other party. This Agreement shall not be interpreted or construed to create an association, agency, joint venture or partnership between the parties or to impose any liability attributable to such relationship upon either party.

*7.2 Publicity.* Neither party will make any public announcement or issue any press release concerning the terms of this Agreement without the prior approval of both parties. If the parties mutually agree to issue a press release concerning the issues described in this Agreement, the parties shall cooperate to mutually agree on a press release describing the relationship based on this Agreement, and to issue such press release in the normal course of business.

*7.3 Non-Solicitation.* Neither party shall solicit for employment or hire the other's current or future employees, either directly or indirectly, during the Term of this Agreement, without obtaining the other's prior written approval. Should an employee change employment from one party to the other, the new employer shall pay the old employer a fee equivalent to Twenty Percent (20%) of the employee's new compensation, annualized for the first year.

*7.4 Governing Law & Jurisdiction.* This agreement and the parties' actions under this Agreement shall be governed by and construed under the laws of the state of Arizona, without reference to conflict of law principles. The parties hereby expressly consent to the jurisdiction and venue of the federal and state courts within the state of Arizona. Each party hereby irrevocably consents to the service of process in any such action or proceeding by the mailing of copies thereof by registered or certified mail, postage prepaid, to such party at its address set forth in the preamble of this Agreement, such service to become effective thirty (30) days after such mailing.

*7.5 Entire Agreement.* This Agreement, including the attached exhibits, constitutes the entire Agreement between both parties concerning this transaction, and replaces all previous communications, representations, understandings, and Agreements, whether verbal or written between

the parties to this Agreement or their representatives. No representations or statements of any kind made by either party, which are not expressly stated in this Agreement, shall be binding on such parties.

*7.6 All Amendments in Writing.* No waiver, amendment or modification of any provisions of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom such waiver, amendment or modification is sought to be enforced. Furthermore, no provisions in either party's purchase orders, or in any other business forms employed by either party will supersede the terms and conditions of this Agreement.

*7.7 Notices.* Any notice required or permitted by this Agreement shall be deemed given if sent by registered mail, postage prepaid with return receipt requested, addressed to the other party at the address set forth in the preamble of this Agreement or at such other address for which such party gives notice hereunder. Delivery shall be deemed effective three (3) days after deposit with postal authorities.

*7.8 Costs of Legal Action.* In the event any action is brought to enforce this Agreement, the prevailing party shall be entitled to recover its costs of enforcement including, without limitation, attorneys' fees and court costs.

*7.9 Inadequate Legal Remedy.* Both parties understand and acknowledge that violation of their respective covenants and Agreements may cause the other irreparable harm and damage, that may not be recovered at law, and each agrees that the other's remedies for breach may be in equity by way of injunctive relief, as well as for damages and any other relief available to the non-breaching party, whether in law or in equity.

*7.10 Arbitration.* Any dispute relating to the interpretation or performance of this Agreement shall be resolved at the request of either party through binding arbitration. Arbitration shall be conducted in Pima County, Arizona in accordance with the then-existing rules of the American Arbitration Association. Judgment upon any award by the arbitrators may be entered by any state or federal court having jurisdiction. Both parties intend that this Agreement to arbitrate be irrevocable.

*7.11 Delay is Not a Waiver.* No failure or delay by either party in exercising any right, power or remedy under this Agreement, except as specifically provided in this Agreement, shall operate as a waiver of any such right, power or remedy.

*7.12 Force Majeure.* In the event that either party is unable to perform any of its obligations under this Agreement or to enjoy any of its benefits because of any Act of God, strike, fire, flood, governmental acts, orders or restrictions, Internet system unavailability, system malfunctions or any other reason where failure to perform is beyond the reasonable control and not caused by the negligence of the non-performing party (a "Force Majeure Event"), the party who has been so affected shall give notice immediately to the other party and shall use its reasonable best efforts to resume performance. Failure to meet due dates resulting from a Force Majeure Event shall extend such due dates for a reasonable period. However, if the period of nonperformance exceeds ten (10) days from the receipt of notice of the Force Majeure Event, the party whose ability to perform has not been affected may, by giving

written notice, terminate this Agreement effective immediately upon such notice or at such later date as is therein specified.

*7.13 Assignability & Binding Effect.* Except as expressly set forth within this Agreement, neither party may transfer or assign, directly or indirectly, this Agreement or its rights and obligations hereunder without the express written permission of the other party, not to be unreasonably withheld; provided, however, that both parties shall have the right to assign or otherwise transfer this Agreement to any parent, subsidiary, affiliated entity or pursuant to any merger, consolidation or reorganization, provided that all such assignees and transferees agree in writing to be bound by the terms of this Agreement prior to such assignment or transfer. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the parties hereto, their successors and assigns.

*7.14 Non-Assignability & Binding Effect.* Except as otherwise provided for within this Agreement, neither party may assign any of its rights or delegate any of its obligations under this Agreement to any third party without the express written permission of the other. Any such assignment is deemed null and void.

*7.15 Everability.* If any provisions of this Agreement are held by a court of competent jurisdiction to be invalid under any applicable statute or rule of law, they are to that extent to be deemed omitted and the remaining provisions of this Agreement shall remain in full force and effect.

*7.16 Cumulative Rights.* Any specific right or remedy provided in this Agreement will not be exclusive but will be cumulative upon all other rights and remedies described in this section and allowed under applicable law.

*7.17 Headings.* The titles and headings of the various sections and sections in this Agreement are intended solely for convenience of reference and are not intended for any other purpose whatsoever, or to explain, modify or place any construction upon or on any of the provisions of this Agreement.

*7.18 Counterparts.* This Agreement may be executed in multiple counterparts, any one of which will be considered an original, but all of which will constitute one and the same instrument.

*7.19 Survival of Certain Provisions.* The warranties and the indemnification and confidentiality obligations set forth in the Agreement shall survive the termination of the Agreement by either party for any reason.

Understood, Agreed & Approved

We have carefully reviewed this contract and agree to and accept all of its terms and conditions. We are executing this Agreement as of the Effective Date above.

[Company]

[Employee]

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