

FACTORING AGREEMENT

THIS FACTORING AGREEMENT (this "Agreement") is made and entered into as of the ____ day of _____, 2023, by and between _____ [sales rep] _____, an individual residing in _____ (herein the "Sales Rep"), and _____ [investor] _____, of _____ (herein the "Purchaser").

1. ALL PARTIES OF THIS AGREEMENT

1.1. Intermediary Between Contractor and Sales Rep. Solterian, LLC, a California limited liability company (herein, "Solterian" and "Account Debtor"), is the intermediary between the Sales Rep and each solar contractor (aka installer) for whom Sales Rep sells under the Solterian umbrella. Solterian is the party responsible for collecting from said contractors and Solterian is the responsible party to pay commissions to Sales Rep pursuant to a commission agreement. When Solterian receives notice of a sales commission receivable being factored under this Agreement, Solterian will pay the agreed amount of Sales Rep commission directly to the Purchaser according to the terms herein.

1.2. Intermediary Between Sales Rep and Purchaser. APS Ltd, a business trust domiciled in California (herein "APS"), is the intermediary between the Sales Rep and the Purchaser. Under agreement between each Purchaser and APS, APS acts as the Purchasers' attorney-in-fact with all the Purchaser's rights and powers stated herein, including without limitation, the power to collect on behalf of the Purchaser.

1.2.1. All assigned sales commissions payable under this Agreement by Solterian is paid to APS on behalf of the Purchaser. Once such payment is made, the Sales Rep is relieved of any further obligation in regard to that payment to APS.

1.2.2. All Sales Rep Obligations towards the Purchaser shall be satisfied by fulfilling that Obligation with APS, as the Purchaser's intermediary, such as without limitation, document requests, unless notified by APS or any court order or lawful reason to the contrary. Any obligation fulfilled by the Sales Rep under this condition shall relieve the Sales Rep of further obligation for the particular obligation fulfilled.

1.3. Intermediaries as a Group. Solterian and APS are together hereinafter termed "Intermediaries."

1.4. Private Member Association. All parties of this Agreement shall be and remain members in good standing of the _____ Association (the "Association").

2. PURCHASE AND SALE OF ACCOUNTS RECEIVABLE

2.1. Scope of Agreement. This Agreement contains the general terms and conditions under which, from time to time during the Term, Sales Rep may offer and sell to Purchaser, and Purchaser may accept and purchase from Sales Rep in Purchaser's sole and absolute discretion certain of Sales Rep Accounts specifically identified in this Agreement pursuant to Paragraph 2.2. As used herein, the term "Accounts" means, collectively, commissions, accounts, receivables, contract rights and other forms of obligations payable to Sales Rep arising in the ordinary course of business from Sales Rep's sales activities with Solterian.

2.2. Implementation. Each purchase and sale of Accounts hereunder shall be evidenced by Purchaser's mutual execution of an Assignment and Transfer of Accounts Receivable substantially in the form of Exhibit A (each an "Assignment"). (An Account identified in a duly executed Assignment is hereinafter called an "Assigned Account.") Each purchase of Accounts shall be subject to all of the terms and conditions of this Agreement, which terms and conditions shall be deemed incorporated by reference into each Assignment. An Account shall be deemed accepted by Purchaser upon and only upon Purchaser's execution and delivery to Sales Rep of the applicable Assignment.

2.3. Effect of Assignment. Without the necessity for further action, each Assignment shall automatically vest in Purchaser all of Sales Rep's right, title and interest in and to the Assigned Accounts together with (a) full power to collect, sue for, compromise, assign, in whole or in part, or in any other manner examine and enforce collection thereof in Purchaser's name or otherwise, (b) any notes or drafts related thereto, (c) Sales Rep books and records relating thereto, whether written or recorded electronically on computer-readable discs or any other digital or machine-readable form or medium ("Account Records"), (d) Sales Rep's rights as an unpaid vendor or lienor, (e) all rights of stoppage in transit, replevin, repossession and reclamation, (f) all deposits and security therefor and

guarantees thereof, (g) all rights to insurance proceeds resulting therefrom, and (h) all payments or other proceeds of the foregoing in any form (all of the foregoing being included in the term "Assigned Accounts"), and all of the Sales Rep's Accounts in the event of an outstanding Default of an Assigned Account, all of which shall be considered the "Collateral" in the Purchaser's security interest in the Assigned Account. Nothing contained in this Agreement, or any Assignment shall be deemed to constitute an assumption by Purchaser of any liability with respect to or impose any duty or obligation upon Purchaser in favor of Account Debtor or any other third party in connection with the Accounts.

2.3.1. Subparagraph 2.3 above shall not mean to vest with Purchaser any rights, title, or interest in respect to any Account relationship between Solterian and underlying contractors that pay Solterian. Only the obligations and indebtedness of Account Debtor (Solterian) to the Sales Rep pursuant to the commission agreement between Account Debtor and Sales Rep is subject to Assignment, Assigned Accounts and the terms and conditions herein.

2.4. Account Documentation. Upon acceptance by Purchaser of any Assignment Agreement, Sales Rep will deliver to Purchaser: (a) copies of all documents evidencing the Accounts listed thereon and (b) such other documentation as Purchaser require, in a form satisfactory to Purchaser in all respects. Sales Rep will maintain all agreements, receipts, documents, and invoices relating to Assigned Accounts, available for inspection and copying by Purchaser, and Sales Rep will deliver them to Purchaser promptly upon Purchaser's request. Each sale of Accounts will be reflected as a sale on Sales Rep books and financial statements in accordance with generally accepted accounting principles.

2.5. Exclusivity. During the Term of this Agreement, Sales Rep will not sell, factor, assign, or pledge any of Sales Rep Accounts payable by Solterian except to Purchaser or other purchaser members of the Association. Notwithstanding the foregoing, if Sales Rep duly tenders an Account for sale to the Purchaser or any members of the Association upon like terms of this Agreement and neither the Purchaser or any Association member accepts the tender or purchases the Account within 10 days of the tender, Sales Rep may factor or pledge such Account to any other party without restriction under this paragraph, provided Sales rep obtains permission from Solterian.

3. FEES AND PAYMENT

3.1. Purchase Price. The purchase price for each Assigned Account shall be the net face value of the Account less the applicable Discount Fee (the "Purchase Price"), subject to the adjustments provided in Paragraph 3.3.

3.2. Discount Fee. As used herein, with respect to any Assigned Account, "Discount Fee" means a percentage of the net face value of the Account as set forth in paragraph 3.1 above.

3.3. Payment.

3.3.1. Upon Purchaser's acceptance of each Assignment, Purchaser will pay to Sales Rep the Purchase Price, which is equal to the net face value less the agreed Discount Rate.

3.3.2. Any Assigned Account amount that is in default or otherwise does not pay according to the expected terms of that account becomes Sales Rep's immediate payable obligation, together with any Chargebacks as defined herein, to the Purchaser (hereinafter "Default Obligation") and if not immediately paid on Purchaser's demand becomes a charge secured against all of Sales Rep's commission receivables, including the full contract amounts of any Assigned Accounts (herein "Chargeback"). All Default Obligations shall be assessed ten percent (10%) per annum interest on the unpaid balance, compounded daily, after sixty (60) days from when the Default Obligation became payable by Sales Rep.

3.3.3. Upon Purchaser's receipt of any over-payment, or more than expected amount, with respect to an Assigned Account or any other Account, so long as Sales Rep does not have any outstanding Default Obligation to the Purchaser, Purchaser shall remit such payment to Sales Rep or, at Sales Rep request, apply such payment to any future Sales Rep Obligation as Sales Rep may direct. Remittances required by this subparagraph 3.3.3 will be paid to Sales Rep weekly unless Sales Rep directs the Purchaser to hold remittance for future Sales Rep Obligations.

4. COLLECTION OF ACCOUNTS

4.1. Invoicing Account Debtor; Payment to Purchaser. No Account, including any Assigned Account, is considered invoiced by the Sales Rep to the Account Debtor until the Account Debtor owes sales commission to the Sales Rep pursuant to the commission agreement executed between Sales Rep and Account Debtor, at which time the Account or Assigned Account is considered "Invoiced" even if the Sales Rep did not issue an invoice to the Account Debtor. Purchaser is only entitled to payment on Invoiced Assigned Accounts or Invoiced Accounts for Default Obligations or other Sales Rep Obligations to Purchaser.

4.1.1. Account Debtor will pay Purchaser on the same schedule and terms the Account Debtor would otherwise pay the Sales Rep and otherwise according to the terms herein.

4.1.2. Purchaser is entitled to review any commission agreement between the Sales Rep and Account Debtor and any amendments thereto, and Sales Rep shall provide Purchaser with the same prior to any Assignment of an Account to Purchaser.

4.2. Collection Procedure.

4.2.1. During the term of this Agreement and continuing until all Assigned Accounts and all of Sales Rep Default Obligations hereunder have been paid fully paid and performed, the Intermediaries shall be promptly notified in writing by both Sales Rep and Purchaser of all persons obligated to make and receive payments underlying the Sales Rep's Accounts, such as without limitation, contractors and Account Debtor, any security interests tied thereto and as per the terms of this Agreement.

4.2.2. If Sales Rep receives any payment on any Account due the Purchaser, Sales Rep shall immediately remit such payment in the form received (with any necessary endorsement) directly to APS collecting on behalf of Purchaser unless or until APS is no longer the Purchaser's agent, in which case as directed by Purchaser. Until so remitted, Sales Rep will hold such payment in trust for Purchaser separate and apart from all of Sales Rep's other funds.

4.3. Power of Attorney. Sales Rep hereby irrevocably constitutes and appoints Purchaser, or any of Purchaser's agents or employees, as Sales Rep's lawful attorney-in-fact (without requiring Purchaser to act as such), coupled with an interest, to exercise at any time any of the following powers: (i) to receive, endorse and deposit all payments from Account Debtor or other payors or debtors; (ii) to transmit to any party the notices required by Subparagraph 4.1.1; (iii) to institute any proceedings deemed by Purchaser necessary to effect collection of Accounts; (iv) to settle, compromise or litigate any dispute concerning any Account; and (v) to execute in Sales Rep's name such documents, instruments and affidavits as Purchaser may require from time to time in order to evidence and perfect Purchaser's security interest in the Collateral or (without waiving Sales Rep's representation in Subparagraph 6.1.5.5) to satisfy any statutory condition to payment of an Account under applicable law. Any act of Purchaser not involving fraud, gross negligence, or criminal acts, as Sales Rep lawful attorney-in-fact, shall not render Purchaser liable for any acts of omission or commission, nor for any error of judgment or mistake of fact or law.

4.4. Costs and Expenses. Sales Rep will reimburse Purchaser on demand for any and all fees, costs, and expenses (including but not limited to reasonable attorneys' fees) incurred by Purchaser in connection with protecting, maintaining, preserving or enforcing Sales Rep's Accounts and/or Purchaser's rights under this Agreement or in connection with any bankruptcy, insolvency, or similar proceeding involving Sales Rep or Sales Rep's assets; making lien or title examinations or filing notices with respect to Sales Rep's Accounts; defending or prosecuting any action or proceeding related to this Agreement; and filing and recording financing statements (including amendments thereto and continuation statements thereof) and termination statements under the UCC relating to Purchaser's security interest in the Collateral.

4.5. Disputes. Sales Rep will notify Purchaser promptly of any Dispute concerning an Account. If Purchaser requests Sales Rep to do so, Sales Rep will use Sales Rep's best efforts to settle the Dispute. Alternatively, Purchaser may (but shall be under no obligation to) attempt to settle, compromise or litigate the Dispute upon such terms as Purchaser in Purchaser's sole discretion deems advisable, for Sales Rep's Account and risk and at Sales Rep's sole

expense. In no event shall Sales Rep settle, compromise, or adjust any Account or grant any additional discounts, allowances, or credits thereon without in each case Purchaser's prior written consent. As used herein, "Dispute" means any actual or alleged defense, counterclaim, offset, dispute, or other claim asserted by the Account Debtor with respect to an Account other than the Account Debtor's Insolvency. "Insolvency," with respect to an Account Debtor means the financial inability of an Account Debtor to make payment at maturity unless the relevant Account is the subject of a Dispute.

4.6. Indemnification. Sales Rep will indemnify and defend Purchaser and hold Purchaser harmless from and against any and all liabilities, claims, costs, and expenses (including but not limited to reasonable attorneys' fees and court costs) related to or arising out of Purchaser's commercially reasonable efforts to collect or attempt to collect any Account, except criminal acts or gross negligence on Purchaser's part.

4.7. No Agency. Any provision of this Agreement to the contrary notwithstanding, nothing in this Agreement shall be construed to constitute Purchaser as Sales Rep agent or to obligate Purchaser to assume any of Sales Rep Obligations with respect to any Account. Purchaser will not have any liability for any error or omission or delay occurring in the settlement, collection, or payment of any Account.

5. RECOURSE

5.1. Repurchase of Accounts. In the event that (a) an Assigned Account becomes the subject of a Dispute, (b) there exists any breach of Sales Rep representations, warranties or covenants under this Agreement with respect to an Assigned Account, (c) an Assigned Account is not paid on or before the expiration of sixty (60) days from its Invoice date (such an Account being hereinafter referred to as a "Late Account"), or (d) Purchaser reasonably deems itself insecure with respect to any Assigned Account in light of material changes in the creditworthiness of the Account Debtor or underlying Contractor or otherwise, then and in any such event the Late Account shall be deemed a Default Obligation as defined in Subparagraph 3.3.2., and Sales Rep shall immediately upon demand by Purchaser (whether written or oral) repurchase the Account from Purchaser for a purchase price (the "Account Repurchase Price") equal to (i) the sum of the Purchase Price for such Account plus any and all accrued fees hereunder, including without limitation the accrued interest for a Default Obligation (calculated to the date of repurchase) and unreimbursed costs and expenses associated with such Account minus (ii) the paid portion of such Account, if any. With respect to any Assigned Account that becomes the subject of a Dispute, Sales Rep Obligations under this paragraph are irrespective of any accord and satisfaction of such Account as against the Account Debtor by operation of Section 3-311 of the Uniform Commercial Code as adopted and in effect in the applicable jurisdiction (the "UCC").

5.2. Repurchase on Default. Without limiting Purchaser's other remedies under this Agreement or applicable law, upon the occurrence of an Event of Default as hereinafter defined, Sales Rep shall immediately upon demand by Purchaser (whether written or oral) repurchase from Purchaser all outstanding Assigned Accounts for the aggregate Account Repurchase Price calculated in accordance with Paragraph 5.1

6. REPRESENTATIONS AND WARRANTIES

6.1. To induce Purchaser to purchase Accounts from time to time, Sales Rep makes the following representations and warranties, each of which will survive the execution and delivery of this Agreement and will be deemed to be continuous and renewed as of the date of Purchaser's acceptance of each Assignment. Such representations and warranties shall survive the termination of this Agreement.

6.1.1. General. Sales Rep, if a registered legal entity, is duly organized, existing and in good standing under the laws of the state in which it is registered. The preamble to this agreement sets forth truly and accurately the Sales Rep's exact legal name and jurisdiction of domicile whether Sales rep is an individual or legal entity. Sales Rep does business exclusively under such name and does not use any trade name or other fictitious name unless specified and disclosed herein.

6.1.2. Authority and Enforceability. Sales Rep represents and warrants that Sales Rep has all requisite power and authority to execute, deliver and perform this Agreement, including each Assignment delivered hereunder. This Agreement has been duly and validly executed and delivered by Sales Rep and constitutes Sales Rep's legal,

valid, and binding obligation enforceable against Sales Rep in accordance with its terms. The execution, delivery and performance of this Agreement by Sales Rep does not contravene Sales Rep's articles of incorporation or organization, by-laws or operating agreement, as applicable, or any other agreement, instrument, or commitment to which Sales Rep is a party or by which Sales Rep or any of Sales Rep's assets or properties are bound.

6.1.3. Place of Business. Sales Rep's principal place of business and Sales Rep books and records relating to the Accounts are located at the address set forth at the end of this Agreement.

6.1.4. Collateral. Sales Rep is the sole owner of the Collateral free and clear of all liens and encumbrances (including liens and encumbrances subordinate to Purchaser's lien and security interest), except for those created by this Agreement or permitted by Purchaser in writing.

6.1.5. With Respect to Accounts. With respect to each Assigned Account, Sales Rep represents and warrants that:

6.1.5.1. Sales Rep is the sole owner of the Account free and clear of all liens and encumbrances (including liens and encumbrances subordinate to Purchaser's lien and security interest), except for those created by this Agreement or permitted by Purchaser in writing.

6.1.5.2. Sales Rep is not affiliated with and does not own, control, or exercise dominion, in any way whatsoever, over the business of the Intermediaries.

6.1.5.3. The Account represents an accurate and undisputed statement of indebtedness of the Account Debtor on account of a bona fide sale by Sales Rep and pursuant to the commission contract between the Sales Rep and Account Debtor.

6.1.5.4. The Account is the valid obligation of and is legally binding upon the Account Debtor enforceable against the Account Debtor in accordance with its terms. All signatures and endorsements appearing on the invoices and documents relating to the Accounts, including underlying Contractors and customers, are genuine, and all signatories and endorsers have full capacity and authority and were fully authorized to contract for the purchase giving rise to the Account.

6.1.5.5. The Account is not subject to any Dispute, defense, offset, counterclaim or any allowance, deduction, contingency or condition.

6.1.5.6. The Account is not on a bill-and-hold, guaranteed sale, sale-and-return, sale on approval, consignment or any other repurchase or return basis.

6.1.5.7. To the best of Sales Rep's knowledge based on due inquiry, the Account Debtor is not Insolvent.

6.1.5.8. The sale of the Account to Purchaser is accurately and properly entered and reflected on Sales Rep's books and records.

7. COVENANTS

7.1. Periodic Reports. Until full and indefeasible payment of all of Sales Rep Obligations hereunder, Sales Rep will furnish to Purchaser the following information regarding Sales Rep operations and financial condition from time to time as specified:

7.1.1. Estimate of Sales Rep sales volume and projections.

7.1.2. Such additional financial information regarding Sales Rep operations and financial condition as Purchaser may require in Purchaser's discretion from time to time.

7.2. Field Audits. Upon reasonable notice by Purchaser, Sales Rep will permit any authorized representative designated by Purchaser to visit Sales Rep place or places of business during business hours and to inspect Sales Rep books of account, records, correspondence, and other documents and to make copies thereof and extracts therefrom. Sales Rep authorizes Purchaser to discuss Sales Rep affairs, finances and accounts with Sales Rep employees, agents, and independent certified public accountants or other parties preparing financial statements

and/or tax returns for Sales Rep or on Sales Rep's behalf. Any such inspection conducted after an Event of Default shall be at Sales Rep sole cost and expense and Sales Rep will reimburse Purchaser for such costs and expenses on demand.

7.3. Other Covenants. Until full and indefeasible payment of all of Sales Rep Obligations hereunder:

7.3.1. Sales Rep shall:

7.3.1.1. Comply in all material respects with all applicable laws, rules, regulations and orders applicable to Sales Rep's business;

7.3.1.2. Maintain and preserve all of Sales Rep's Accounts and sales commission receivables with best efforts and in good faith;

7.3.1.3. Preserve and maintain Sales Rep's corporate existence and good standing, rights, franchises and privileges under applicable law if Sales Rep is a legal entity;

7.3.1.4. Pay and discharge before the same shall become delinquent (i) all taxes, assessments and governmental charges or levies imposed upon Sales Rep or Sales Rep's property, and (ii) all lawful claims which, if unpaid, might by operation of law or otherwise become a lien upon Sales Rep's Accounts;

7.3.1.5. Maintain yourself in good standing with any and all federal and state licensing and regulatory authorities and governmental agencies having jurisdiction over Sales Rep's activities; and

7.3.1.6. Comply fully with all laws, rules, regulations, and executive orders of federal, state, and municipal governments, bureaus, commissions, agencies or any of them applicable to Sales Rep or Sales Rep's assets or properties.

7.3.1.7. Without Purchaser's prior written consent, which consent may be withheld in Purchaser's sole and absolute discretion, though not unreasonably, Sales Rep shall not:

7.3.1.7.1. Make any material change in the nature of Sales Rep's business; or

7.3.1.7.2. Grant, create, incur, or suffer or permit to exist any mortgage, pledge, security interest in or lien upon, or for any other purpose assign or transfer, either absolutely or as collateral security, any of the Collateral except to or in favor of Purchaser pursuant to this Agreement or as Purchaser may otherwise agree in writing.

8. SECURITY AGREEMENT

8.1. Grant of Security Interest; Collateral Defined. 2.3 To secure payment and performance of all of Sales Rep Obligations under this Agreement, including, without limitation, repurchase and indemnity obligations, obligations for costs and expenses, and Default Obligations (collectively, Sales Rep "Obligations"), Sales Rep does hereby pledge, assign and grant to Purchaser a continuing lien and security interest in the following property, both now owned and existing and hereafter created, acquired and arising, regardless of where located, together with the "Collateral as defined in paragraph 2.3 (collectively, the "Collateral"):

8.1.1. All of Sales Rep Accounts, whether or not accepted by Purchaser or specifically sold to any Purchaser;

8.1.2. All cash and non-cash proceeds of any of the foregoing, including any claim against third parties in any way related to the foregoing;

8.1.3. All rights which Sales Rep now has or hereafter may have to the payment of money related to Sales Rep's solar sales business not otherwise included in the foregoing, including without limitation tax refunds and proceeds of insurance of every kind and description; and

8.1.4. All books and records relating to any of the foregoing, including but not limited to hard drives, compact disks, floppy disks, and/or other digital storage media comprising such records in whole or in part.

8.2. Financing Statements. Pursuant to Section 9-502 of the UCC, Sales Rep hereby authorizes Purchaser to file such financing statements (including amendments thereto and continuation statements thereof) as Purchaser may reasonably require in order to perfect Purchaser's security interest in the Collateral.

8.3. Defined Terms. As used in this Section, uncapitalized terms describing categories of Collateral shall have the meaning, if any, respectively ascribed to such terms under the UCC.

9. TERM AND TERMINATION

9.1. Initial Term; Renewal. The term of this Agreement shall be an initial period of one (1) year, commencing on the date of the first above written. Unless terminated in accordance with Paragraph 9.2, this Agreement shall automatically renew for successive one (1) year periods without the necessity of any further notice or action on the part of any party hereto. (The period of effectiveness of this Agreement, including the initial period and any renewal period, is sometimes referred to herein as the "Term.")

9.2. Termination.

9.2.1. Sales Rep may terminate this Agreement by written notice to Purchaser, Purchaser's agent, or authorized representative not less than sixty (60) days prior to the effective date of termination stipulated in such notice.

9.2.2. Purchaser may terminate this Agreement (i) at any time for Purchaser's convenience by written notice to Sales Rep upon not less than ten (10) days prior to the effective date of termination stipulated in such notice or (ii) immediately upon written or oral notice to Sales Rep upon the occurrence of an Event of Default.

9.3. Survival of Terms. Notwithstanding the foregoing, the provisions of this Agreement and all of Purchaser's rights and interests hereunder shall survive any termination pursuant to Paragraph 9.2 and shall continue in full force and effect until all Assigned Accounts and all of Sales Rep Obligations hereunder have been fully paid and performed.

9.4. Termination Statement. At any time after later of (i) the effective date of the termination of this Agreement or (ii) the date on which all Assigned Accounts and all of Sales Rep Obligations hereunder have been fully paid and performed, Sales Rep may request and Purchaser will deliver to Sales Rep UCC termination statements with respect to any and all recorded financing statements covering the Collateral then in Purchaser's favor, provided such request is in writing and accompanied by a written general release by Sales Rep in Purchaser's favor in form and substance satisfactory to Purchaser and Purchaser's counsel. To the maximum extent permitted by law, Sales Rep hereby waives any and all statutory rights under Section 9-509 of the UCC to require Purchaser to deliver UCC termination statements in respect of the Collateral unless and until the conditions of this section have been satisfied.

10. DEFAULT AND REMEDIES

10.1. Events of Default. As used in this Agreement, "Event of Default" means any of the following:

10.1.1. Any material breach by Sales Rep of any term, covenant, condition, representation, or warranty under this Agreement.

10.1.2. Without limiting the generality of the foregoing, the existence of unresolved Disputes or any breach or breaches of Sales Rep representations, warranties or covenants under this Agreement affecting or with respect to Assigned Accounts which, in the aggregate, constitute or exceed twenty-five percent (25%) (the "Default Percentage"), by face value or number, of all then outstanding Assigned Accounts.

10.1.3. The accumulation of Late Accounts (whether or not then outstanding) since the commencement of the Term which in the aggregate constitute or exceed, by face value or number, the Default Percentage of all Assigned Accounts since the inception of the Term.

10.1.4. Any failure by Sales Rep to pay or reimburse Purchaser, as the case may be, any monetary amount to which Purchaser is entitled hereunder as and when the same shall become due.

10.1.5. Any material adverse change in Sales Rep management, financial condition, or business prospects or those of any guarantor of Sales Rep Obligations.

10.1.6. The discontinuance or suspension of Sales Rep's present business operation.

10.1.7. Sales Rep becoming insolvent or unable to meet Sales Rep debts as they mature, or the commencement against Sales Rep of any proceeding for relief under any provision of any federal or state bankruptcy, insolvency or other similar law, or the filing or issuance against Sales Rep of any injunction, attachment, judgment or lien on

any of Sales Rep's property, or the appointment of a receiver, custodian or trustee of any kind for Sales Rep or any of Sales Rep's property.

10.2. Remedies. In addition to any other remedies available to Purchaser under this Agreement or applicable law, upon and after the occurrence of an Event of Default:

10.2.1. Purchaser will have the right to enforce against Sales Rep immediate payment of all of Sales Rep Obligations.

10.2.2. With respect to the Collateral, Purchaser will have and may exercise all of the rights of a secured party under the UCC.

10.2.3. Sales Rep hereby authorizes and empowers any attorney designated by Purchaser or any clerk of any court of record to appear for Sales Rep in any court of record and confess judgment against Sales Rep without prior hearing, in favor of Purchaser for and in the amount of Sales Rep Obligations then outstanding plus costs of suit and attorneys' fees in an amount equal to 10% of the Obligations then outstanding. Such authority and power may be exercised on one or more occasions, from time to time, in the same or different jurisdictions, as often as Purchaser shall deem necessary or desirable, for all of which this Agreement shall be a sufficient warrant.

10.2.4. Purchaser may notify the postal authorities to change the address for delivery of Sales Rep mail to such address as Purchaser may designate and shall have the right to receive, open, and maintain in Purchaser's custody any and all of Sales Rep mail thereafter; provided, however, that Purchaser will turn over to Sales Rep any mail not related directly or indirectly to the enforcement of Purchaser's remedies hereunder.

10.3. Remedies Cumulative. Each right, power and remedy provided for herein or otherwise existing shall be cumulative and concurrent and shall be in addition to every other right, power and remedy existing hereunder, by law or otherwise. The exercise by Purchaser of any one or more such rights, powers or remedies shall not preclude the simultaneous or later exercise by Purchaser of any or all such other rights, powers or remedies.

11. ARBITRATION

11.1. Any claim or demand arising out of any alleged breach of this Agreement or arising out of any dispute or controversy under or relating to this Agreement in which the amount in controversy is \$100,000 or less, other than any confession of judgment proceeding pursuant to Subparagraph 10.2.3, shall be decided by a single arbitrator under the Rules of the American Arbitration Association. The prevailing party, as determined by the arbitrator, shall be awarded reasonable attorneys' fees and costs (including all arbitration fees and expenses of the arbitrator) incurred by that party in connection with the arbitration and any post-arbitration proceedings to enforce the award or otherwise. The award rendered by the arbitrator shall be final and binding on both of Purchaser and judgment on such award may be entered by either party in any court of competent jurisdiction. The arbitration provisions hereof shall, with respect to such controversy or dispute, survive the termination of this Agreement. Nothing herein contained shall be deemed to give the arbitrator any authority, power, or right to alter, change, amend, modify, add to, or subtract from any of the provisions of this Agreement.

12. MISCELLANEOUS

12.1. Notices. Notices shall be deemed given to a party when sent or dispatched to such party by certified or registered mail or private overnight express mail, postage or charges prepaid, or by facsimile copy, at the address of such party set forth below its signature hereto, or to such other notice address as a party may designate by written notice to the other party.

12.2. Binding Effect. This Agreement will bind Sales Rep and Sales Rep successors and assigns and will inure to the benefit of Purchaser and Purchaser's successors and assigns.

12.3. No Assignment. Sales Rep may not assign or transfer any of Sales Rep rights or obligations under this Agreement without Purchaser's prior written consent, which consent may be withheld by Purchaser in Purchaser's sole and absolute discretion. Any assignment or transfer prohibited by this paragraph shall be null and void.

12.4. Complete Agreement. This Agreement and the related Assignments constitute the entire agreement between the parties hereof with respect to the subject matter hereof and all previous agreements or discussions between the parties hereof relating to the subject matter hereof, written or oral, are hereby terminated and/or superseded by this Agreement. This Agreement may be amended or modified only by a written instrument signed by all parties.

12.5. No Waiver. No delay or failure by Purchaser in exercising any of Purchaser's rights or remedies shall operate as a waiver of such or of any other right or remedy, and no waiver shall be valid unless in writing signed by Purchaser and then only to the extent therein set forth.

12.6. Governing Law, Etc. This Agreement shall be deemed to have been made in the state of California and shall be construed and enforced in accordance with, and the validity and performance hereof shall be governed by, the laws of the state of California, without regard to conflict of laws principles.

12.7. Venue and Jurisdiction. Any judicial or arbitral proceeding arising out of or relating to this Agreement shall be brought and adjudicated in Orange County, California, or within any other jurisdiction as unanimously agreed by the parties of the dispute. For purposes of any judicial proceeding under this Agreement, Sales Rep hereby irrevocably consents, submits, and waives any and all objections to the personal jurisdiction of the state and federal courts of the state of California over Sales Rep and Sales Rep affiliates.

12.8. Further Assurances. Each party hereof shall do, take, execute, acknowledge if required and deliver such further and additional acts, actions, documents, instruments or writings not specifically referred to herein as may be necessary, required, proper, desirable or convenient for the purpose of fully effectuating the provisions hereof.

12.9. Construction. This Agreement has been negotiated by the parties and shall be construed and interpreted fairly in accordance with its terms and without any strict construction in favor of or against either party.

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

"Sales Rep"
_____[Name]_____

"APS"
APS, Ltd.

By: _____
[Name and Title]

By: _____
[Name and Title]

"Purchaser"
_____[Name]_____

"Solterian"
_____[Office Name]_____

By: _____
[Name and Title]

By: _____
[Name and Title]