

Agent Agreement

This Agreement is entered into on, _____ 20__, and is by and between **National ComTel Networks Inc.** a California limited liability company (hereinafter referred to as "Company" and, _____ (herein after referred to as "Agent").

RECITALS

WHEREAS, Company is engaged in the business of providing telecommunications services including but not limited to local and long distance service; Internet access; Operator Services, and prepaid calling cards (hereinafter referred to as the "Products" or "Services"); and

WHEREAS, Agent is an experienced sales representative interested in selling the Company's Products.

NOW THEREFORE, in consideration of the mutual covenants contained herein, the parties hereby agree as follows:

1. APPOINTMENT

Company hereby appoints Agent as its non-exclusive, independent sales representative to sell the Products subject to the terms and conditions of this Agreement.

2. TERM

The term of this Agreement shall commence on the date hereof and shall continue for twelve (12) months, unless terminated earlier as provided herein. This Agreement will automatically renew for subsequent twelve (12) month periods, provided, however, that either party may terminate this Agreement by giving thirty (30) days' written notice of termination to the other party. Furthermore, this Agreement may be terminated by Company for cause, if Company delivers a written statement to Agent setting forth the act(s) or omission(s) constituting cause for termination, and if Agent has not within ten (10) days of the receipt of the above described statement, cured or otherwise rectified the act(s) or omission(s) set forth therein to Company's reasonable satisfaction. The forgoing notwithstanding, Agent shall be in default under this Agreement and Company may terminate this Agreement without providing Agent with the opportunity to cure or rectify acts or omissions, if the same or similar acts or omissions occur more than twice during any period of twelve (12) months or less, or if National Comtel Network Inc. has already transmitted three (3) or more notices of default to Agent during any period of twenty-four (24) months or less.

3. AGENT RESPONSIBILITIES

3.1 Marketing. Agent shall use its best efforts to promote the Products, to maximize the sale of the Products and to promote the goodwill of Company. Furthermore, Agent shall provide non-technical customer support including, but not limited to written changes to account, and fully complete and submit to Company the appropriate service application forms in accordance with Company policy.

3.2 Periodic Meetings. Agent agrees to meet with or by phone with a Company representative at mutually agreed upon times and places to discuss sales activities. Such meetings shall include, at a minimum, providing present and projected customer contact information, sales forecasts, sales to date and any customer problems.

3.3 Customer Service/Provisioning Responsibilities. Agent agrees to assist National ComTel Network Inc. Customer Service and Provisioning Departments with follow-up related to PIC Restrictions or other rejects from the Local Exchange Provider. Agent also agrees to assist customers with adding, deleting or changing services, troubleshooting problems, and answering questions, as necessary.

4. INDEPENDENT CONTRACTOR

Agent is an independent contractor, and nothing contained in this Agreement shall be construed to (i) give either party the power to direct and control daily activities of the other, (ii) constitute the parties as partners, joint venturers, co-owners or otherwise, or (iii) allow Agent to create or assume any obligation on behalf of Company for any purpose whatsoever. Agent is not an employee of Company and is not entitled to any employee benefits. Agent shall be responsible for paying all income and withholding taxes and other taxes charged to and/or payable by Agent on amounts earned or paid pursuant to this Agreement. Payment of all expenses and other obligations associated with Agent's business and activities are the sole responsibility of Agent and must be paid in a timely manner before default.

5. ACCEPTANCE OF CUSTOMERS, PROCESSING OF ORDERS, BILLING

Agent shall have no authority to accept any customer on behalf of Company or its outside service providers. Company and its service providers may, at their sole and unlimited discretion, accept or reject any prospective customer submitted by Agent and shall have the sole right to determine the terms and conditions of credit approval in all cases. Agent shall quote to customers only those prices, delivery schedules and terms and conditions authorized by Company or Company's service providers. All orders shall be submitted to Company in writing for acceptance and processing or rejection at Company's sole discretion. Company or Company's service providers shall transmit all invoices directly to the customers and payments shall be made directly to Company or to Company's service providers. Full responsibility for collection of amounts due from customers rests with the Company or Company's service providers; however, Agent shall assist in such collection efforts, if requested by Company.

6. COMPENSATION

Agent shall be compensated for its services on a "commission only" basis, as set forth in the Exhibits attached to this Agreement, which are subject to modification by Company from time to time. Commissions shall apply to all orders solicited by Agent that have been accepted and provisioned by Company or by Company's outside service providers. Commissions shall be calculated and paid on net-billed profit revenue, on a customer-by-customer basis, and excluding all applicable taxes and fees and any expenses paid to third party collection agents or services. Commissions will be paid to Agent as long as said customers continue using Company's Services or services provided by Company's outside service providers, unless this Agreement has been terminated for cause or as otherwise provided in this Agreement. Agent shall not be entitled to receive commissions on any customer not obtained by Agent or not accepted by Company or by Company's outside service providers, for services, which are not paid for, or which are terminated, or for any Services sold by Agent in violation of this Agreement. Commissions earned by Agent shall be paid quarterly, within thirty (30) days after the end of the appropriate calendar month in which Company has billed for said commissionable items from customer. Company and Company's service providers shall have the absolute right to offer cash discounts, to make adjustments and/or to make allowances to customer's accounts. In each such case, Company shall have the right to charge back to Agent's account any excess commissions previously paid or credited to Agent with respect to such discounts, adjustments and/or allowances, and may collect said commissions back from Agent, even if customer and/or Agent no longer has a business relationship with National Comtel Network Inc. Company shall submit quarterly statements of commissions due and payable to Agent under this Agreement. However, commissions will no longer accrue if Agent terminates this Agreement within twelve (12) consecutive months after its commencement, if agent does not maintain two additional new customers per year or if National Comtel Network Inc. terminates this Agreement for cause.

Agent shall have the right, at its own expense and upon reasonable notice to National Comtel Network Inc., to inspect Company's relevant accounting records to verify the accuracy of commissions paid by Company under the terms of this Agreement, but not more frequently than once during any six (6) month period.

6.1 Commission Schedule. Agent shall have the opportunity to choose one of the follow payment programs for the duration of the agreement with company. All agreements with customers must be for a two year minimum and the non-compete clause is in effect.

Option 1. ____ Agent is to receive compensation based on the net profit from the first three full months billings.

Option 2. ____ Agent is to receive 15% of the monthly net profit for the duration of the agreement with the customer and terms of all agreements are maintained.

Option 3. ____ Agent is to receive a referral reward based on the net profit from the first full months billing.

7. ADVERTISING, FORMS AND PROMOTIONAL MATERIALS

All advertising, business cards, letterheads, price lists, forms, marketing letters, sales aids and other materials utilized by Agent in the marketing, advertising or sale of Company's Products or products of Company's outside service providers shall be subject to prior review and approval of Company and shall be returned to National Comtel Network Inc. or destroyed, at Company's option, upon the termination of this Agreement.

8. PRICING AND TERMS OF PRODUCT OFFERINGS

8.1 Company Rights. Company retains the right to prescribe the prices and terms under which it will offer telecommunications Services. This includes, but is not limited to the right to change prices, restrict offerings, amend regulations or entirely discontinue the offering of specific Services. Company agrees to provide agent with five (5) days' advance notice of changes to Services, whether listed on Attachment A or otherwise. Changes to Services may be made without requiring the prior consent of Agent, and without incurring any liability to Agent. Any such charge, restriction, amendment or discontinuance shall be at Company's sole discretion, and will become effective on the date specified by Company.

8.2 No Deviation. Agent shall not offer or suggest to any customer, prospective customer or any other person or entity, the availability of any prices for Services that deviate from Company's published prices. Agent shall not offer volume discounts, rebates, waivers or any other price adjustment or incentive, except with the express written consent of Company. Any such offer, as well as any other material breach of this Agreement by Agent, shall constitute cause for termination of this Agreement by National Comtel Network Inc.

9. INSURANCE

Agent agrees to obtain and continuously maintain such insurance as, in Company's reasonable judgment, will fully protect Agent, its agents and employees and Company from any and all claims arising under any worker's compensation act, employers liability laws, and from any and all other claims whatsoever including, but not limited to all claims resulting from damage to property or from personal injury caused, directly or indirectly, by Agent's acts and omissions and/or Agent's performance or nonperformance of this Agreement. Said insurance shall also protect Company from the effects of the acts and omissions of anyone directly or indirectly engaged or employed by Agent. Evidence of the existence of said insurance shall be presented to National Comtel Network Inc. within one (1) business day of Company's request for the same.

10. INDEMNITY

Agent shall indemnify, save and hold harmless Company and its members, officers, directors, agents and employees from and against any loss, liability, cost and/or expense including, but not limited to court costs and attorney fees, arising out of or with respect to any injury, death or other damage caused by Agent or by Agent's employees, agents or representatives. This indemnity shall not be construed to cover any loss, liability, cost or expense caused solely by the negligent act(s) or intentional misconduct of Company.

11. NON-DISCLOSURE, NON-CIRCUMVENTION, NON-COMPETE

Agent shall not disclose any trade secrets or proprietary information (including, but not limited to National Comtel Network Inc. and/or its service providers' rates for Products) to any other person or entity or use such confidential information, except with Company's written permission and in strict compliance with the terms of this Agreement. During the term of this Agreement and for a period of thirty-six (36) months after the termination of this Agreement, Agent shall not, directly or indirectly, solicit any of Company's customers, agents, employees or service providers. Agent shall be liable for any damages resulting from violation of this Agreement. Company and/or its service providers, whom Agent hereby agrees are intended third party beneficiaries of this Agreement, may pursue any and all remedies against Agent, and may, among other remedies, obtain injunctive relief against Agent, without posting bond or demonstrating damages which are not compensable by an award of monetary relief, in order to prevent violation of any of the terms and provisions of this Agreement. The terms and provisions of this Agreement shall survive the termination of this Agreement.

12. RIGHT TO TERMINATE

Agent's right to compensation shall cease immediately upon the termination of this Agreement. Company shall have the right to terminate this Agreement immediately upon either: (a) Agent's violation of any law governing the sale or offering of any company's Services or Products; (b) if Agent makes any disparaging statement of fact or opinion concerning National Comtel Network Inc. or any of its Services, Products or service providers; (c) Agent's violation of any of the terms or conditions set forth in this Agreement; (d) if Agent's commissionable revenue falls below 75% of the average monthly commissionable revenue during the prior 12 months ; or (e) if Agent's monthly commission payment ever falls below \$100.00 in any one month period.

Agent shall have the right to terminate this Agreement upon (30) days' written notice to company. Unless Company terminates this Agreement pursuant to the above stated provisions (in which case all commissions shall immediately cease to accrue) or in the event that National Comtel Network Inc. had the right to terminate this Agreement, but failed to do so, Company shall continue to pay commissions to Agent in accordance with the provisions of this Agreement on all commissionable revenue, but only through the end of the one-year initial or extended term then in effect.

However, Company shall have the right to cease commissions immediately, if monthly commissionable revenue shall fall below seventy-five percent (75%) of the average monthly commissionable revenue during the prior 12 months or if Agent's monthly commissions fall below \$100.00 in any one-month period.

13. GOVERNING LAW AND JURISDICTION

This Agreement shall be governed by and construed according to the laws of the State of California. The parties hereby agree that the sole venue for any action to enforce this Agreement shall be in Los Angeles County, Van Nuys Division, unless National Comtel Network Inc. shall consent to venue in some other location.

14. ENTIRE AGREEMENT

This Agreement sets forth the entire contract and understanding of the parties with respect to the subject matter herein. This Agreement supersedes any and all prior discussions and/or agreements between the parties. No modification of or amendment to this Agreement and no waiver of any rights arising under this Agreement shall be effective, unless contained in writing and signed by both parties.

15. NON-ASSIGNABILITY AND BINDING EFFECT

Agent agrees that its rights and obligations under this Agreement may not be transferred or assigned, directly or indirectly, without the express written consent of National Comtel Network Inc., which consent may be withheld or limited for any reason or for no reason. Subject to the forgoing, this Agreement shall be binding upon and inure to the benefit of the parties hereto, their successors and assigns.

16. SEVERABILITY

If any provision of this Agreement is determined to be invalid by a court of competent jurisdiction, then the remaining provisions shall nevertheless remain in full force and effect.

17. LEGAL EXPENSES

The prevailing party in any dispute between the parties shall be entitled, in addition to any other rights and remedies it may have, to reimbursement of its reasonable expenses including, but not limited to its court costs and attorney fees, regardless of whether or not legal action is filed or contested.

18. NOTICES

All notices which are required or permitted by this Agreement shall be deemed given if hand delivered; emailed or facsimile mailed by certified mail, postage prepaid, return receipt requested, or by a recognized overnight delivery service. If transmitted by United States mail, notices shall be deemed to be received three (3) business days after they are postmarked. All other permitted forms of notice shall be deemed to be received upon proper transmission thereof to:

If to Company: Todd McIntyre, President
National Comtel Network Inc.
21031 Ventura Blvd.
Suite 508
Woodland Hills, CA 91364

If to Agent: _____

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

National ComTel Network Inc.

AGENT

By _____

Company _____

Title _____

By _____

Date _____

Title _____

Federal EIN or Social Security Number: