

LABOR RESOURCE SOLUTIONS, INC.

"Providing HR services to the electrical contracting industry"

CUSTOMER AGREEMENT

This AGREEMENT is entered into the _____ day of _____, 201____, by and between Labor Resource Solutions, inc. a California Corporation (hereinafter referred to as "LRS") having its principal place of business at 2120 East Howell Avenue Suite #411. Anaheim, California 92806 and _____ (hereinafter referred to as "Contractor") having its principal place of business at _____

LRS and Contractor hereby agree to the following terms and conditions:

1. LRS will interview and screen certain construction personnel. These personnel will be employees or independent contractors of Contractor and not of LRS. All rights to direct responsibilities of referred workers shall be with Contractor.
2. Upon execution of this Agreement, Contractor shall pay to LRS the sum of \$450.00 as an initial registration fee. Further, for each individual who shall be referred to Contractor, Contractor will pay to LRS \$15.00 per calendar day regardless of the amount of time worked (excluding weekends and federal holidays) until the day the Contractor notifies LRS that employee has ceased work for Contractor. There will be a minimum charge of \$35.00 per individual referral. **The responsibility for notifying LRS that the employee has ceased working for Contractor is that of Contractor. Contractor shall notify LRS of the date of termination by telephone at (714) 978-7429 between the hours of 8:00 a.m. and 5:00 p.m. Contractor will be issued a "termination number" confirming the date which employee ceased working for contractor. Contractor will be charged the daily rate until the day it notifies LRS of employees ceasing work.** All payments to LRS are in addition to the amount paid by Contractor to the individual referred. The referred individual is the employee of Contractor and Contractor is responsible for all payment of all wages, unemployment insurance, worker's compensation, state disability, Social Security and other related expenses.
3. Contractor must have current Workers Compensation Insurance of which copies are to be kept on file with LRS.
4. Contractor must have a current and valid California State Contractors License number.
5. Contractor shall be billed on a weekly basis and agrees to provide LRS with all relevant information regarding the referred individual's employment including, but not limited to, the dates worked, the hours worked, and working status. Contractor agrees to pay LRS within ten (10) days of receipt of invoice and after that pay 1-1/2% per month service charge on all unpaid amounts.
6. Should any individual referred by LRS be made a fulltime employee then Contractor shall so notify LRS and pay to LRS a fee of \$2,500.00, less any amount previously paid by contractor to LRS for that referral. Contractor agrees that should an employee be either terminated by contractor or leave contractor's employ for any reason, and is subsequently rehired by contractor, it will treat the rehire as a new referral and pay all appropriate fees to LRS. This is not applicable if the contractor has designated the employee as fulltime and paid the \$2,500.00 fee.
7. Contractor agrees to keep full and complete date and time records of all hours worked by a referred individual. Said records shall be made available upon demand to LRS. A referral by LRS does not guarantee that said referral will be found acceptable for the assignment.
8. The parties hereto understand and agree that LRS 's function shall be limited to a referral service and that any individuals referred shall remain an independent contractor and not an employee of LRS.
9. This agreement shall remain in full force and effect until terminated by either party. Should the agreement be terminated by Contractor, Contractor agrees to be bound to the terms and conditions contained in this contract for a period of one (1) year and if any individual referred by LRS is re-hired by Contractor, then Contractor will be liable for the full fee as called for in this agreement.
10. Contractor hereby grants to LRS the right to audit its books and records for the purpose of determining how many of LRS referrals have worked for Contractor and how many days each has accrued. Contractor agrees to

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provide LRS with a full and complete re-cap of all hours and days worked by LRS referrals as well as the date, times and locations of said work. Said information will be provided upon demand by LRS.

11. This agreement will stay in full force and effect unless sooner terminated by either party for a period of not less than one year from the date this agreement was entered into. If the parties fail to enter into a new agreement the terms and conditions of this agreement shall govern the parties' relationship.

12. Should any provision of this agreement be held to be invalid, void or unenforceable the remaining agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

13. Should litigation be brought to enforce the terms of this agreement the prevailing party shall be entitled to its cost of suit and attorney's fees.

14. This agreement shall be governed pursuant to the law of the State of California.

15. Contractor is responsible to pay the referral the rate at which the referral is dispatched at, and is posted on the dispatch sheet. Should there be any change in the referral's rate of pay; the contractor shall notify both LRS and the referral in writing prior to making the change.

16. The negotiation for the exact rate of pay is a matter between Contractor and the referred personnel. However, no matter what the pay rate LRS is entitled to its daily commission. The parties agree that the terms and conditions of this agreement and any communications relating to this agreement shall be and remain confidential and not disclosed to any third party.

By _____

By _____

Labor Resource Solutions, Inc.

Contractor

State License # & Classification

Expiration Date