



Affiliate and Independent Representative Application and Agreement

P.O. Box 7751, Greensboro, NC 27417 • 336.392.8182 • www.watchfulnetwork.com

Applicant Information

| | |
|-------------------------------|--|
| Business or Trade Name | |
| Applicant Name | |
| Mailing Address | |
| E-mail Address | |
| Phone | |
| Fax | |
| EIN / SSN | |

Enrollment Options

| Check Here | Quantity Web Pages | Set-up Fee | Monthly Hosting Fee |
|--------------------------|----------------------------|------------|---------------------|
| <input type="checkbox"/> | Independent Representative | None | None |
| <input type="checkbox"/> | Associate | Hyper-link | None |
| <input type="checkbox"/> | Affiliate | 1 | \$39.95 |
| <input type="checkbox"/> | Executive Affiliate | 2 - 5 | \$39.95 |

Associates and Affiliates are Independent Representatives of Watchful Network, Inc. and may participate in the Referral Program

Requested Web-site Address

This will be your ID# (please select 3 options and limit to 15 characters if possible)

| | Option 1 | Option 2 | Option 3 |
|----------------------|----------|----------|----------|
| WatchfulNetwork.com/ | | | |

I have read and understand the terms and conditions on the back of this application.

Applicant Signature _____

Date _____

Who Referred You? _____

ID# _____

FOR OFFICE USE ONLY

Pmt Method: _____ Amt: _____ Date Rcvd: _____ Date On-line: _____ Billing Cycle: _____

Terms and Conditions

In accordance with the terms and conditions contained herein, I hereby willfully submit my Affiliate Enrollment Application and Agreement to become an Independent Representative (hereinafter referred to as "IR") with Watchful Network, Inc.

AS AN AFFILIATE AND IR, I UNDERSTAND THAT:

1. The IR is hereby appointed and bound by the Terms and Conditions of Watchful Network, Inc. Referral Program and Affiliate (on-line advertising) Program contained herein. IR may participate in the Referral Program by encouraging others to become Affiliates with Watchful Network, Inc. WATCHFUL NETWORK, INC. WILL PAY IR FIFTY DOLLARS (\$50.00) FOR EACH NEW AFFILIATE OR EXECUTIVE AFFILIATE REFERRED. NO REFERRAL FEE WILL BE PAID FOR ASSOCIATE (HYPER-LINK) APPLICANTS. The IR asserts that he/she has carefully reviewed and agrees to observe these Terms and Conditions as attested by his/her signature on the front of this application. IR has no authority to bind Watchful Network, Inc. to any obligation whatsoever. Each IR shall indemnify and hold harmless Watchful Network, Inc. from any claims, damages or liability arising out of the IR's business practices. Each IR shall operate independently and determine his/her own work hours and own methods of sales and marketing, providing IR complies with this Agreement, Watchful Network, Inc. Policies and Procedures and all federal, state and local laws.

2. THERE IS NO PURCHASE OR INVESTMENT NECESSARY TO BECOME A WATCHFUL NETWORK, INC. IR. The only fees required are the costs associated with the set-up and hosting of the Affiliate's web site or hyper-link. IR referral fees are paid solely off the sale of affiliate web sites and are not paid for the recruitment of other IR's. IR hereby agree to represent Watchful Network, Inc. in all aspects fairly and completely, emphasizing that on-line advertising sales are a requirement and that no recruitment fee can be derived from the mere act of referring other IR's and that no earnings, profit or success of any nature are guaranteed from participation in the Referral Program and/or with Watchful Network, Inc. in any manner. IR further understands and agree that IR's remuneration will consist solely of referral fees and occasional bonuses, relating to the sale of Affiliate Sites (on-line advertising).

3. It is expressly agreed by the parties that there are not, and were not, verbal or written representations, understandings, stipulations, agreements or promises relating to the subject matter of this Agreement not incorporated herein. This Agreement and the terms of the Referral Program and any other literature that may be issued by Watchful Network, Inc. constitutes the entire Agreement between the parties, which cannot be amended unless such amendment is acknowledged in writing by Watchful Network, Inc., signed by an officer. IR hereby agrees that IR has read, understands and agrees to be bound by the contents contained herein.

4. All IR's must be at least 18 years of age. The IR acknowledges and understands that this Agreement shall not become binding on either part until Watchful Network, Inc. has accepted it. UPON ACCEPTANCE, THE IR WILL BE AN INDEPENDENT CONTRACTOR. Watchful Network, Inc. is not responsible in any way whatsoever for any losses suffered by any IR at any time for any reason.

5. This Agreement is not intended to nor will it create a relationship of employer/employee, agency, partnership, joint venture or franchise between any IR, and Watchful Network, Inc. As an independent contractor, the IR will be responsible for his/her own business and will not be considered an employee of Watchful Network, Inc. for the purposes of the Federal Insurance Contribution Act, the Social Security Act, the Federal Unemployment Tax Act, State Unemployment Act or State Employment Security Act or any other laws pertaining to employees. IR agrees to pay any and all State and Federal income taxes, self-employment taxes, sales taxes, local taxes and/or local license fees that may become due as a result of IR's activities under this Agreement. The IR will, at the IR's own expense, make, execute or file any and all such reports and obtain such licenses as are required by law or public authority with respect to this Agreement and/or the advertising of Watchful Network, Inc. and/or affiliate products and/or services.

6. The term of this Agreement is for a period of one year. AFFILIATES AND IR'S WISHING TO CONTINUE THEIR RELATIONSHIP WITH WATCHFUL NETWORK, INC., MUST RENEW THIS AGREEMENT EACH YEAR AT THE THEN CURRENT FEE RATE. If Affiliate elects not to renew his/her IR Agreement, it is understood that all on-line advertising and rights to referral fees and bonuses derived from the marketing of the Affiliate program will immediately cease.

7. As a Watchful Network, Inc. IR, the IR shall not make any statements or representations regarding Watchful Network, Inc. Affiliate Program other than those contained in materials provided by Watchful Network, Inc. Failure to comply with this provision may result in the suspension or termination of the IR.

8. The IR agrees to not advertise or duplicate any Watchful Network, Inc. literature in any way without the express written approval of Watchful Network, Inc. This includes the Watchful Network, Inc. logo, trade name, or trademarks.

9. Watchful Network, Inc. may suspend or terminate this Agreement immediately in the event IR breaches any covenant contained herein and if so, all IR's right to referral fees and/or bonuses will cease immediately. IR shall be entitled to cancel participation in this Agreement at any time and for any reason upon 30 days written notice to Watchful Network, Inc.

10. WATCHFUL NETWORK, INC. WILL ALLOW THE AFFILIATE/IR FIVE (5) BUSINESS DAYS FROM THE DATE ON THE FRONT OF THIS APPLICATION AND AGREEMENT FOR THE AFFILIATE/IR TO WITHDRAW FROM WATCHFUL NETWORK, INC. AFFILIATE PROGRAM WITH A REFUND OF SET-UP FEES. Upon notification of withdrawal by Affiliate/IR within five (5) business days from the date on this Application and Agreement, a refund will be offered, less a \$10.00 processing fee, and a \$2.50 check issuing fee. THERE WILL BE NO REFUND OF THE SETUP FEE AFTER FIVE (5) BUSINESS DAYS FROM THE DATE ON THE FRONT OF THIS APPLICATION AND AGREEMENT.

11. Watchful Network, Inc. agrees to pay referral fees based on NET COLLECTED REVENUE of verified funds to IR within five (5) business days in which said revenue was received.

12. There is no written or implied guarantee of referral earnings or bonuses. Actual referral earnings and bonuses are solely dependent on the efforts of the IR and ethical business practices.

13. PAYMENT OF WATCHFUL NETWORK, INC. INVOICE(S), "ACTIVE STATUS": IR understands that if IR is late on and/or does not remit proper payment for any Watchful Network Inc. applicable monthly hosting services invoice, IR forfeits any and all referral fees until invoice is considered paid in full. IR understands that to be and remain eligible for referral fees and bonuses IR must maintain active status by paying applicable monthly hosting charges. If IR fails to maintain active status for any period the IR will be deactivated, services disconnected and will forfeit any and all referral fees and bonuses due. If IR fails to reactivate IR status within 30 days, the IR will be terminated and will forfeit any and all right, title and interest to any and all IR business, web-site(s), directory listing(s) and/or affiliate customers. IR will therefore forfeit any and all benefits relating to Watchful Network Inc. and its affiliate program.

14. The Terms and Conditions of this Agreement shall be binding upon and enforceable by the heirs, executors, administrators, and transferees of the parties hereto. This Agreement represents the only Agreement between the parties herein. No other promises of any kind shall be valid unless in writing signed by the parties herein. Failure to enforce any part of this Agreement by Watchful Network Inc. at any time in no way implies a lack of validity of any section of this Agreement or future enforcement.

15. Watchful Network, Inc. must receive this Application and Agreement from Applicant or referring IR within five (5) business days from the original signature date on the front of this Application and Agreement with payment in full for Affiliate (on-line advertising) set-up fees for all parties to receive proper credit.

16. PAYMENT OF SETUP AND HOSTING CHARGES. Watchful Network Inc. requires payment in full of all set-up fees prior to the start of any web-site design or hosting services. Affiliate will be billed monthly for hosting charges commencing thirty (30) days after the date on the front of this Application and Agreement. IF HOSTING CHARGES ARE NOT PAID BY THE INVOICE DUE DATE, THIS AGREEMENT WILL BE TERMINATED, THE AFFILIATE SITE WILL BE DEACTIVATED, AFFILIATE WILL FORFEIT ALL MONEYS PAID, AND WATCHFUL NETWORK INC. WILL BE UNDER NO FURTHER OBLIGATION TO CONTINUE ON-LINE ADVERTISING SERVICES.

17. DISCLAIMER: Watchful Network, Inc. is not responsible for technical and web site services that are provided by third parties.

CREDIT CARD AUTHORIZATION

I authorize Watchful Network, Inc. to charge the credit card below in the amount of \$ _____

Credit Card Type

Credit Card Number

Expiration Date

Cardholder's Name As It Appears on The Card (please print)

Cardholder's Signature

Credit Card Billing Address