

## MEMBERSHIP AFFILIATION AGREEMENT

**This Agreement** made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2008, by and between **Business & Pleasure Travel Service, Inc.**, a Michigan corporation, and **Cruise Network Plus, Inc.**, a Michigan corporation, both with its principal place of business at 101 E. Michigan Ave, Marshall, Michigan 49068, hereinafter collectively referred to as “Company” and \_\_\_\_\_ hereinafter referred to as the “Travel Agency”. Whose principal place of business is \_\_\_\_\_.

### **RECITALS**

**WHEREAS**, the Company has the know-how relating to promotion and sales of quality cruises and tours to the general public; the utilization of most economic advertising media rates; correct booking procedures for the individual cruise and tour vendors; and the proper and correct forms for booking; and

**WHEREAS**, the Travel Agency recognizes that in order to establish sales with the vendors, as part of their own travel agency business, it involves a certain business expertise and that the success of its sales effort depends upon the business abilities and efforts of the Travel Agency; and

**WHEREAS**, the Travel Agency desires to become affiliated with the Company to utilize the Company's expertise and know-how in the development of its business and sales of cruises and tours; and

**WHEREAS**, The Company expressly disclaims any warranty as to revenues, profits or success of the business of the Travel Agency and its involvement with the Company pursuant to this Agreement.

**NOW THEREFORE**, the parties, intending to be legally bound, agree as follows:

1. **Grant of Authority.** The Travel Agency is granted the authority to transmit proposals for cruises and tours through the Company during the term of this Agreement. This grant

of authority is not exclusive to the Travel Agency or to the Company, as each is entitled to contract with other travel agencies and cruise networks for the sale of cruise and tour packages.

2. **The Travel Agency Agrees as Follows.** During the terms of this Agreement, the Travel Agency agrees as follows:

A. To follow the sales, pricing and marketing systems as outlined in the Company booking guide and/or up-dates provided by the Company and support the preferred vendors.

B. It is not restricted from selling products of vendors which are not a part of the Company list of vendors.

C. It shall have the limited right to use the name of *Cruise Network Plus* and its logo only in furtherance of this Membership Affiliation Agreement.

D. It will have the right to receive, whenever offered and upon availability, any cruise ship inspection or familiarization or FAM trips. The use of these opportunities is on a first come first served basis.

E. It will have the option of advertising with the Company and its members in travel sections and agrees to pay its share, as determined by the Company, of all advertising bills within seven (7) business days from the date of receipt of an invoice.

F. It will have the right to be trained, if necessary, and receive booking guides and regular up-dates on procedures and offerings for both the Travel Agency and its clients.

G. It will have the right to receive on a timely basis full and complete information regarding bookings and/or documents.

H. All payments pursuant to this Agreement shall be made in U.S. funds only.

3. **Membership Fees.** Membership fees shall be paid by the Travel Agency to the Company in full on a timely basis each year, within thirty (30) days of notice unless otherwise permitted by the Company. Membership fees are non-refundable and earned upon payment by the Travel Agency. The yearly membership fee for a full service Travel Agency (Brick & Mortar) and for any home based Travel Agency with more than one agent or Independent Contractor is Three Hundred (\$300) Dollars. For a single agent, home based Travel Agency the membership fee is One Hundred Fifty (\$150) Dollars. The membership fee is waived for one year from the date of signing this Agreement. It is then prorated to the next June 30<sup>th</sup>. Membership is free for all branch offices of a full service Travel Agency.

4. **Commissions.** The Travel Agency shall pay to the Company a percentage of commission on all sales made through the affiliation with the Company, which shall be established in a case-by-case basis, based on the commission/booking guide which is updated from time to time based on the Company's contracts with its vendors. The Travel Agency may deduct it's share of commission on all cash and check transactions, and the Company shall pay to the Travel Agency it's share of commission due on all credit card transactions after deducting Company's share of commission.

5. **Term.** The term of this Agreement shall commence upon the execution of this Agreement and run to June 30 of each year. This Agreement shall automatically renew itself for successive one (1) years terms from July 1 through June 30 of each year, unless terminated by either party.

6. **Termination of Agreement.** Either party may terminate this Agreement by providing thirty (30) days written notice to the other party. This Agreement shall be immediately terminated upon the occurrence of any of the following:

A. The Travel Agency trading off the name of the Company without booking through the Company;

B. The Travel Agency committing any acts that would tend to jeopardize the name or goodwill of the Company to the general public and/or vendor as determined by the Company, in its sole discretion;

C. The Travel Agency or Company intentionally or unintentionally violates any provisions of the Consumers Protection Act;

D. The Travel Agency fails to pay, when due, the membership fee or any commission due.

In the event this Agreement is terminated for any of the reasons set forth above, then the Travel Agency shall forfeit all annual membership fees paid to the Company.

7. **Rights and Obligations Upon Termination.** Upon termination of the Agreement for any reason:

A. The Travel Agency will cease and agree not directly or indirectly, at any time or in any manner, identify itself as being associated in any way with the Company or use the trade name or logo of the Company.

B. The Travel Agency will pay to the Company within seven (7) days of this termination any outstanding fees or commissions due and owing to the Company.

C. The Company may withhold any payments from the Travel Agency for any amounts due and owed to the Company.

8. **Release and Hold Harmless.** The Company shall not have any direct contact or control of the Travel Agency's customers or the customers' booking. The Company does not make

any recommendations to the Travel Agency customers and the Travel Agency is solely responsible for itself and its customers. The Travel Agency does hereby release the Company from any and all claims, demands, liabilities or expenses of any nature of customers of the Travel Agency for anything related to the Travel Agency's sale of cruises or tours to its customers. Further, the Travel Agency shall indemnify and hold Company harmless from and in respect to any claim, demand, liability or expense asserted against the Company, which in any way arose out of the Travel Agency's sales to its customers or the operation of the Travel Agency's business.

9. **Relationship to the Company.** The Travel Agency shall be free to handle its own business and be its own master in the operation of its business. The Travel Agency is not authorized to incur any expense or liability on behalf of the Company. The Travel Agency is an independent contractor to the Company, and not a partner, joint venturer, agent or employee of the Company. No employees of the Travel Agency shall not be deemed to be employees of the Company and the Travel Agency assumes full responsibility for its own account and risk for any and all of its employees and agents under any Employers Liability Workers Compensation, Unemployment Insurance, FICA, FUTA, Medicaid, and any other social security acts.

10. **Confidentiality.** The terms and conditions of this Agreement and the terms of the Company's agreement with cruise and tour vendors is and shall remain confidential between the Company and the Travel Agency. If the Travel Agency breaches this confidentiality, the Company has the right to cancel this Agreement immediately with no refund of any membership fee.

11. **Waiver of Financial Results.** The Travel Agency acknowledges and agrees that the Company has not made and does not make any promise, covenant or representation as to any revenue, profit or success of the business of the Travel Agency, or revenue, profit, success or customer satisfaction based on the business conducted by the Travel Agency with the Company pursuant to his Agreement.

12. **Miscellaneous.** This Agreement is made in the State of Michigan and shall be construed in accordance with the laws of that state. The invalidity or unenforceability of a particular provision of this Agreement shall not affect the other provisions, and this Agreement shall be

construed as if such invalid or unenforceable provision was omitted. This Agreement represents the entire Agreement between the parties and supersedes any and all prior agreements or understandings, written or oral, between the Company and the Travel Agency pertaining to the subject matter of this Agreement. No modification of this Agreement shall be valid unless in writing signed by the parties to this Agreement. Any waiver of any condition or covenant in this Agreement shall not be construed as permanent or binding as to any other condition or covenant occurring or existing in the future. This Agreement is binding upon the parties, their successors and administrators. This Agreement may not be assigned by the Travel Agency without the prior express written consent of the Company.

**IN WITNESS WHEREOF**, the parties hereunto have executed this Agreement on the day and year set forth above.

WITNESSES:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

COMPANY:

Business & Pleasure Travel Service, Inc.  
a Michigan corporation

By: \_\_\_\_\_  
**Russell Reid**, President

Cruise Network Plus, Inc.

By: \_\_\_\_\_  
**Charlene Reid**, President

TRAVEL AGENCY:

By: \_\_\_\_\_

Its: \_\_\_\_\_