

AGENT INDEPENDENT CONTRACTOR AGREEMENT

This agreement made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, between Travology Host Travel Agency INC, a full service IATAN travel agency, located in Flower Mound, Texas. Hereinafter referred to as "Agency", and, Independent Contractor \_\_\_\_\_ (name) known as "IC" or Independent Travel Consultant "ITC" and any reference to both entities known as "Parties"

IC Contact information: Full Name \_\_\_\_\_

Business Name: (EIN required) \_\_\_\_\_

Mailing address:

(Street): \_\_\_\_\_ City: \_\_\_\_\_

State: \_\_\_\_\_ Zip: \_\_\_\_\_ (cell phone) ( \_\_\_\_\_ ) \_\_\_\_\_

Email: \_\_\_\_\_

Titles and headings to these *Travology Travels Policies and Procedures* are for reference purposes only, and do not constitute and shall not be construed as substantive terms of these *Policies and Procedures*.

*Travology* reserves the right to amend the terms and conditions of these *Policies and Procedures* at any time, as deemed necessary without prior notice. Any notification of such amendme nts will be communicated through any of *Travology* official channels of communication, to include but not limited to, Independent Travel Agent email blasts and postings to the *Travology* Website and/or the *Travology* Independent Travel Agent's Back Office.

**Independent Contractor:**

*Travology* Independent Travel Consultant, hereinafter referred to as an "ITC" or "IC" is an independent contractor, responsible for his or her own business activities and not an agent, employee, or legal representative of *Travology*, except insofar as the independent contractor status will allow him or her to promote and engage in the marketing of travel-related products and services.

Parties are interested to entering into an agreement for the Independent Contractor "IC" to participate as a home-based agent with *Travology* to market certain travel related services, and or products, on behalf of Agency on an independent contracting basis not as an employer-employee relationship. Applicant IC must be 18 years or older to enter into this Agreement.

Whereas Agency and IC are aware of agency requirements for establishing this relationship and are aware of administrative proceedings in Texas and any other states which recognize this concept. In consideration of the mutual covenants and agreements contained herein , parties agree as follows:

### **IC/ITC Affiliation with Travology**

1. IC agrees to related set up and monthly support fee charged by marketing partner Zilis.
2. IC agrees to pay certain monthly service fees direct to Zilis based on level of participation that must be maintained monthly, remain in good standing, and following all *Travology* policies and procedures to maintain IC status. If IC is not active all commissions are held until fees are up to date.
3. IC understands that each rank of participation offers different access to agent back office. Based on Zilis referral and purchasing the Introductory Travel Agent Training Modules through Zilis, IC will start at the second rank called "Independent Travel professional" to earn 70% of generated commissions while completing the training modules. While in training IC will not be eligible to actively participate in the booking process until after certified based on certification process.
4. IC understands that certified ITP Rank requires pre-approval by *Travology* manager that will evaluate training exams and conduct zoom interview to assure IC is competent to be involved in the booking process and issue quotes to clients. In the event IC has major experience in the travel industry, IC can apply to start at "Travel Destination Specialist" (TDS) based on submitting separate application that will be reviewed by *Travology* training manager to review and complete zoom interview. If approved IC will bypass all other Ranks and earn top commission level of 80% that will also require an extra fee paid direct to *Travology* for additional technology access.
5. IC can cancel this affiliation by providing written notification, at least thirty (30) days' prior to termination, to Zilis and *Travology*, with the understanding there is NO refund of setup fee, monthly fees, or training modules.
6. IC understands that Agency reserves the right to amend this Agreement and/or any related business or product service fees at any time.
7. It is IC's responsibility to review the most current Agreement posted in IC back office.
8. IC agrees to follow these and other Agency policies and procedures and those mandated by all travel suppliers and related state Laws, all rules, regulations, and statutes that mandate specific conduct, procedures, or way an IC must comply with the laws of the local jurisdiction and state or federal laws.
9. This agreement outlines the relationship between agency and IC about all processes and procedures specifically those defined in any state Seller of Travel law which dictates how travel is sold to include IC responsible to register with any state seller of travel where applicable.
10. If eligible to process airline ticketing *Travology* uses consolidator partners that will be accessible based on approval and background check.
11. IC that bring its own clients, that have not been affiliated with Agency, those clients will be clients of IC and not solicited by Agency at any time unless IC agrees to such solicitation related to Agency preferred offers or special deals.
12. IC will not, at any time, solicit business from Agencies clients, nor take calls or work with any Agency clients, or potential clients, who were referred to Agency by other IC's or Agency marketing efforts, unless pre-approve by Agency.
13. IC can apply to participate in Agency lead program based on specific requirements outlined in Agency lead overview. All leads are the property of Agency and IC will not solicit leads outside of Agency business while contracted or any time after contract is terminated. IC will be held financially and or criminally responsible to Agency for any stolen lead resulting in all generated commissions awarded to Agency. IC will be responsible for all Agency legal fees to include any other punitive damages because on IC violating this section of this Agreement.

14. IC will participate in on-going educational programs offered by Agency with IC agreeing to maintain one (1) new course each twelve (12) months of affiliation with Agency. IC will select and pay for courses listed and made available in IC back office.
15. IC is encouraged to participate in advanced preferred supplier training made available from list of suppliers found in IC back office but only accessible based on level of participation.
16. IC must represent to the public that IC is an "Independent Contractor" conducting its own travel business in contract with agency. IC is not an employee or enter into contracts on behalf of Agency.
17. IC is not restricted or have exclusivity to any specific territory and will only solicit business in states, and or countries, where Agency is considered legal for conducting business as a seller of travel.
18. IC has the right to work with any suppliers that comply with relate state law and other regulatory agencies.
19. IC understand that Agency offers NO supervision of any type to IC as IC determines IC's place of work, time schedule, rules of work, quality of work, and controls their business based on level of approved participation by Agency manager.

### **Processing Funds, PCI Policy and Responsibilities**

20. IC will NOT collect funds direct from any Agency referred or personal client. IC must follow Agency PCI and processing funds policy to include IC reviewing PCI training for the protection of client personal information and data. No IC rank can complete a booking on their client's consumer booking engine website for any third-party customer. It is up to the customer to complete all bookings or quote request from their own computer, cell phone, or electronic device to assure all information is accurate and terms and conditions are agreed by the end consumer. Any IC that violates this policy will be financially responsible for any errors, or refunds, and could lead to suspension, or termination, with any outstanding commissions defaulted to *Travology*.
21. IC will be held financially responsible for any PCI violations that may result in fines from regulators.
22. IC will reimburse any fine imposed on agency because of IC failure to follow PCI rules and policies.
23. No oral or written reports will be required from IC at any time. IC shall bear all risks financially for IC's marketing, phones, mail services, client gifts, print costs, business cards (must be approved), letterhead, invoices, office supplies, charity contributions, auto expense, legal fees, or accounting fees
24. IC will be financially responsible for any bad debts, mistakes in tickets, or documents, or quotes, or vendor contract default. Based on level of approved participation IC will be responsible for processing up-front client deposits based on Agency processing policy for individual or group bookings.
25. IC will be responsible for business travel expense, medical insurance, industry dues and subscriptions, auto and personal liability insurance, business insurance, state and federal income taxes, commission payments and support to own IC's, payroll taxes if employees are hired by IC, FICA, SDI, unemployment tax, and workmen's compensation insurance and hold Agency harmless therefrom.
26. It is the sole responsibility of IC to pay for repairs of personal property used for business purposes (e.g. personal computers, tablets, smart phones, printers, etc.).
27. IC shall obtain any necessary business license, Employee Identification Numbers, and withhold properly for any of its employees, holding Agency harmless therefrom. IC agrees to follow the regulatory rules and laws where IC resides to include any governing travel industry agency, including, but not limited to those of the state of conducting and soliciting business to include the U.S. Government, county and local, National Do Not Call Registry, CAN-SPAM act, ARC, IATAN, CLIA, and Amtrak. Any violation of these rules is the sole obligation of IC.

28. IC indemnifies Agency and Zilis from any such obligation arising from IC's violations of any governing body.
29. IC confirms that by contracting with Agency is for the purpose of selling travel to IC's clientele and not solely to obtain industry benefits that may be offered by travel and tourism suppliers to the travel agency community. IC will follow and meet all requirements set by industry vendors, suppliers, or trade organization to obtain any industry identification, benefit or discount or rewards.
30. IC is responsible for their personal customers at all times to include any leads issued by agency. IC will follow up with all customers in timely manner and be available to assist with all issues that may arise.
31. Agency has absolute right to determine unilaterally whether IC can continue to perform services related to Agency to include authorization to participate at any level offered in Agency compensation system.
32. Based on level of pre-approved participation, IC has the right to resell any travel products offered by Agency "net rate" program at any price IC chooses that includes determining profit by the difference between agency cost and selling price (minus merchant fees); therefore, the cost of discounting is the sole responsibility of the IC and must be paid for out of the IC's portion of any profit.
33. Any prices related to products or services sold from Agency end consumer travel booking website will be determined by Agency, not determined by IC.
34. IC will earn related percentage of commission based on 100% of net commission (less any merchant fees) received by Agency from vendor or supplier with IC earning their portion based on Agency compensation plan.
35. IC's clients must make payments by check, or money order, or cashier check, to *Travology Host Travel Agency INC*, or by credit card, or directly to the supplier to receive this protection.
36. IC is solely responsible for any misquotes or any monies due IC's clients due to IC error.

### **IC and Agency Relationship**

37. IC is not a bonded employee or agent or employee of *Travology*. Quotations, pricing, disclosed or undisclosed defaults, supplier bankruptcies and correct information for clients are the sole responsibility of IC.
38. IC retains the right to establish partnerships, employ, or recruit sub-agents at its expense.
39. If IC sub-agent's sales require separate tracking, outside of IC ID number than sub-IC will be required to pay related IC business and support fees.
40. It is the responsibility of the IC to pay its employees and sub contracted IC's. IC assumes all legal and financial responsibility for these associates.
41. *Travology* does not provide IC with Workman's Compensation Insurance, State Disability Insurance, Auto, health insurance, or any form of liability insurance, because IC is outside the scope of such employee benefits.
42. IC agrees to hold harmless and indemnify *Travology and Zilis* against any claim for injury that may occur to IC in performance of IC's duties. If IC is injured while visiting *Travology* office, or attend any *Travology* training, or event, will hold *Travology and Zilis* harmless for any cost, injury or loss that could occur.
43. If IC is approved to access agency booking software systems outside of what is included in the ITM program then IC will be responsible for any related fees assigned by agency. This is based on rank.

44. IC has the right to mail or request suppliers to mail brochures or marketing materials to clients at IC expenses. Any cost will not be paid by Agency.

#### **Travel Organization Accreditation**

45. IC's that meet certain Agency and industry qualifications can use Agency Identification Numbers related to IATA, ARC, CLIA, ASTA, ARTA, NACTA, Travel Leaders or any other affiliated organization number only during the life of this agreement. If IC cancels or is terminated IC will return any ID with Agency affiliation to Agency and no longer use Agency ID numbers. These numbers shall not be disclosed to other persons except vendors and cannot be transferred or sold to any third party. The disclosure of these numbers in violation of this paragraph is acknowledged by IC as a disclosure of trade secret material which would cause direct severe and irreparable financial loss and hardship to Agency.

46. If IC uses Agency identification numbers to book travel, then Agency is due its share of the commission and/or fees paid by the travel supplier and/or charged by the IC for all such sales brought to Agency for processing and customer payments must be made to Agency, in Agency name or to supplier by customer credit card that must be processed based on Agency PCI compliance policy.

#### **Agency Logo Use and Representation to Industry**

47. IC agrees to request written permission (by email) for the use of Agency logo for any marketing materials. IC shall prominently and conspicuously notice and display his/her status as an "Independent Contractor" on all materials, to avoid the implication that IC is employed by Agency.

48. IC shall have no authority to bind, obligate, or commit Agency by any promise or representation to enter into contracts or perform services other than the transaction processing covered by this Agreement, unless specifically authorized in writing by an authorized Agency executive in a particular transaction.

49. Any contract on behalf of Agency must be signed by an authorized Agency executive.

#### **Access to Private and Confidential Information**

50. While in this Agreement IC may have access to private, confidential, and proprietary information. Such information is typically, but not limited to, the business operations or internal structure of Agency, customers of Agency, any method of conducting business, special or preferred net rate pricing, and commission programs from Agency suppliers and or vendors.

51. For five (5) years after termination of this Agreement, IC will not either directly or indirectly induce, attempt to induce, or aid others in inducing any person including, but not limited to, employees or customers of Agency and/or other IC's also parties to individual Agreements with Agency to leave their employ or association with Agency. Each of the parties mutually acknowledges that such interference with employment, customer fulfillment, or contractual relations will cause direct severe and irreparable financial loss and hardship to Agency with IC being financially responsible for any damages and legal cost.

### **IC Business Opportunity and Payments**

52. IC cannot book travel on behalf of, a resident and/or citizen of a country other than the USA unless Agency is legally set up to conduct business in any country that was established by Agency.

53. Agency is to Pay IC by the 20th of Each Month for prior month commissions received to Agency by suppliers and/or vendors. Commissions are typically not issued to Agency from vendor or supplier until 45 to 60 days after travel was completed. Agency has the option to issue "net rate" commissions the following month after the trip was booked if travel included traveler insurance and meet other Agency policies that may apply. All customer bookings and commission tracking will be made available to IC in IC agent back office.

54. Any IC booking or commission that is not found or not listed in IC back office, IC will complete "missing transaction/commission form located in IC back office and submitted to Agency for resolution

55. IC's rank classification may change based on IC experience level, required training, or productivity.

IC that is approved to participate in the lead program will be required to meet Agency standards of customer service and fulfillment satisfaction that will be continuously reviewed by Agency manager.

Manager has the right to terminate any IC from participating in the Agency lead program for any reason.

56. Advancement in Ranks require additional fees and possible required education certification with all rank approvals determined by Agency Manager. All Ranks are a privilege and not a guarantee or demand and at the sole discretion of Agency.

57. For additional charges (fees), IC may choose to advance to higher Rank classification that will require fees plus certification requirements.

### **Processing Client Funds and IC Financial Responsibilities**

58. It is IC's sole responsibility to collect from clients, who have been extended credit, or payable deposits, any monies owed can only be collected per PCI compliance policy. If money cannot be collected, then IC will be fully responsible for any lack of payment with IC must pay the bill personally. This includes attrition penalties for group bookings as Agency will hold IC responsible for all contracts for their clients. All customer contracts for groups must be pre-approved by Agency executive.

59. Any owed payment must be collected within fourteen (14) business days of the extension of credit or when funds were due.

60. When debit memos are received, that pertain to an IC's booking, Agency ARC department will provide a copy of the debit memo to IC. If IC does not believe the debit memo to be valid, documentation to dispute the claim with the supplier must be furnished to Agency ARC department within 5 business days. Agency ARC department will work on IC's behalf to clear or reduce the debit memo. If Agency ARC department is not successful IC will be responsible to pay Agency related debit memo fee within 5 business days from date of final notification.

61. ICs cannot write down or electronically document any client credit card or personal data for any booking outside of Agency PCI compliance policy. If client signature is required for any transaction than IC will be responsible to follow up with client to collect outstanding forms or information per PCI policy.

62. IC is responsible for all disputed, declined, or fraudulent charges within 7 days of knowledge and work with Agency for resolution.

63. Agency will issue a 1099 statement at the end of each calendar year for tax purposes if IC earns \$600 or more during the calendar year.

64. It is IC's responsibility to pay all applicable state of residence income taxes and fees.

### **IC Business Fees**

65. IC will authorize Agency or Zilis to collect payment of related IC training, activation, monthly reoccurring services and other fees IC agrees to pay by automatically charging IC form of payment that is on file in IC back office.
66. IC is responsible to maintain all related business fees or IC risks its business to be placed on hold or terminated with commissions held until payments are updated.
67. IC will have 30 business days to fix any outstanding fees and after 45 days IC position can be terminated with no further commissions being issued to IC with commissions default to company.
68. IC agrees that all charges or fees that are incurred during the term of this agreement with Agency and Zilis are non-refundable to include all training modules.
69. Any debit memo, refunds, commission recall statements, credit card charge backs, uncollected client payments, or any other sums will be deducted against commissions or fees owed to IC by Agency.
70. IC expressly consents and grants Agency the right to deduct such amounts from commission payments due to IC. If Zilis or Agency is unable to collect the full amount of any payment due, Agency reserves the right to terminate or suspend IC affiliation without notification and seek legal recourse to collect outstanding dollar amount.

### **IC Advertisement, Marketing and Client Data**

71. Agency requires any advertising to be submitted to Agency compliance department for approval prior to IC conducting such activity to assure IC is representing Agency within legal or Agency policy. All advertisement must be submitted through IC back office.
72. IC has no right to use Agency name in advertising in yellow pages, local directories, direct mail programs, or other promotional activities, except when IC is using their own business or personal name and words "Independent Business Owner" or "Independent Travel Consultant" or using rank achieved in Agency rank structure along with related state seller of travel number also listed. This includes business cards, flyers, brochures or any other advertisement or marketing materials.
73. IC will assure any advertisement or marketing efforts do not violate any local, state, or federal laws.
74. IC is free to seek and solicit clients from the public and can maintain that client if IC were to leave Agency.
75. Any leads issued to IC from Agency will not be solicited until after five (5) years upon termination of this agreement.
76. Agency will hold IC client names in strict confidence and will not knowingly promote by direct mail or email to IC's current client base unless IC is willing to allow their client to opt into any Agency marketing campaigns.
77. Any clients established by agency will receive promotional information based on opt-in system.
78. IC's client list is always the property of IC. If IC client has an existing booking after IC terminates this agreement Agency has the right to complete any support or fulfillment to the client.
79. IC will not have access to Agency client base other than any leads that are issued by Agency. Agency client base is a trade secret and all names and personal information are available only to Agency, its employees, or anyone Agency provides authorization such as lead program.

80. As part of initial activation fee, and for marketing to end consumers, IC will be issued a replicating Private Labeled End Consumer Website to include customizable features with all content managed by Agency. Services include an Agent back office with three level permission based on IC achieved Rank.

**Industry Benefits and Agency Benefits for IC**

81. IC may apply and pay for an IATAN card when all IATAN rules are met that at this time require an independent contractor (1099) to generate gross income equals or exceeds \$5,000 in calendar year, or (12) consecutive months plus devote a minimum of 20 hours per week to the business of selling travel and be at least 18 years of age. IATAN application is available in Agent back office but will need to be approved by Agency manager prior to submission to IATAN

82. Agency will make available “net rates”, reduced rate travel, and familiarization trips available to IC through Agent back office with certain benefits accessed based on Rank.

83. IC is eligible to apply for individual CLIA membership under Agency CLIA affiliation when all CLIA rules are met and completing Agency required application form available in Agent back office.

**IC commissions and Rank Benefit**

84. IC has reviewed and agrees to Agency commission and compensation plan payout. *Travology* shall pay commissions to said IC in accordance with the official and latest *Travology* Independent Travel Agent Commission Payment Policy. Assuming payment by the vendor is made to *Travology* in a timely manner, *Travology* receives commissions from various travel suppliers and vendors approximately 45 to 60 days after a trip is completed. *Travology* issues the ITC commissions after the 20<sup>th</sup> of the following month when Agency is paid by vendors and suppliers.

Vendor commissions are calculated on the base fare of the cruise, air, train, etc. and are not paid on taxes, Airport Fees, Cruise Port Charges, or any other fees not related to the actual fare for passage. Some suppliers such as domestic Airlines do not issue any travel commission. Any international airline or consolidator that offers any commission will be listed in the commission pending section of ITC/ITM back office

*Average Industry Commissions:*

- Domestic Airlines: none
- Select International Airlines and Consolidators: 1-3%
- Cars and Hotels: 5% - 15%
- Tours and Groups: 10% - 20%
- Cruises: 10% - 18%
- Excursions: 5% - 10%
  
- Travology Preferred Vendors: 20% - 65% (net rates)*

85. Based on achieving Rank of ITP or TDS, along with approval from Agency manager, IC has the right to charge whatever transaction fee to their customer(s) they so desire if fee collected through IC merchant account for personal customers. Fees will be considered commissions that fall into the Agency compensation plan.



86. If IC implement a transaction fee for any lead, then IC will compete the transaction through Agency process with IC earning their related Rank commission level with Agency earning the balance.

87. IC's that have achieved certain Ranks will have the ability to resell cruise line cabins to their individual clients at contracted rates along with the ability to offer clients free cabins, and or other amenities, for group bookings, that are available through related Cruise line.

88. IC does not have the right to sign or enter any group air contracts, or other contracts, with any carriers or suppliers involving Agency, or affiliates ARC numbers, without the express approval of an authorized Agency manager. If IC does so, IC risks any or all the following: (1) Termination of IC contract; (2) IC will be financially responsible for any loss of override or negative financial impact due to group contract; (3) IC will receive no payment on any commission or fees generated on the group.

#### **Termination of Agreement and Indemnify**

89. In the event IC fails to comply with this Agreement, Agency may immediately terminate this Affiliation Agreement. If IC Affiliation is terminated by Agency for any cause, IC will not be entitled to any refund of any prior payments or any other accumulated Fees.

90. Upon termination, cancellation or expiration of IC Affiliation, IC will immediately return to Agency via certified mail (paid by IC) any industry card issued under agency identification. This includes IATAN, CLIA cards or any other industry identification.

91. IC agrees to and will indemnify and hold Agency, Agency owners, board members, executives, employees, contractors, officers, directors, shareholders, Zilis, other IC's and/or any Agency affiliates harmless from and against any and all claims suffered by Agency due to IC arising out of, or in respect of, (a) any violation of law by IC, (b) fraud (c) misrepresentation, (d) willful misconduct or gross negligence on the part of IC, (e) any violation of this Agreement by IC, (f) any costs, fees, expenses, liabilities or penalties associated with any withholding taxes, FICA taxes, federal unemployment taxes and any other federal, state or local taxes, payments or filings required to be paid, made or maintained in connection with any payments made to IC by Agency. These provisions regarding indemnification shall survive and remain in full force and effect even after the termination of this agreement.

92. If any travel product or service provided by a third-party supplier is unsatisfactory to IC or IC clients, IC will seek remedy starting with notifying Agency of any issue or problem or complaint for Agency to assist to facilitate resolution.

93. All warranties, expressed or implied, related to travel products provided by third-party suppliers are the responsibility of the third-party supplier, not Agency.

#### **Official Notification**

94. Notices required or permitted under this Agreement shall be deemed given upon delivery to the receiving party at the addresses set forth on page 1 of this Agreement. All notifications, requests, claims, demands and other communications between parties shall be in writing in the following format. Notices shall be given (a) by delivery in person at Agency established place of business, (b) by courier service, (c) by first class, registered or certified mail (d) by facsimile or (e) by electronic email to the email address specified in this Agreement or such other address as either party may specify in writing. All notices shall be effective upon receipt by the party to which notice is received.

### **Recorded Calls**

95. Agency customer service department may record all calls incoming and outgoing for documenting all inquiries for accuracy and training purposes. IC understands and gives their consent that any call-in which IC may participate with Agency will be recorded.

96. IC that is approved to participate in Agency lead program will be required to record all outgoing and incoming calls received using Agency loaned equipment if applicable.

### **Agreement Terms, Disputes and Jurisdiction**

97. Agency reserves the right to modify any portion of this Agreement at any time with or without the consent of IC, but Agency will inform via email or Agent website back office of such changes or additions.

98. If Agency changes any portion of this Agreement in the future, Agency will honor any bookings in progress.

99. Upon any Agreement change(s), IC retains the right to continue to do business with Agency or not. If IC chooses to no longer do business with Agency, because of the change(s) to this or future amended Agreement, IC can terminate all fees with any outstanding commissions payable the month after agency receives commission from supplier.

100. Any dispute between IC and Agency concerning the terms and conditions of this Agreement shall be submitted to binding arbitration pursuant to the laws of the state of **Texas and the country of Denton.**

101. If any action at law or in equity is necessary to enforce, or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees, costs, and necessary disbursements in addition to any relief to which he may be entitled.

102. This agreement shall be governed and construed in accordance with the **laws of Texas.**

103. This agreement represents the complete understanding of Parties with respect to the described independent contractor relationship.

### **Non-Discrimination**

104. *Travology* does not discriminate in its acceptance or rejection of applicants because of race, creed, sex, color, sexual orientation, marital status, or national origin.

### **Marketing Materials and Social Media**

#### ***105. Business Cards and Letter Head***

IC is required to only use company approved promotional materials that is available for purchase in IC back office. IC can submit approval to *Travology* compliance department for review of customized business cards, letter head or any other marketing materials. ITC is not permitted to use any marketing material that is not preapproved by *Travology*. This is done to ensure each aspect of *Travology* is fair, standard throughout and complies with the vast and complex legal requirements of Federal, State, Local and International laws.

106. IC will be issued a *Travology* end consumer B2C travel booking website that can be customized by accessing ITC back office. Any other third-party website that IC business may be promoted, as a link or through affiliate marketing, must be preapproved by *Travology* compliance department. IC is not permitted to create their own website and use *Travology* logo or brand unless pre-approved by *Travology* compliance. IC is permitted to market their *Travology* travel business on any social media outlets if any social media representation is within policy

### **Media Advertisement, Media Inquiries and Recording Events**

107. IC is prohibited from utilizing radio or television media for the advertising, or promotion of *Travology* services without the expressed written consent of *Travology* compliance department. In the event *Travology* does grant permission for the use of such media, *Travology* will have final authority on every stage of the production process with full rights to all recordings. All requests for approval must be submitted sixty days prior to advertising scheduled dates to ensure adequate time for review. IC is prohibited from responding to media inquiries regarding *Travology* its products or services, or their independent *Travology* business. All inquiries by any media must immediately be referred to *Travology* compliance department. *Travology* employs a professional staff responsible for replying to these inquiries. This policy assures accurate and consistent information to the public.

108. ITC may not produce for sale any recorded company events or speeches without specific prior written consent from *Travology*. ITC shall not reproduce for sale, distribution, or for personal use any recording of company-produced audio or video taped presentations.

### **Tradeshow, Exhibits, Public Events Policy**

109. All Trade Show, or any other public event, participation must be registered and approved by *Travology* compliance department by submitting a *Request for Trade Show Attendance Registration*. *Travology* mandates only one IC booth may represent *Travology* at any Trade Show or Chamber of Commerce Event.

*Travology* reserves the right to approve or deny any tradeshow or exposition request. Requests are considered on a first come, first serve basis. The first request approved by *Travology* compliance department will be listed as *Contact* in IC/ITM Back Office event schedule under *Trade Show Schedule*. Please submit all requests to *Travology* Compliance Department 60 days prior to show date.

In the event an IC finds a specific show already reserved, the IC may contact the person listed as the original *Contact* and propose sharing the booth or expanding the booth to accommodate both parties in the exhibit hall. ITC may not compete with another ITC at any public event. Original *Contact* has the right to decide whether another ITC may participate in said Trade Show. *Travology* requires all participants agree to terms related to finances, materials, and/or schedules prior to the event. Please be advised, *Travology* will not be involved in scheduling or assume financial responsibility for any event.

All Trade Show Fees are the responsibility of the IC, who is *Contact* for said event. Fees include, but are not limited to booth space, electric outlets, telephone service, Internet access, show publication advertisement, and premium locations such as corners and main aisles. *Travology* will NOT be responsible for any related cost or financial loss.

IC must use the term *Independent Travel Agent* or achieved Rank as listed on IC business cards. IC will not contact any vendor at any event in attempt to cross prospect or inquire/negotiate for business on behalf of *Travology*. In the event any vendor or company requests information about *Travology*, IC will forward their contact information to *Travology* Corporate Office and/or offer *Travology* contact information.

All registration information for any event must be listed under *Contact* name, telephone number, and home/business address. IC is prohibited to use *Travology* contact information including mailing address or telephone numbers for any billing or correspondence with Trade Show organizers.

An IC may offer prospects access to website bookings at the event from ITC's website. ITC is strictly prohibited from receiving money for any travel reservation or offering quotes other than what is displayed on the website.

### **Getting Started**

110. To participate as a *Travology* Independent Consultant (IC) certain fee and/or accreditation is required, based on level of participation, to include ITM, ITP or TDS. Each IC must purchase the initial ITM system (TABS) and maintain related monthly service from Zilis, or *Travology*, or any licensed third-party affiliate. The approval process to upgrade to TDS requires additional fees paid direct to *Travology* and only available after the initial TABS purchase. The *Travology* price for any service or product may change without notice. Annual maintenance fees are part of the monthly reoccurring fee based on level of participation. ITM/ITP/TDS related technology, back-office access and support are subject to change without notice.

### **Start as an Independent Travel Marketer (ITM) (Starting Rank)**

111. IC is required to pay Travel Agent Business System (TABS) set-up fee and to activate at the first rank called "Independent Travel Marketer" (ITM). The TABS purchase includes an end consumer travel booking engine website and basic (level 1) back-office access. The start-up fee will also incur a monthly service and maintenance fee to include accounting, commission and customer reports, basic training, and website updates plus customer service.

### **Advanced Rank- Independent Travel Professional (ITP)**

112. ITP is required to agree to possible background check that is not included in the original TABS set-up fee. ITP monthly fee will incur an additional monthly fee to include access to the ITM basic level back-office access and second rank (ITP) back-office access. ITP monthly fees will include additional permission to ITM basic back-office services to include basic accounting, commission and customer reports, basic training, website maintenance, customer service plus ITP back office that includes access to vendor and supplier contracts, consumer quote process, booking process, advanced vendor/supplier training.

### **Highest Rank – Travel Destination Specialist (TDS)**

113. TDS is required to agree to background check that is not included in the original TABS set-up fee. TDS monthly fee will incur an additional monthly fee to include access to the ITM basic level back-office access, ITP (second rank) back-office access, and highest permission rank TDS back. TDS monthly fees will include permission to ITM basic back office services to include basic accounting, commission and customer reports, basic training, website maintenance, customer service plus access to the ITP back office that includes access to vendor and supplier contracts, consumer quote processing, booking processing, and advanced vendor/supplier training, possible GDS access based on approval and possible GDS seat license, and TDS back office to include access to the *Travology* lead program based on approval.

### **Cancellation, Termination, Re-Application, Transfer and Refund Policy**

114. Basic service cancellation is dependent upon *Travology* receiving ALL travel credentials issued under *Travology* brand, i.e. CLIA and IATAN card. *Travology* business cards must be destroyed. ITM end consumer travel B2C website setup, and monthly hosting, and service fees, and any purchased training modules are NOT refundable. No involvement with *Travology* products or services is permitted without re-application and acceptance by Agency. To cancel IC/ITM/ITP/TDS subscriptions requires 30 day written notice issued to Zilis and Agency at [accounting@travology.com](mailto:accounting@travology.com) or by phone with customer service representative confirmed by email issued by Agency to conclude any business relationship or further obligations.

### **Involuntary Termination**

115. Any IC in violation of these *Policies and Procedures* will be reviewed by past conduct the compliance department's internal investigation. Violations can result in fines, withheld, or forfeited commissions, probation, suspension or termination. This decision shall be at the Company's sole discretion. If *Travology* determines the violation warrants probation, IC will be placed on probation for a length of time determined by the compliance department. If *Travology* determines the violation warrants a suspension, the IC will receive a written notice from the compliance department and will not be able to collect commissions or access their business website back office. ITC will have the opportunity to contest said probation or suspension or any penalty in writing.

*Travology* may immediately terminate service by written notice to IC. Should any part of these *Policies and Procedures* and/or the application be deemed to be invalid, the balance of these *Policies and Procedures* shall remain in effect. IC will receive a written notice and, if terminated, forfeit any right to future commissions and all travel credentials.

### **Bequeathed Business**

116. IC business may be inherited or bequeathed. It may be sold or transferred to a recipient (or their immediate family) who is not currently, nor ever has been, a *Travology* IC. IC interested in selling/transferring their IC business must complete a *Request for the Sale/Transfer of IC Business* form in its entirety. The originating IC will be billed a \$300.00 administrative and legal review fee for the sale of their IC business.

Be advised, upon date of transfer, all outstanding commissions roll over to the recipient of said IC Business. The recipient will assume sole responsibility of all financial obligations of the IC business, including fees. *Travology* reserves the right to approve the sale or transfer of an IC Business.

### **Conflict of Interest**

117. For any time during the term of this agreement or after the cancellation of IC business (cancellation may be either voluntary, involuntary, through non-renewal, inactivity, or termination) of an individual or entity's IC service, the ex-IC shall not directly or through a third party solicit any *Travology* IC or customer for any other travel marketing system or opportunity. This provision shall survive the termination or cancellation of the IC's service. If the solicitation of the IC or customer is performed by a third party outside the Travel Agent Business System, *Travology* will undertake all legal actions necessary to be compensated for the irreparable harm caused by the unauthorized solicitation.

### **Governmental Approval or Endorsement**

118. No Federal, State or Local regulatory agencies, or officials, “approve” or “endorse” a marketing company or system. IC shall not represent or imply *Travology* has been “approved,” “endorsed” or otherwise sanctioned by any government agency, except for published licenses where applicable.

### **Income Taxes**

119. *Travology* provides an IRS Form 1099 MISC. (Non-employee Compensation) earnings statement to each IC who had earnings of over \$600 in the previous calendar year.

### **International Marketing**

120. *Travology* USA agency can only conduct transactions with USA residents. IC is NOT eligible to solicit business outside the USA. There are critical legal and tax considerations, including, but not limited to, compliance with foreign laws regarding approval, registration, regulations regarding statements, taxes, literature content and language requirements, IC is authorized to sell *Travology* services only in the countries in which *Travology* is authorized to conduct business, as announced in official company literature. This does not apply to hotel savings gift product where IC can earn commissions from global markets.

### **Compliance with Federal, State, Local and International Laws**

121. IC shall comply with all Federal, State, Local and International laws in the conduct of their business. The violation or attempted violation of any such law or regulation, or fraudulent or deceptive conduct, shall be grounds for disciplinary action by *Travology*

### **Minors**

122. Minor is a person who is not of legal age (18 or over), as recognized by the state or province in which they reside to enter a legal and binding contract. Minors are, therefore, ineligible to participate as an IC, regardless of an adult with legal guardianship granting permission. No one under eighteen (18) years of age, in any jurisdiction, shall be permitted to become an IC.

### **Release for use of Photographic, Audio, Video Image, and/or Testimonial Endorsement**

123. IC hereby grant to *Travology* and its successors, assigns, employees and agents, the absolute and irrevocable right and permission, with respect to any photograph, audio and/or video picture taken of them, or in which they may be included with others, and with respect to any testimonial endorsement:

- To use, reuse, broadcast, rebroadcast, publish, or republish such photograph, audio, video, or endorsement, in all or in part, individually or in conjunction with any other photograph or video, or any other endorsement, in any current or future medium and for any purpose whatsoever, including but not limited to marketing, advertising, promotion, and/or publicity.
- In the case of visual representations, to copyright such photograph and/or video, in the original or as republished, in the name of *Travology, Inc.*, or in any other name. IC hereby confirm the information given by them as a testimonial endorsement or represented in a photograph; video or audio is true and accurate to the best of their knowledge. By submitting the testimonial, the IC hereby waives any right they may have to inspect or approve the finished or unfinished product or products, the advertising copy, printed, recorded, photographic or video matter which may be used in connection therewith, or the use to which it may be applied.
- IC hereby release and discharge *Travology* and their successors, assigns, employees, and agents, from all liability, claim and/or demand arising out of or in connection with the creation and the use of the above-mentioned photograph, video, audio or endorsement, including any claim for

defamation. This includes, but is not limited to, telephonic recordings at Corporate Offices made for training or quality control purposes.

### **TDS Lead Program**

124. TDS must complete the TDS Lead Approval Application to be approved as a TDS. Any TDS applicant must show industry related background experience and working conditions

- Pass background check with no convictions for felonies or misdemeanors related to fraud, theft, identity theft, sexual crimes or violent crimes or any other crime deemed by *Travology* to be conflicting with *Travology* brand and business.
- Proven employee or independent travel agent history to include processing travel related to customized vacations, groups and/or any other experience that required high touch service.
- Been a travel agent and earned IATAN status or commissions over \$5,000 in any calendar year.
- Has developed vendor and supplier relationships
- Has developed a “niche” such as cruises, honeymoon, corporate or any other category that would be valuable experience to *Travology*.
- Willing to complete TDS profile to assure the right lead to the right agents.
- GDS knowledge with Sabre or Amadeus is a benefit but not required
- Required to have in home office space separated from any other distractions Has computer or laptop and proficient with on-line technology along with internet
- Willing to connect to company call system to record all calls related to *Travology* business
- TDS will be rated by client and *Travology* lead manager for performance and quality. Lead distribution will be based on ranking system and which TDS best fits the lead request.
- Complete the TDS lead program application and agreement

Once approved, TDS will be eligible to access leads through their TDS advanced back office. All leads must be called within the same business day to complete or set up a customer interview to go over client’s travel details. All data will be documented in TDS notes section and all quote requests will be completed within 3 business days unless agreed by client.

### **Investigations**

125. Investigations are conducted by the *Travology* Compliance Department to protect the ICs, consumers and the company against negative publicity, legal ramifications, or financial hardship and to ensure the adherence to the corporate guidelines outlined in these *Policies and Procedures*.

Investigations are a non-biased collection and examination of facts and circumstances surrounding a particular action, event, or individual where there is reason to believe a violation of the *Travology, Policies and Procedures* has occurred. To resolve any issues in a timely manner, ICs agree to cooperate fully and provide complete and accurate information to the investigator. Failure to cooperate fully and in a timely manner, whether the subject of the investigation or an ancillary witness, may result in sanctions against the IC’s business, including fines, suspension and/or termination.

### **Seller of Travel Laws**

126. California, Hawaii, Florida, Iowa, Nevada, Rhode Island, and Washington State require all travel agencies to register as a Seller of Travel and to comply with bonding and/or trust account requirements for sales to clients located in those states where *Travology* services are promoted. IC is required to place *Travology* Seller of Travel Registration Number on all marketing materials and business cards used to promote *Travology* services in those states. IC will not accept direct payment of any monies from any

client but will refer all transactions, booking and processing of funds to be completed at the *Travology* website and/or *Travology* Call Center. Accordingly, IC shall either comply with the foregoing requirements or shall register as a Seller of Travel under the applicable state law or laws. Although there are thousands of governing laws and statutes on the books in the numerous jurisdictions in which IC operate, there is one critical new state law which requires specific publication in these *Policies and Procedures*, to wit: IC residing in Florida will be required to complete a *Sellers of Travel Independent Sales Agents – Statement of Exemption* annually. IC residing in Florida will find link to Florida agriculture department to register with Florida seller of travel law.

**Travel Vendors Services Terms and Conditions (reservations, bookings, purchases)**

127. IC agrees to abide by the terms and conditions of purchase imposed by any vendor/supplier the IC elects to deal with. All terms and conditions will apply, including cancellation and deposit policies, when purchasing products and services from vendors and or suppliers. *Travology* assumes no responsibility or liability for any errors or omissions from vendors and or suppliers. *Travology* requests travelers to review and evaluate all travel prohibitions, warnings and advisories issued by the government before booking travel to international destinations. By offering sales to international destinations, *Travology* does not represent, or warrant said travel is advisable or without risk, nor does *Travology* assume liability.



# Commission Plan

## Ranks

**ITM** - Independent Travel Marketer

**ITP** – Independent Travel Professional

**TDS** - Travel Destination Specialist

<b>Type of travel</b>	<b>ITM</b>	<b>ITP</b>	<b>TDS</b>
Automated website	50%	70%	80%
Offline booking *ITP completes booking	30%	70% *Process personal clients	80%
Lead booking *TDS takes lead	30%	70%/*30% *If TDS books the travel for ITP	60%

*Travology* receives commissions from suppliers approximately 45-60 days after travel is completed. *Travology* issues related percentage of “net” commission to IC based on IC rank and calendar month after *Travology* receives the commission from vendor.

*Travology* have “net rate” (non-commissionable) contracts where *Travology* is the merchant of record and sets the commission rate. IC will earn related percentage of established commission the calendar month after the trip is completed or in some cases IC may receive the commission the following week after full payment is received under certain circumstances as outlined in *Travology* advanced training.

## Rank Requirements

### Price, Qualification & Authorization

\*Prices are subject to change at any time

Rank	Cost / Includes	Qualification/ Authorized
ITM	Travel Agent Business *Collected by Zilis System: Set up + monthly fee - End consumer site - Back office (L1) - Net rate access - <i>Travology</i> agency training modules	Q= Entry level (new to industry)  A= Only approved to market travel through end consumer website and not involved in booking process, or contact suppliers
ITP	Fees set by Zilis - All ITM items - Level 2 access - FAM access - Preferred suppliers	Q= Take referred agent training modules and pass related proficiency exam or/ history in travel industry + background check  A = Involved in booking process, quotes, and offline bookings
TDS	Extra \$10 per month paid to <i>Travology</i> - All L1/L2 - Maximum commission - TDS content access	Q= Interview plus industry history that could include IATAN qualified, corporate, and group experience  A= Apply for lead program

### Fees Include

**ITM:** (Entry level with no experience)

- Private Labeled End Consumer Booking Engine Website (Personalized)
- Agent back office with level 1 permission
- Email support
- Accounting for commissions and customer reports
- Agent training (webinars and additional advanced training at reduced prices)
- Marketing tools
- *Travology* agent discounts (savings on personal travel)
- Invitation to join *Travology* FAMCations at IC cost
- Invitation to vendor trainings and cruise ship inspections at IC cost
- Invitation to annual *Travology* conference (vendor and supplier training plus agent awards)

**ITP:**

- *Travology* training modules for certification to be involved in booking process
- Background check
- Once approved earn higher commissions
- Private Labeled End Consumer Booking Engine Website (Personalized)
- Agent back office with level 2 permission (access to net rate preferred suppliers)
- Industry organization registration access (CLIA and IATAN)
- Access to industry supplier reward programs
- Email support
- Accounting for commissions and customer reports
- Agent training (webinars and additional advanced training at reduced prices)
- Marketing tools
- *Travology* agent discounts (savings on personal travel)
- Invitation to join *Travology* FAMCations at IC cost
- Invitation to vendor trainings and cruise ship inspections at IC cost
- Invitation to annual *Travology* conference (vendor and supplier training plus agent awards)

**ITP:**

- *Travology* training modules for certification to be involved in booking process
- Background check at IC cost
- Once approved earn maximum commissions
- Private Labeled End Consumer Booking Engine Website (Personalized)
- Agent back office with level 3 permission (access to net rate preferred suppliers), Industry organization registration access (CLIA and IATAN), ability to apply for lead program, and if approved, access to GDS (extra license fee)
- Access to industry supplier reward programs
- Email support
- Accounting for commissions and customer reports
- Agent training (webinars and additional advanced training at reduced prices)
- Marketing tools
- *Travology* agent discounts (savings on personal travel)
- Invitation to join *Travology* FAMCations at IC cost
- Invitation to vendor trainings and cruise ship inspections at IC cost
- Invitation to annual *Travology* conference (vendor and supplier training plus agent awards)

Agreement: I agree to all terms, conditions, and refund policy. I have read and agree to

compensation plan that can change at any time  Yes I agree

Signature: \_\_\_\_\_ Date: \_\_\_\_\_