

CONTRACT BETWEEN TRAVEL AGENCY
AND OUTSIDE SALESPERSON/INDEPENDENT CONTRACTOR

AGREEMENT made this _____ day of _____,
200___, between Jennifer Dugan (Legal Owner), doing business as Dugan's Travels
LLC, a travel agency, having its principal place of business 132 Rover Blvd, Los
Alamos NM 87544 , hereinafter referred to as the Travel Agency, and
_____ (Your name) of
_____ (Your street address),
_____ (Your City), _____ (Your State)
_____ (Your zipcode), hereinafter referred to as the Independent
Contractor.

1. Term of Agreement

The Travel Agency hereby retains the Independent Contractor to act as an independent outside salesperson and the Independent Contractor agrees to act in such a capacity on behalf of the Travel Agency for a period of 12 months to ___/___/___ (put in the date 12 months from now). At the end of that period, the contract shall automatically be extended for an additional 6 months, unless either party serves the other with written notice 30 days prior to the expiration date of his intention not to renew. Insurance will be automatically renewed and will be responsibility of Independent Contractor unless cancelled 30 days prior.

2. Duties of Independent Contractor

The Travel Agency hereby retains the Independent Contractor as a self-employed businessperson to sell travel and travel services to the public on behalf of the Travel Agency.

3. Compensation of Independent Contractor

As compensation for the services rendered by him under this Agreement, the Independent Contractor shall be entitled to commissions on sales as follows:

4. In General

The Independent Contractor shall be entitled to 75% of the Gross Commissions received by the Travel Agency for sales of travel or services by the Independent Contractor. 80% commission is given to agents who stay with the agency for 3 years and do not leave or go inactive during those 3 years. All expenses relating to these sales shall be borne by the Independent Contractor and deducted from itemized commission statement, or Independent Contractor may pay Travel Agency for related expenses. The Travel Agency will notify the Independent Contractor prior to deducting any expenses and give the Independent Contractor the opportunity to send in money to pay for the expenses rather than having it deducted from commission checks. Most common charges are postage and agent support fee. This clause is to protect the agency against Independent Contractor causing expenses on the agency.

Override commissions received by the Agency for volume sales shall be considered a part of the Gross Commissions. The Independent Contractor is required to have Error and Omissions Insurance, which is part of the sign up fee of \$130.00. This is non-refundable. Agent will pay \$10 a month for support. If agent makes over \$3000 in sales a month period, that month's fees will be waived. The fee is calculated from the beginning of the month until the end. It is then due by the 15th of the following month. Example: September 1-30th, fee is due by October 15. A late fee of \$5 will be charged for any payment received after the 15th of the month.

5. Commission Compensation

The net commission is defined as the commission to the Travel Agency minus any fees the agent has incurred like postage and other business related expenses.

6. Agency's Commission Compensation

Agency to Receive Its Share of Commission of Agency's CLIA Number, Pseudo IATA Numbers or Dugan's Travels IATA Number Used While the Independent Contractor is free to do business with any other travel agency or customer, the Travel Agency shall receive its share of the commission paid by any supplier for any sale in which the Independent Contractor uses the Travel Agency's CLIA, Pseudo IATAN numbers or Dugan's Travels IATA number to process the sale.

7. CRS

Independent Contractor can be set up on Sabre software directly with Sabre. There is one time set up charge of \$95.00 and then it is \$45 a month. This will be set up directly with Sabre and Independent Contractor will be charged by Sabre monthly. This is only for trained Sabre agents. Not needed to operate your business. You do not have to get this- it is not a requirement.

8. Method of Payment

Travel Agency shall pay Independent Contractor monthly. Travel Agency shall pay agent each month commission that has been paid by suppliers for travel completed. Each month a list is provided to the Independent Contractor to locate paid commissions and request he or she be paid. Travel agency cannot pay Independent Contractor until after the client has returned from the trip. Travel Agency shall report gross earning to the IRS (Form 1099) for the Independent Contractor and pay net to Independent Contractor (minus expenses). Independent Contractor may have the option of paying agency by check for all attributed expenses outlined in the agency statement of commission expenses as opposed to withholding expense items from gross earnings.

Independent Contractor shall report to Travel Agency all sales made using their IATAN Number, CLIA Number, and any other account numbers Dugan's Travels holds. The Independent Contractor shall also report any expense to be billed to the Travel Agency, such as Express delivery charges, and additional ticketing fees.

9. Examination of Books

The Independent Contractor shall have the right, either personally or by accountant retained and paid by the Independent Contractor, at times mutually convenient to the Travel Agency and the Independent Contractor, but in any event at least once during each half of the calendar year, to examine books and accounts of the Travel Agency insofar as they relate to transactions affecting the amount of the Independent Contractor's compensation.

10. Independent Contractor to Provide Own Business Supplies and Be Responsible for Own Expenses Independent Contractor shall provide his own business cards and other promotional materials and shall otherwise be responsible for all expenses incurred in performing his duties under this Agreement.

11. Place of Work

The Independent Contractor may choose where the work is to be performed, is not required to work on the premises of the Travel Agency, and is not required to answer the phones, or perform any other duties at the Travel Agency's offices.

12. Hours

Independent Contractor may work whatever hours he/she wishes. The Travel Agency may require no fixed hours. The Independent Contractor shall not be required to attend office meetings or office training sessions. In order to help with ticketing, we will do a flexible schedule between Independent Contractor and other ticketing agents.

13. Risk of Loss/Profit Potential

Independent Contractor assumes the risk of incurring a loss if his/ her share of sales commissions does not cover the Independent Contractor's expenses. Similarly, Independent Contractor enjoys the right to earn a profit yielded by commissions shared pursuant to this Agreement.

14. No Entitlement to Vacation or Other Benefits as Independent Contractor

As a self-employed individual, the Independent Contractor shall not receive or earn any vacation or sick pay from the Travel Agency and is not covered under the agency's medical or dental plan. The Travel Agency will offer IATAN ID Card to Independent Contractors whom meet the minimum required earnings of \$5000.00 commission in a year.

15. Responsible for Errors and Omissions and Expenses

Independent Contractor is responsible for all Errors and Omissions related to his/her work as well as any debit memos. If Independent Contractor decides to become an associate of Dugan's Travels, he or she must have coverage under an Error and Omissions Insurance. Low cost insurance is part of our sign up. It is part of the sign up cost and is not additional. Those who already have coverage for their own agency, do not need to pay the \$130.00 start up. Any costs incurred and not covered by the insurance are the responsibility of the Independent Contractor. The insurance company has it's own requirements for claims. A claim may or may not be approved. A deductible is currently required on any approved claims. \$50.00 renewal each year due.

Insurance covers Independent Contractor only when working with Dugan's Travels. Only the person's name on this contract is covered. If anyone works with the Independent Contractor whether it be a family member or business associate and is not covered individually, the insurance company will deny any claim. Only named Independent Contractors working with Dugan's Travels are covered under the insurance provider. If Independent Contractor works with other agencies, the insurance will not cover anything done with other agencies.

16. Ability to Hire Assistants

Independent Contractor retains the right to employ whatever assistants or bring in whatever partners he/she may require at Independent Contractor's expense in order to accomplish the goal of travel sales contemplated by this Agreement. Anyone handling any bookings or reservations for the Independent Contractor should be covered under the insurance policy by being added onto the policy for the \$100.00 yearly policy. If the Independent Contractor has someone who is not covered on the policy working with him/her and an incident occurs, the insurance company can deny the claim due to no coverage.

17. Independent Contractor Shall Be Responsible for Filing of Federal, State, and Local Estimated Payments on Commissions Received from Travel Agency, and for Other Assessments Independent Contractor agrees to be fully responsible for complying with all federal, state, and local laws in connection with performance of this Agreement, including, but not limited to, payment of any estimated or other federal, state, or local income taxes, payment of applicable charges for social security, FICA, worker's compensation and obtaining any required state or local licenses or registration as a self-employed seller of travel/independent contractor outside salesperson.

Independent Contractor agrees to indemnify and hold Travel Agency harmless for any assessments against Travel Agency because of any failure by Independent Contractor to properly pay federal, state, or local income taxes (including estimated tax payments) and file returns in connection therewith, or to pay social security, FICA, or worker's compensation.

18. Ownership of Customers

The parties acknowledge that all customers of the Independent Contractor are and shall remain the property of the Independent Contractor. If the Independent Contractor shall cease to be associated with the Travel Agency for any reason, all customers of the Independent Contractor shall be free to continue doing business with the Independent Contractor independently, or through any other travel agency.

19. Ownership of Bookings

Any booking made with Travel Agency's CLIA, Pseudo IATAN numbers or Dugan's Travels IATA number is the property of Dugan's Travels. Independent Contractor may not move bookings to another agency in the event of termination or other reasons. Any bookings moved to another agency will cause Independent Contractor to be terminated and future commissions waived as well as the Travel Agency may seek damages in the amount of business loss as a result of Independent Contractor transferring bookings to another agency.

20. Rights Of Parties Involved

Information on other Independent Contractors with Travel Agency is not to be disclosed to other parties. Any bookings booked by other Independent Contractors are not to be disturbed by Independent Contractor. Information about other Independent Contractors are not to be disclosed to other parties. This includes but is not limited to addresses, email, names and other contact information. Other Independent Contractors information is not to be sold or given to other interested parties. Training materials, information given to Dugan's Travels Independent Contractors including passwords to websites, handbook, informational files, and other property of Dugan's Travels is not to be shared with parties not contracted with Dugan's Travels. Breach of information will result in legal action.

21. Events Causing Termination

This Agreement is NOT terminable prior to its expiration at the will of either party, but is instead terminable by the Travel Agency only on the following grounds:

- (a) The occurrence of circumstances that make it impossible or impractical for the business of the Travel Agency to continue;
- (b) The death of the Independent Contractor;

© The willful or negligent breach of duty by the Independent Contractor in the course of his performance under this Agreement;

(d) The continued incapacity on the part of the Independent Contractor to perform his/her duties. This includes not reading emails or being unable to be contacted by the host agency.

(e) The occurrence of agent and agency inability to work together due to conflicts.

(f) The membership fee not paid by the Independent Contractor within 2 weeks of due date.

(g) The Independent Contractor does not renew his/her insurance at the yearly renewal.

22. Effect of Termination on Compensation

In the event of the termination of this Agreement prior to the completion of its term specified herein, the Independent Contractor shall be entitled to the compensation earned by him/her prior to the date of termination as provided for in this Agreement computed pro rata up to and including that date; the Independent Contractor shall be entitled to no further compensation as of the date of termination.

23. Time Limit for Claiming Commissions After Date of Termination

All claims of the Independent Contractor for commission on sales, regardless of whether the sales are made by the Independent Contractor or others, are waived by the Independent Contractor if not made within sixty (60) days of the date of termination. Independent Contractor must submit in writing any commissions due to Independent Contractor within 60 days of termination or commissions will not be paid.

24. Remedies

Any controversy or claim arising out of or relating to this Agreement shall be settled by the courts of Los Alamos, New Mexico.

25. Attorney's Fees and Costs

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 attorneys fees, costs, and necessary disbursements in addition to any other relief to which he may be entitled.

26. Partial Validity

If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any manner.

27. Law Governing Agreement

This Agreement shall be governed by and construed in accordance with the laws of New Mexico.

28. Non-Assignability

This is a personal service agreement that shall not be assignable by the Independent Contractor without the written consent of the Travel Agency.

29. Complete Agreement; Modification or Waiver

This agreement represents the complete understanding of the parties with respect to the described outside sales relationship. It is not to be amended after the date hereof except by an instrument in writing signed by the parties. No amendment, modification, termination or waiver shall be binding unless in writing and signed by the party against whom the amendment, modification, termination or waiver is sought to be enforced. No waiver of any provisions of this Agreement shall be deemed, or shall constitute, a waiver of any other provisions, whether or not similar, not shall any waiver constitute a continuing waiver.

INITIAL THESE TERMS

Your first fee is due on the 15th of _____ (put the month that is 3 months from when you are signing this) By putting your initials here, you agree to pay the \$10.00 fee by that date. If you do not pay it by the 15th, you will be charged a \$5 late fee. You do not have to pay it if you do \$3000 in bookings in the month of _____ (put the month that is 2 months from now)

Initial Here _____

Your insurance will be automatically renewed a year from the date you signed this contract. You MUST contact us to cancel your insurance, otherwise you will be responsible for the \$50 renewal charge.

Initial Here _____

You agree to work with other agents and treat others with respect. You will contact us if you decide this is no longer something you want to pursue. You will communicate with the agency and be an active member of our agency.

Initial Here _____

Executed at _____ (Your City), _____ (Your State), on the day and year first above written.

Dugan’s Travels

By: *Jennifer Dugan*

(Jennifer Dugan, Owner)

Independent Contractor (this is you)

By: _____

EMAIL ADDRESS: (this is where we will email you the information to get started)

TAX ID NUMBER (this is your social security number or tax id for a corporation)

Your date of birth _____

Dugan's Travels reserves the right to do a background check on anyone who becomes an agent with our agency. If you have a criminal record, we will not allow you to work with our agency.

Please fax to 505-672-0779

Or mail to

Dugan's Travels

132 Rover Blvd

Los Alamos, NM 87544

If you want to pay via credit card please visit the link at www.travelathome.com to input your credit card safely online.

It can take some time to get you started. If you pay by check, your check must clear the bank before we get you started. If you pay by credit card, we must charge the card and will try our best to get it done as soon as possible. However it can take up to 3 business days to get it processed depending on how many contracts we get in. We will email you with the information to get started at the email address above.

If someone referred you to the agency, we would like to thank them. Please give us the person's name. Thank you.

Referred By:
