

Referred By: _____

(ENTER EXCHANGE LOGO, NAME, ADDRESS & CONTACT INFORMATION)

Application & Membership Agreement

_____ CORP. NAME/OWNER	_____ BUSINESS NAME <input type="checkbox"/> Sole Proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Limited Partnership	_____ FEDERAL TAXI.D.#/S.S.#
_____ CONTACT PERSON	_____ EMAIL	_____ PHONE
_____ ADDRESS	_____ CITY/STATE/ZIP	_____ WEB ADDRESS

The above corporation or owner hereafter referred to as "Member" applies for an account with (Enter Trade Exchange Name) hereafter referred to as TE, for the purpose of trading their products and services with other TE Members who are in the TE network. As a Member of TE, Member agrees:

- To offer our products and services to other TE Members for trade dollars at our regular prevailing prices, with the same warranties, guarantees and level of service given to regular cash customers.
- To pay upon execution of this agreement, an initial set-up fee of \$_____ cash and \$_____ trade dollars to be automatically deducted from our TE account.
- To pay TE a monthly cash transaction fee of % of the total amount of each trade purchase and/or trade sale with other TE Members. (Exchange determines transaction fee percentage & whether it is assessed on the buy or sell side, or both).
- To pay TE \$_____ cash and \$_____ trade dollar monthly fee each month. This fee will continue each month the Member has an account with TE. A service cash charge of X% per month will be assessed on all delinquent cash fees owed.
- To pay TE an interest charge of ___% APR * in trade on any negative trade balance. This fee will automatically be deducted from Participants account each month. Such trade funds shall be deposited in a bad debt reserve fund to offset losses in the TE system.
***Charging interest is optional - contact IRTA for more details/info.**
- To acknowledge, consent and grant to TE the right and power to regulate and control the number of outstanding trade dollars with the exchange system, and to administer credit extension policies for Members as stipulated in this agreement.
- That all trades and/or transactions are entered into between Participants on a voluntary basis
- TE assumes no responsibility for the quality, timely delivery, warranty or dispute of any nature between TE exchange Members with regard to any product or service being traded. TE Members should exercise the same due diligence prior to entering a trade transaction as an ordinary cash transaction. TE is functioning in a brokerage capacity and each TE Member does hereby indemnify and hold TE harmless with respect to any claim, debt, reasonable attorney fees or liability arising out of any trade transaction, whether the TE Member is a buyer or a seller.
- Anything to the contrary herein withstanding, TE may, at its sole discretion modify, amend or change this agreement in which TE deems necessary, provided the changes and policies are reasonably uniform between the Members. TE shall notify the Members of any material changes to the program in writing thirty (30) days prior to the effective date and any transaction within the trade network after the notice was given shall constitute Participants acceptance.
- To otherwise abide by and adhere to the accompanying "Trade Rules and Regulations" [that are attached hereto made a part of this agreement].
[or, refer to your Rules & Regulations that are posted online]
- It is understood and acknowledged that this agreement and the "Trade Rules and Regulations" constitute the entire agreement between parties and shall be binding upon the Member and the heirs, successors, personal representatives and assigns of the Member. It is further understood that this agreement shall become effective when signed by the Member and approved by an authorized representative of TE.
- Both parties have the right, power and authority to enter into this agreement and to consummate the transactions contemplated hereby.

THE MEMBER MAY CANCEL THIS AGREEMENT AT ANYTIME PRIOR TO MIDNIGHT OF THE 10TH BUSINESS DAY AFTER THE DATE OF THIS AGREEMENT BY EMAIL.

Printed Name _____ Title _____ Date _____

Authorized Applicant Signature _____

Personal Individual Guarantee _____

Authorized TE signature and acceptance _____

Trade Rules And Regulations

The Trade Rules & Regulations form a part of and are hereby incorporated into the member agreement.

The following Trading Rules and Regulations form part of and are included in the Application and Agreement which has been made with TE.

1. Nature of the Parties

TE is a trading company that also acts as a clearinghouse and third-party record keeper of barter transactions among its Members, who are business owners and professionals who contract with TE to organize and facilitate barter of their goods and services with each other.

Member is a legitimate business that desires to exchange goods and/or services with other Members and wished to subscribe to TE's record keeping and barter services.

2. Nature of Trade Dollars

A "trade" is a barter purchase or sale of goods and/or services whereby payment is made in trade dollars posted to Member's account pursuant to these Rules and Regulations. A trade dollar is an accounting unit used to record the value of trades. Ownership of trade dollars denotes the right to receive goods or services available within the TE system. Trade Dollars may be used only in the manner and for the purpose set forth in these Rules. They will not be considered legal tender, securities, or commodities. They may not be redeemed for cash, except as approved in these Rules. TE disclaims responsibility for the negotiability of trade dollars or for the availability of any particular goods or services from any source.

3. Liability for Trade Dollars

Member acknowledges that trade dollars in the barter system (positive balances) are the liabilities of persons/companies who have spent more than their earnings (negative balances); that there is a creditor/debtor relationship between such persons, and that trade transactions incur the normal business risks associated with any credit transaction. As a general rule, trade dollars are the liabilities of Members who owe the barter system, and not of TE, which is solely liable for its own indebtedness. TE is authorized to establish a bad debt reserve fund by charging all accounts on a regular basis an amount in trade dollars to be paid into such a fund. Any positive balances abandoned or surrendered by former members in accordance with the Rules may also be paid into the reserve fund.

4. Trade Dollar Loans

Members grant to TE the right and power to make trade dollar loans to any Member on terms and conditions consistent with Member's creditworthiness and ability to repay. The exercise of this power shall be at the sole discretion of TE management with regard to principal, interest, terms and conditions, lending policy, and other particulars. TE reserves the right to require exchange member's to complete a formal loan agreement, request financial statements, credit history and collateral prior to loan approval. TE is under no obligation to extend credit at any time. TE will use its best efforts to ensure timely repayments of principal and interest, appropriate collateralization, and perfection of security interest in all loans.

5. Line of Credit

TE may establish a line of credit for each Member, which may be adjusted from time to time. The outstanding balance of the line of credit, as it is utilized, will be treated as a loan under these Rules. A Member who makes purchases in excess of his established line of credit must sell his products or services at 100% trade until such excess deficit is cured.

6. Brokerage Function

TE services in a brokerage capacity in organizing and facilitating trades among Members. Responsibility for the conduct of a trade is exclusively that of the two Members participating in the trade. TE will use its best efforts to broker the trade dollars or Members into goods or services, to accurately record trades, and to administer these Rules in accordance with its terms. However, Member acknowledges that

the sole principals in any trade are the buying and selling members involved, that trades are entered into voluntarily, and that TE is not the agent of any Member, nor is it the guarantor of any trade or trade dollar.

7. Availability Of Products or Services
TE shall use its best efforts to solicit new businesses having products or services to satisfy the needs of all Members. TE is committed to provide only those products or services that may actually be available in the exchange system at any given time. Exchange member hereby acknowledges and understands that a barter exchange is a limited marketplace and TE cannot fulfill all purchase requests all the time. TE is not responsible if a Member cannot find specific products or services to buy from Members.

8. Definition of Member in Good Standing

A Member who conducts trades in accordance with these Rules, is current in any monies owing to TE, and has a valid, unexpired Member account, is considered a "Member in good standing". Only Members in good standing are entitled to services of TE.

9. Payment of Fees

All fees and charges, including initial set-up fees, commissions, and other charges to Members by TE are in payment for services rendered in processing Member into the exchange system, operating the clearinghouse and brokerage functions, administering these Rules, establishing and maintaining records, and facilitating Members use of the exchange system. Member agrees to pay TE the full amount of such fees within ___ days of date of the monthly statement; otherwise TE shall charge interest on the outstanding balance at the rate of ___ percent per annum. In the event that the Member is in arrears for any cash fees beyond thirty (30) days, Member agrees to waive all rights to his usage of any positive trade credit balance in his account, and grants TE the right to hold any such balance so long as any cash fees remain outstanding for more than thirty (30) days.

10. Identification Cards; Lost or Stolen
Buyer must have a valid, signed, unexpired TE identification card(s) in order to make a purchase. Member is solely responsible for all charges made on card(s) issued to Member's account. TE is not responsible for use of cards by unauthorized persons. In the case of lost or stolen card, Member will be liable for unauthorized use that occurs after TE is notified in person, in writing, email or by telephone of the loss, theft, or possible unauthorized use. Identification cards issued to Members shall remain the property of TE and must be returned upon demand.

11. Trade Authorization:

All purchases must be approved by TE prior to sale and have an authorization number issued and recorded by the TE. If authorization is not obtained at the time of sale, TE has no obligation to post the transaction. TE reserves the right to refuse to issue an authorization number approving a transaction under any of the following conditions:

- If the buyer does not have sufficient trade dollars or line of credit to make such purchase;
- If either party is not a Member in good standing;
- If seller fails to call the Exchange, or use the TE's automated trade authorization system, for an authorization number for any sale at the time of sale.

12. Record keeping and Errors

TE has the right to reverse a transaction due to non-compliance with these Rules, in which event it shall be the responsibility of the seller to collect from the buyer. All transactions are subject to audit and verification by TE and, in case of inaccuracies, TE may debit or credit Member's account, without notice, as a result of such error. TE will issue monthly statements to Members reflecting account

activity and monies due and owing to TE. Monthly statements are deemed accurate as printed unless Member notifies TE in writing of any discrepancy within thirty ___ days of statement date.

13. Authorization of Credit Investigation

Member authorizes TE to make whatever credit investigation deemed appropriate and to exchange any information received in the course of such investigation. TE may request reports from credit reporting agencies. If Member asks whether a credit report was requested, he will be informed, and if TE has received a credit report, Member will be given the name and address of the agency that supplied the report.

14. Internet, Telephone Sales; Discretionary Sales

Seller will obtain from TE an authorization number for all internet or telephone sales.

15. Laws and Regulations

Member shall abide by applicable Federal, State or local laws or regulations appropriate to any trade, and TE shall not be responsible for any failure on the part of the Member to comply. Member agrees not to hold TE liable for any action TE takes to comply with applicable laws or regulations.

16. Taxes

Seller shall charge the appropriate sales and excise taxes and collect and record these on the transaction form at the time of sale. Under no circumstances will TE be responsible to pay any sales, excise, use or other such tax on behalf of any Member. Members are advised that transactions involving trade dollars are generally treated as taxable events for Federal, State and local tax purposes. The declaration and reporting of all applicable local, State and Federal taxes resulting from trade transactions rests solely with the Member. Further, that TE is required by law to obtain correct taxpayer identification number of Member (who is required by law to provide such number) and to report all trade sales of Members to IRS on Form 1099-B.

17. Assignment of Account

A Member's account is not assignable or transferable without TE's express prior written consent.

18. Overpricing

Exchange members' are obligated to sell their goods and services on trade at their normal, customary rates that they typically sell their goods and services for in a cash environment.

TE reserves the right to inquire into complaints of overpricing by a Member. Violations may result in termination of Member's account and/or immediate adjustment of the transactions involved.

19. Direct Trades Between Exchange Members

Direct trades between Members to avoid service fees are prohibited, and if consummated, are subject to a ten ___ percent cash transaction fee payable upon demand; such trades may also result in suspension or termination.

20. Refusal to Honor Valid Purchase Requests

It is acknowledged, understood and agreed by Member that should Member fail to honor and accept purchases from another cardholding member utilizing a valid ID card pursuant to these Rules, except where Member is on standby or reserve status in accordance with these Rules, Members shall be deemed to be in material breach of this Agreement. Member acknowledges that if such event occurs, damages will accrue to TE in the business relationship between TE and the client whose ID card was not honored, and Member shall be liable for such damages.

21. Freezing of Account

If Member violates any terms of this Agreement now or hereafter in effect, TE may immediately terminate

its account in accordance with these Rules or may freeze all activity in account without notice until such time as TE, in its sole discretion, reinstates the Member or decides to terminate Member's account. Member acknowledges that the decision of TE to freeze and/or terminate Member's account shall be final and conclusive.

22. Suspension of Trading Privileges

TE reserves the right, at its sole discretion, to suspend the trading privileges of any Member who is in violation of any Local, State or Federal law, or any Member with outstanding cash fees due TE which are more than ___ days past due. The trade privileges of Member shall be reinstated immediately upon payment of such past due fees. TE shall have the right, at its sole discretion, of settling past due fees that are over ___ days. Furthermore, if such cash fees remain outstanding beyond ___ days, TE shall have the right to terminate the delinquent Member's account, as provided in these Rules.

23. Termination

Either party may terminate this Agreement upon ten (10) days written notice to the other party. Immediately upon termination, all cash and trade dollar service fees and commissions outstanding become due and payable, and:

- a. If Member has a negative trade balance (i.e., purchases exceed sales), Member shall pay the account with trade dollars or acceptable products or services within thirty days of the termination date and, after the thirty ___ days of the termination date and, after the thirty day period, immediately pay TE any remaining negative balance in cash.
- b. If Member has a positive trade balance (sales exceed purchases), Member may stay active for ___ months and spend the balance until purchases equal sales by paying TE in advance the cash commissions and service fees on the positive balance.

TE HAS NO OBLIGATION UNDER ANY CIRCUMSTANCES, INCLUDING TERMINATION OF MEMBER'S TRADING PRIVILEGES, TO CONVERT A POSITIVE TRADE ACCOUNT TO ACTUAL CASH DOLLARS.

TE identification cards must be cut in half and the pieces returned to TE immediately upon termination. In the event of termination, there shall be no refund of annual membership fees, or commissions.

All obligations under this Agreement in connection with any trade draft presented or signed by Member shall survive any such termination.

24. Amendment of Agreement

TE may, at its sole discretion, modify, amend, or change the terms of this Agreement from time to time by giving Member thirty (30) days prior written notice. Any purchase or sale of products or services by Member after the thirty (30) days notice shall constitute acceptance of new provisions.

25. Fee Changes

TE reserves the right to modify or change the annual membership fees, commissions, and any service fees from time to time. Member will receive thirty (30) days written notice of any such changes.

26. Disclaimer of Liability

TE makes no representation or warranty either express or implied, and disclaims all liability as to the fitness, quality, delivery date, merchantability, prices or any term of any trade transaction. Member does hereby indemnify and hold TE harmless with respect to any claim, debt, or liability whatsoever, arising out of any transaction wherein Member is a buyer or seller. Member acknowledges that any trade transaction in which it participates shall be on a voluntary basis, and that TE is neither its agent nor the agent of any other Member of the exchange.

27. Disputes

Any trade transaction disputes shall be only between the buyer and seller, and shall be settled by those parties themselves. However, TE reserves the right to

act as an arbitrator to attempt to settle disputes when the TE deems it is in the best interest of the exchange at large to act in such a capacity.

28. Enforcement

Each and every term and provision contained in this Agreement and Trading Rules and Regulations is severable from every other term and provision therein. If any such term or provision should be judged invalid, illegal or unenforceable it shall not affect the validity, legality or enforceability of the remainder of any other term or provision. The remainder shall remain valid, legal, enforceable and in full force and effect.

In the event that legal action must be taken by TE against a Member to enforce any provision of these Trading Rules and Regulations, TE shall be entitled to recover its reasonable attorney's fees, costs and interest computed at the rate of 18% per year from the date of default until payment. Member also agrees to court venue chosen by TE's attorney.

29. Advertising

Unless otherwise stipulated between parties to this Agreement, Member authorizes TE to notify and advertise to other Members the availability of Member's products or services.

30. Tips and Gratuities

All tips or gratuities shall be paid in cash at the time and place of purchase by the buying Member.

31. Special Trade Procedures

The following procedures apply to transactions involving special orders, construction jobs, service work, or long term leases and other work-in-process transactions.

Buyer should obtain a written estimate PRIOR TO authorizing work to begin.

Before starting, if appropriate, Sellers should obtain a deposit or down payment in trade dollars in the same manner as a cash transaction. This is done with a TE invoice and authorization number. Seller should include in their contract provisions that if Buyer does not have sufficient trade dollars in their account when an authorization is requested, the difference must be paid in CASH TO THE SELLER. TE will only issue an authorization for the amount in the account.

In order to "reserve" trade dollars from the Buyer until a particular job is completed, or special order item has been received, Seller must call TE for a "Funds-In-Trust" (F.I.T.) authorization number. The estimated amount of the completed work (less any deposits or down-payment) will then be transferred from the Buyer's account into an escrow account for the benefit of the Seller. AN INVOICE SHOULD NOT BE SENT TO TE AT THIS TIME.

When the job has been completed or the special order item has been delivered, the Seller shall complete a TE invoice for the balance due and obtain the Buyer's signature. DO NOT CALL FOR ANOTHER AUTHORIZATION NUMBER. SELLER SHOULD WRITE THE ORIGINAL "F.I.T." AUTHORIZATION NUMBER ON THE INVOICE. Seller's account will be credited by TE upon receipt of the signed invoice and any required cash service fee.

(NOTE: Paragraph #31 above is optional)

32. Products Sold Through TE - Warranty

On all products owned and sold by TE, the sole and exclusive warranty made by the seller is that it has title to such products, free and clear from any lien or encumbrance. Other than set forth above, all products are sold, "As Is, where is", and shipping charges shall be paid by the buyer. With respect to any product or services purchased by Buyer from TE, Buyer recognizes that such items are produced and provided by others and not TE or its affiliates. TE makes no warranty either express or implied, by operation of law or otherwise as to the merchantability or fitness for a particular purpose of such products or services, and Buyer shall look solely to the manufacturer of such merchandise or provider of such services for any warranty.

33. Security Interest

Member grants TE a security interest in all trade dollars credited and to be credited to Member's account for the amount to all unpaid cash fees.

34. Surcharges

As an exception to the rule that trades are to be made at prevailing prices (defined as normal or customary cash price), surcharges may be permitted in certain categories such as food, gasoline, appliances, electronics, and products where the gross margin of profit is relatively low, and the supply of such products on trade is low. TE will arrange the surcharge with the Member concerned. Members will be informed of any applicable surcharges.

35. Commitment and Representations

TE is only responsible for commitments and representations made in writing by a duly authorized officer of TE, Brokers, agents, or employers of TE to any obligation or representation whatsoever without such written authorization, signed by an officer of TE.

36. No Waiver of Right

TE's failure or delay in exercising any right shall not operate as a waiver thereof, and any single or partial exercise of a right shall not preclude any other or further exercise of any right. ATE's remedies are cumulative and are not exclusive of any remedies provided by law.

37. Preferential Treatment

Member acknowledges that regulation of purchases, control of credit extension, and allocation of goods or services in short supply are inherent in TE's managerial responsibilities, shall be exercised at TE's sole discretion, and do not constitute preferential treatment under these Rules.

38. Dissolution

In the event that the TE barter system terminates or otherwise ceases to do business, all Members in a negative trade position shall pay amounts they owe in cash (one trade dollar being equal to one dollar in cash in U.S. currency) into a fund. The fund, less expenses, plus inventory on hand will be distributed pro rata to all Members who are in a positive trade dollar position. Thus, all Members in a positive position will receive cash for their trade dollars to the extent that funds permit. ATE shall not be liable to any Members for cash or trade dollars beyond the distribution of such funds as aforesaid.

39. Member Acknowledgment and Warranty

Member acknowledges that he has read the currently effective Trading Rules and Regulations, that such Rules and Regulations are made a part of this Agreement with TE, and that the Rules and Regulations may be changed by TE from time to time in accordance with the provisions of these Rules. Member warrants that it provides all information to TAE in good faith and that such information is accurate to the best of its knowledge.

40. Joint and Separate Liability

Upon acceptance of this Agreement and opening of an account is Member by TE, the Member and individual signing for the Member hereby assume joint and separate responsibility for all purchases and fees as outlined in this Agreement, and the individual signing on behalf of a corporation agrees to guarantee and be personally liable for full performance by said corporation of this Agreement

ADDITIONAL OPTIONAL CLAUSES:

41. Reserve or Standby Status (as desired by individual exchange)
42. Specification of Service Fees (as desired by individual exchange)
43. Conversion Rules for Members Converting From Another Exchange (as desired by individual exchange)
44. Directory of Products or Services (as desired by individual exchange)
45. Showroom Operation (as desired by individual exchange)