

GOLD PROGRAM AGREEMENT

THIS GOLD PROGRAM AGREEMENT (“Agreement”) is made and entered into this _____ day of _____, 200____, by and between INDEPENDENT FINANCIAL SERVICES, INC., a Connecticut corporation (“IFS”), and _____ and its affiliates (collectively “AGENCY”).

WITNESSETH:

WHEREAS, IFS will enter into arrangements with financial institutions (“Lender”) to make available to AGENCY for AGENCY to offer to its clients, through a program known as “The Independent Advantage[®] Loan Program”, the financial products and services listed on Exhibit A attached hereto, as such list may be supplemented from time to time (the “Services”);

WHEREAS, IFS and AGENCY desire to enter into this Agreement whereby AGENCY may make the Services available to its clients to the extent and in the manner set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual promises and agreements contained in this Agreement and other good and valuable consideration, and intending to be legally bound, IFS and AGENCY hereby agree as follows:

1. RESPONSIBILITIES

A. AGENCY will make the Services available to clients at all times in accordance with training materials and/or operating procedures provided to AGENCY by IFS. AGENCY shall represent the Services and the terms thereof fairly and accurately based upon materials prepared and approved by IFS and Lender. AGENCY will inform clients about the available Services, take information from clients, assist clients in filling out applications for Services, collect additional information from clients as requested by IFS or Lender, and transmit such applications and information to IFS. AGENCY will maintain regular contact with its clients between the taking of the loan application and the closing of the loan to apprise them of the status of the application and to gather additional information as needed by IFS and Lender. In addition, AGENCY will provide loan documentation and disclosures (where applicable) to its clients, will assist IFS and Lender by participating in and handling loan closings, and will promptly deliver closed loan documentation to IFS and/or Lender. In order to participate in the program contemplated by this Agreement, AGENCY will transmit information to IFS. AGENCY shall not include any insurance premiums, which are unrelated to the loan in the financing of any loan. AGENCY will not charge a service or application fee on any application taken and submitted to Lender. AGENCY agrees not to circumvent IFS to deal directly with Lender to offer Services outside of the Program.

B. IFS shall administer the program contemplated by this Agreement, transmit requests for financial services from AGENCY to Lender and transmit loan documentation and loan disclosures from Lender to AGENCY.

C. IFS and Lender will supply training materials and/or operating procedures, which AGENCY will at all times follow. Such training materials and/or operating procedures may be changed or modified by IFS and Lender from time to time, but such changes shall not be effective until IFS has given AGENCY at least ten (10) days prior written notice.

D. In transmitting all consumer credit applications to IFS, AGENCY represents and warrants to IFS and Lender that (i) the client has received all disclosures required by Lender at the time of application, (ii) the client is a natural person or persons who have authorized AGENCY to transmit the application and who intends to use the Service primarily for personal, family or household purposes and (iii) AGENCY has not made any representation or warranty to its clients regarding the Services except as authorized in writing by IFS and Lender and has accurately described the features of the Service for which the application is made. In closing a loan, AGENCY represents and warrants to IFS and Lender that (i) its clients have received all loan disclosures

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provided by or through IFS, (ii) its client(s)'s signatures contained on the loan documentation is genuine, (iii) AGENCY has complied with all the terms of the training materials and/or operating procedures provided by IFS and Lender, and (iv) no conduct by AGENCY has or will give rise to any valid claim or defense which may be asserted against the enforcement of the obligations of the clients under the loan documentation.

E. AGENCY acknowledges and agrees that AGENCY has the non-exclusive right to originate Services on behalf of Lender and that IFS may use other agencies to originate Services, within the same territory as AGENCY or elsewhere.

2. TERM

Unless this Agreement is sooner terminated pursuant to Paragraph 7, this Agreement shall commence on the date of this Agreement (the "Commencement Date"), shall continue in full force and effect for a period of two (2) years from the Commencement Date, and shall automatically renew for successive two (2) year terms.

3. FEES

During the term of this Agreement, IFS shall pay AGENCY the compensation for services rendered listed on Exhibit B, which may be amended from time to time by mutual agreement of the parties or as otherwise provided in Exhibit B, and with the frequency specified therein. Such compensation payable by IFS to AGENCY shall be AGENCY's sole compensation for all services performed by AGENCY, and under no circumstances shall AGENCY impose any charge to clients in connection with the Services or the program contemplated by this Agreement. AGENCY will pay an Annual Service Fee of Three Hundred and Ninety Nine Dollars (\$399.00) to IFS.

4. COMPLIANCE WITH LAWS.

AGENCY and IFS shall at all times comply with all requirements of law, rule or regulation, whether federal, state or local, applicable to or binding upon it in connection with this Agreement and the performance of the services contemplated hereby. Without in any way limiting the foregoing, AGENCY shall maintain such licenses, approvals, and/or registrations as are required of it in order to provide financial services to its clients and to perform the services under this Agreement. AGENCY shall promptly notify IFS of any claim against it, pending or threatened, which arises from or is in connection with AGENCY's conduct of its business as part of the program contemplated by this Agreement and which asserts a violation of law.

5. INDEMNITY

A. AGENCY shall indemnify, defend, and hold harmless IFS, Lender and their respective affiliates, directors, officers, agents, employees, successors and assigns from and against any and all expenses, costs, loss, damage, liability, claims or causes of action (including attorney's fees and expenses) in any way resulting from (i) the negligence or willful misconduct of AGENCY or (ii) a breach of this Agreement by AGENCY. IFS shall notify AGENCY in an expedient fashion of any claims or complaints that IFS receives that may result in AGENCY's indemnification obligations.

B. IFS shall indemnify, defend and hold harmless AGENCY and its affiliates, directors, officers, agents, employees, successors and assigns from and against any and all expenses, costs, loss, damage, liability, claims or causes of action (including attorney's fees and expenses) in any way resulting from (i) the negligence or willful misconduct of IFS or (ii) a breach of this Agreement by IFS. AGENCY shall notify IFS in an expedient fashion of any claims or complaints that AGENCY receives that may result in IFS's indemnification obligations.

6. CONFIDENTIALITY

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Except as otherwise provided herein, no party shall disclose to any third party, without prior written approval of the other party: (i) the existence of the terms of this Agreement or (ii) any material or information exchanged between the parties (including, without limitation financial results, marketing plans, objectives, projections, test results, and a variety of other information which either party considers confidential and proprietary) (“Proprietary Information”). All Proprietary Information shall be used by each party solely in the performance of its obligations under this Agreement and for no other purpose. Notwithstanding the foregoing, any party may make such disclosure as is required by applicable law, any party may disclose this Agreement to its legal representative, and IFS may disclose this Agreement and any Proprietary Information to any person to be used solely in connection with IFS’s performance of its obligations under this Agreement and for no other purpose.

AGENCY agrees that it will keep and require its employees to keep information regarding clients which apply for Services confidential. AGENCY shall not disclose such information or information related to the Services to third parties except as required to provide the services contemplated by this Agreement. All forms, loan documents, manuals and procedures of Lender in connection with the Services and the program contemplated by this Agreement are the property of IFS.

7. TERMINATION.

A. This Agreement may be terminated by either party without cause whatsoever at the end of any two (2) year term by the giving of written notice to the other party, which notice shall be given at least ninety (90) days prior to the end of such two (2) year term. In addition, this Agreement shall terminate as provided below following the occurrence of an Event of Default as described in Paragraph 7.B. below at the election of the non-defaulting party.

B. Each of the following events shall constitute an “Event of Default” under this Agreement.

i. Failure of either party to perform or observe any covenant, representation, warranty or provision of this Agreement which continues uncured for thirty (30) days after the date the party is notified in writing of its breach or failure to perform.

ii. Immediately upon the discovery by either party and written notice to the other of any negligent, fraudulent or criminal conduct or other violation of law by the other party related to the performance of this Agreement or the false or misleading information or documentation in connection with any application, required disclosures to clients, or loan documents.

iii. Immediately when either party shall file a voluntary petition of bankruptcy within the meaning of the Federal Bankruptcy Code, as amended, or shall have bankruptcy, receivership, insolvency, reorganization, dissolution, liquidation or similar proceedings instituted against it or a substantial part of its assets.

iv. IFS or Lender determine that AGENCY’s performance or action/inaction under this Agreement or with respect to any client in connection with the Services is not in the best interest of the clients or the program contemplated by this Agreement and has notified AGENCY in writing of the action/inaction it finds objectionable, and AGENCY fails to remedy the situation in the time-frame provided by the party making the determination.

v. Any material adverse change in the business or financial condition of AGENCY and IFS has notified AGENCY in writing of its determination of such change.

C. Upon any termination of this Agreement: (i) either party shall have the right to pursue any remedy it may have at law or in equity, it being expressly understood that although IFS shall have no further obligation to pay any fees due hereunder, and each party remains liable for any losses suffered by the other party as a result of the defaulting party and the resulting termination of this Agreement; (ii) the provisions of Paragraphs 5 and 6 shall survive termination of this Agreement; and (iii) IFS will cause Lender to continue to

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process to completion any Services for which commitments have been issued prior to termination, provided that AGENCY is not in default under this Agreement and provided further that all conditions of Lender's commitments are met in a timely fashion. In addition, upon any termination of this Agreement, AGENCY agrees to immediately return to IFS all computer software programs and disks, reference materials, documents, forms, manuals, procedures and other materials associated with the Services and the program contemplated by this Agreement.

8. **SCOPE OF AUTHORITY; INDEPENDENT CONTRACTOR**

AGENCY and IFS shall have no right to incur any liability on behalf of the other party or to bind the other party by any contract or obligation. Nothing in this Agreement is intended to create an agent-principal relationship, joint venture or partnership between the parties or to create any rights, contractual or otherwise, in favor of AGENCY against IFS or Lender. It is agreed that each party shall at all times be an independent contractor and not an agent for the other party.

9. **ENTIRE AGREEMENT**

This Agreement, together with all exhibits, constitutes the entire agreement of the parties and supersedes any and all prior oral or written discussions, negotiations and communications by or on behalf of the parties.

10. **NOTICES.**

All notices, demands, or requests required or permitted hereunder shall be in writing and shall be delivered in person, sent by Federal Express or similar nationally recognized overnight courier service with delivery signature requested, or registered or certified United States mail, return receipt requested, postage prepaid to IFS or AGENCY at the addresses set forth below:

As to IFS:	As to AGENCY:
_____	_____
_____	_____
_____	_____
Attn: _____	Attn: _____

11. **GOVERNING LAW; JURY TRIAL WAIVER**

This Agreement shall be governed by and construed in accordance with the laws of the State of Rhode Island, without regard to conflict of laws principles. Each party hereto expressly waives any right to jury trial in connection with any dispute or controversy relating to this Agreement or the rights, duties and obligations of the parties hereunder.

12. **AMENDMENT; ASSIGNMENT.**

Except as otherwise expressly provided herein, this Agreement may not be supplemented, modified or amended except in a writing executed by both parties. Neither party may assign this Agreement in whole or in part without the prior written consent of the other party.

13. **SEVERABILITY.**

If any term, covenant or condition of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term, covenant or condition to persons or circumstances other than those as to which it is

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held invalid or unenforceable, shall not be affected thereby, and each such remaining term, covenants, or condition of this Agreement shall be valid and shall be enforced to the fullest extent permitted by law.

14. SUCCESSORS AND ASSIGNS

This Agreement shall inure to the benefit of and be binding upon IFS and AGENCY and their successors and permitted assigns.

15. WAIVER.

The waiver by any party hereto of the breach of any term, covenant, agreement or condition herein contained shall not be deemed a waiver of any subsequent breach of the same or any other term, covenant, agreement, or condition herein, nor shall any custom, practice or course of dealings arising among the parties hereto in the administration hereof be construed as a waiver or diminution of the right of any party hereto to insist upon the strict performance by any other party of the terms, covenants, agreements and conditions herein contained.

IN WITNESS WHEREOF, the parties have set their hands and seals as of the day and year first above written.

INDEPENDENT FINANCIAL SERVICES, INC.,
(IFS)

By: _____

Name: _____

Title: _____

(AGENCY)

By: _____

Name: _____

Title: _____

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LIST OF SERVICES

New automobile loans

Used automobile loans

Boat Loans (new and used)

R/V Loans (new and used)

Home Improvement Loans

Automobile GAP Insurance

Personal unsecured loans

Commercial loans and leases