

Mom's Best Friend

Client Agreement

This Client Agreement (referred to herein as the "Agreement") is made between Mom's Best Friend, Inc. ("MBF") and the party noted below ("Client").

A. MBF is engaged in the business of identifying and interviewing persons (referred to herein as "Candidate" or "Candidates") seeking to serve in the households of MBF clients (referred to herein as "Client" or "Clients").

B. The Client seeks to hire a Candidate(s) and desires that MBF refer potential Candidates to Client for Client's consideration according to applicable law.

In consideration of the above and the following terms, the parties agree as follows:

1. Services: MBF will use reasonable efforts and discretion to identify a Candidate suitable to the needs expressed by the Client according to applicable law. However, MBF makes no guarantees, representations or warranties about the qualifications, ability, credentials, suitability, or performance of the Candidates referred. Signing up with or paying MBF does not guarantee that MBF will find a suitable Candidate for Client.

2. Term: The term of this Agreement shall be one year from the above date, such term to be renewed annually unless terminated by either party within 30 days of such automatic renewal. This Agreement may be terminated at any time by either party upon written notice to the other, but no such termination shall affect any rights that have accrued to a party prior to receipt of such termination.

3. Extent of Investigation: MBF will use reasonable efforts to determine whether the material information supplied by the Candidate is consistent with information supplied by references and/or obtained through any other background checks performed by or on behalf of MBF. However, MBF cannot otherwise independently verify any information, nor does MBF represent or warrant the truth or accuracy of any information given by MBF to Client, whether given to MBF by the Candidate, a reference, or persons conducting the background checks, obtained through interviews, or otherwise.

4. Billing Process: All referral fees are subject to change by MBF. Client agrees to pay MBF the then current referral fees in place at the time services are rendered. The billing processes for each of the primary service areas offered by MBF are set forth below. Exhibit A sets forth the referral fees in place as of the date this contract is signed.

Unless otherwise noted herein, **all fees are non-refundable**, earned in full, and immediately due and payable. All fees must be paid no later than when an MBF referral results either directly or indirectly in the engagement or employment by Client of an individual introduced to Client by MBF.

If any fees or portions thereof are not paid when due, MBF will charge interest on the unpaid amount of the fee. Interest will be calculated by multiplying the unpaid balance by the periodic rate of .833% per month (TEN PERCENT [10%] ANNUAL PERCENTAGE RATE). The unpaid balance will bear interest until paid. If Client's account is turned over to an agency or other entity for collection, all fees and interest incurred relating to the collection activity will be added to Client's original balance and become payable to MBF according to the terms of this Agreement.

Long-Term (also known as "Permanent") Placements (MBF Nanny Professionals, Household Staffing, Long-Term Personal Chefs – 20 hours or more per week):

MBF requires a credit card number as a guarantee for payment. Once Client hires a Candidate, if the placement fee is not received by MBF from the Client by the Candidate's start date, Client gives MBF permission to bill Client's credit card for the total amount of placement fee. Such placement fee is due immediately after an offer has been extended and accepted and must be before the candidate commences any work with the client. MBF will authorize your employee to begin work after payment is

received. If for any reason Client's credit card payment is unable to be processed, Client is not authorized to employ Candidate until payment issues can be resolved. If Client proceeds with employment against the policy of MBF, MBF is authorized to back charge Client according to MBF's Trial Day fees for all dates and times Candidate works for Client. Furthermore, in the event that Client gives the Candidate a raise within three (3) months of the date of hiring the Candidate, or hires a replacement Candidate pursuant to Section 7 of this agreement for higher compensation, MBF shall be entitled to an additional referral fee calculated as the difference between the higher and lower compensation. Similarly, within three (3) months if the Candidate's hours increase during the time of the placement, Client will be billed and agrees to pay MBF for any additional hours according to the applicable formula listed in this Agreement.

Temporary Placements (Babysitters, Night Nannies, Senior Care Services, etc.): Client may conduct an in-person interview with MBF, and must complete a client application before becoming a member. Once a temporary Candidate provides services to the Client, the Client agrees to pay the Candidate in accordance with the then current MBF Candidate compensation schedule, based upon the number of hours and the number of dependents. Failure to pay the Candidate at the time of service may result in termination of the Client's membership with MBF. Client hereby authorizes MBF to charge the Client's credit card on file for the applicable MBF fee in addition to any sums by the Client to the Candidate. MBF may in its discretion facilitate resolution of any payment or other dispute between the Client and the Candidate, provided that, however, Client's agreement to pay MBF is independent of such dispute or facilitation. Client agrees to sign the Client Receipt provided by the Candidate at the time of service, but understands that payment of the referral fee is not contingent upon delivery of a signed Client Receipt by MBF. Client further agrees that if the credit card on file for the Client is declined or otherwise unavailable, Client will pay MBF in full upon receipt of an invoice, in any event within 10 days of the invoice date.

5. Application/Membership Fee: There is a non-refundable application/membership fee to be paid upon application for Candidate referrals. This fee will entitle Client to utilize services offered by MBF, including long-term or temporary referral services, for a period of one year from the date of payment of the application/membership fee. MBF will renew this membership annually by billing Client's credit card on file for the applicable membership fee(temporary service clients only) unless MBF receives written notice from Client not to annually renew the fee.

6. Client as Employer: Except as specifically designated by MBF, MBF is not the employer or agent of the Client or Candidate. Rather, Client is responsible for the Candidate's direction, supervision, control and compensation, and **Client is the Candidate's employer**. The decision whether to hire a Candidate, long-term or temporary, rests solely with the Client. Accordingly, MBF encourages Client to speak with the Candidate's references prior to making a hiring decision. Client has the sole responsibility to determine whether a Candidate can care for Client's child(ren), home, food handling and/or property according to Client's specifications. Client and Candidate are ultimately responsible for setting the terms and conditions of a Candidate's employment, including but not limited to compensation, working hours, job duties, holidays, and payment of taxes. MBF has provided contact information for Breedlove & Associates, our preferred household staffing tax expert /vendor, and again, they can be reached at <http://breedlove.com> or by calling 888-BREEDLOVE (273-3356).

7. Replacement Candidates for Long-Term Placements: If a Candidate referred by MBF is hired by Client on a long-term basis (short-term referrals not eligible for replacement), and Client has timely paid all fees owed to MBF, including but not limited to the application and referral fee, Client may be eligible for additional referrals for a replacement Candidate subject to the terms and conditions of this Agreement. MBF agrees that, if Client discharges the Candidate, or Candidate quits, within 120 days from the date the Candidate begins employment, MBF will make reasonable efforts to refer other potential Candidates to Client for Client's consideration, until the initial, and only the initial, discharged Candidate or Candidate who quits, is replaced. Such additional referrals, if any, will be at no charge to the Client.

MBF shall be obligated to use reasonable efforts to provide additional referrals to Client only for the first Candidate Client hires from MBF. MBF is under no obligation to provide additional referrals if any Candidates after the first hired Candidate leave Client's employment for any reason or at any time.

MBF's obligation to make reasonable efforts to provide additional referrals is expressly conditioned on:

- (1) Client's satisfaction of all of its obligations under this Agreement
- (2) Client's abiding by all applicable laws;
- (3) Client's not engaging in any acts of moral turpitude in the context of the employment relationship or mistreating the Candidate in any way;
- (4) Client's not misrepresenting any information in Client's family profile hereby incorporated by reference into this agreement;
- (5) Client not changing the Candidate's duties in a manner unacceptable to the Candidate;
- (6) Client's timely completion and return to MBF of monthly evaluation forms supplied to Client at the time Client hires or otherwise engages the Candidate; and
- (7) Client's completion and return to MBF of the employment agreement signed by both parties before the Candidate's start date

If Client fails to satisfy all of these aforementioned conditions, MBF shall have no further obligations to Client. Finally, MBF's obligation to make reasonable efforts to provide additional referrals shall not apply if the Candidate gives Client notice of his or her intention to terminate his or her employment with Client at the end of the 120 day period or any time thereafter. However, Client may be eligible for the percentage discount for future placements subject to the terms and conditions of this Agreement (see below).

If the Client is unavailable or does not locate a suitable replacement within 30 days of termination of the original Candidate, MBF's obligation to make reasonable efforts to provide additional referrals for potential replacement Candidate(s) described in this section shall be waived. Subject to acceptance of Client's application for a replacement, Client will be entitled to certain discounts from the then-current price schedule for a replacement Candidate:

Time After Initial Placement	Percent Discount
0-120 Days	100%
121-180 Days	50%
181-270 Days	25%
271-365 Days	15%
After one year	10%

This percentage discount applies only to the first replacement Candidate obtained by Client from MBF. The percentage discount does not apply to any subsequent Candidates referred by MBF. The percentage discount applicable is based upon the initially placed caregiver's last day of employment.

8. General Disclaimer/Waiver/Limitation of Liability: MBF assumes no liability or responsibility for, and makes no representations or warranties about, any information, material, errors, omissions, or services it provides. **Client's use of MBF's services is at Client's own risk.** Except as specified in this Agreement, MBF does not provide and specifically disclaims any express or implied guarantees or warranties to Client.

By signing this document, Client hereby waives and releases MBF and its owners, agents, employees, officers, directors, attorneys, representatives and affiliated entities from all liability, including but not limited to liability arising from negligence or the actions of any third party (including but not limited to Candidates, potential Candidates or referrals), arising under law or otherwise.

This Agreement does not govern claims that cannot be released by private agreement or that cannot lawfully be waived. In addition, this Agreement does not limit either party's right, where applicable, to file, cooperate with or participate in an investigative proceeding of any governmental entity, or to file charges that do not seek personal relief for released claims with any governmental entity. Additionally, Client shall defend, indemnify and hold MBF and its owners, agents, employees, officers, directors, attorneys, representatives and affiliated entities harmless against any damages or liability whatsoever arising out of or in any way in connection with the employment or association of a candidate or other person referred to Client by MBF, regardless of how, when, or where any damages or liability was incurred.

Client agrees that Client will not permit any referred Caregiver to drive while in Client's employment unless Client has confirmed that Client's or Caregiver's own automobile insurance will cover any liability that could result from such driving. MBF specifically disclaims any liability that could result from driving an automobile.

Finally, with the exception of the liquidated damages provision in section 9 herein, in no event shall either party to this Agreement be liable to another party to this Agreement for consequential, incidental, exemplary, punitive, special or indirect damages of any kind. Further, with the exception of the liquidated damages provision in section 9 herein, a party's aggregate liability for damages of any kind under this Agreement shall be limited to the amount of the placement fee received by or owed to MBF from Client. If any exclusion or limitation of damages is not permitted by law, the parties' liability to each other is limited to the maximum extent permitted by law.

9. Further Employment of the Candidate: Client agrees to disclose to MBF if, at any time, Client engages or employs any Candidate introduced by MBF, and to compensate MBF in accordance with the terms and conditions of this Agreement in connection with such engagement or employment.

Client also agrees to keep all information related to Candidates strictly confidential, to be used only in connection with MBF's referral services, and not to share that information with or refer the Candidate to other individuals. If Client provides the Candidate(s) information to another party and the other party hires the Candidate(s) without compensating MBF its full referral fee, Client will be responsible for paying MBF's full referral fee as if MBF had placed the Candidate(s) with a client.

Client further agrees that at all times during the term of this Agreement and for two (2) years thereafter Client shall not directly or indirectly employ or induce any other person to employ any Candidate referred to Client by MBF without first attempting to secure such Candidate through MBF. Breach of this paragraph shall entitle MBF to receive liquidated damages from the Client of 25% or the candidate's total annual gross compensation as paid by the Client, or \$10,000, whichever is greater. "Total annual gross compensation" is calculated as the Candidate's hourly rate times the number of hours worked per week times 52 weeks/year (regardless of the length of contract), and includes all compensation in whatever form, including but not limited to hourly wages, salary, bonuses and the value of room and board and any other benefits, received by the Candidate from Client. These liquidated damages are necessary due to the inascertainability of the damages to MBF by Client's breach. Moreover, Client acknowledges that these liquidated damages are not unreasonable and are not a penalty, but merely compensate MBF for damages arising from Client's breach.

10. General: This Agreement shall be governed by and construed in accordance with the laws of the State of Texas. Both parties agree that venue for any dispute arising from this contract shall be Travis County. This Agreement shall inure to the benefit of and be binding on the parties hereto and their respective successors and assigns. However, neither party shall assign or transfer this Agreement or any interest herein without the prior written consent of the other party.

This Agreement is entered into by MBF and Client without reliance upon any statement, representation, promise, inducement, or agreement not expressly contained herein. This Agreement constitutes the entire agreement between MBF and Client and supersedes all prior oral and written agreements between MBF and Client with respect to the subjects covered in this Agreement. This Agreement shall not be amended or modified except in a mutually agreed upon writing signed by Client and an authorized representative of MBF.

Client represents that it has carefully read and fully understands the scope and effect of all of the provisions of this Agreement; that it has had all such time that it desires within which to consider this Agreement; that it has had the opportunity to consult with an attorney of its own choosing and at its own expense to review this Agreement; and that it has availed itself of this opportunity to the extent, if any, that it wished to do so.

The terms of this Agreement are severable. The invalidity or unenforceability of any provision within this Agreement shall not affect the application of any other provision, provided that the essential terms and conditions of this Agreement for each party remain valid, binding and enforceable. Further, consistent with the purposes of this Agreement, any otherwise invalid provision of this Agreement may be reformed and, as reformed, enforced by any party to this Agreement.

This Agreement may be executed in counterparts, each of which shall be deemed to be an original. Such counterparts, when taken together, shall constitute but one agreement.

Failure or delay on the part of either party to this Agreement to exercise any right, remedy, power or privilege under this Agreement shall not operate as a waiver of any other right, remedy, power or privilege. A waiver, to be effective, must be in writing and must be signed by the party making the waiver. A written waiver of a default shall not operate as a waiver of any other default or of the same type of default on a future occasion.

The rights and remedies provided in this Agreement shall be the sole and exclusive rights of the parties to this Agreement against one another relating to the subject matter of this Agreement.

The section captions contained in this Agreement are for convenience only and do not constitute a part of its terms and provisions.

11. Nondiscrimination: MBF does not unlawfully discriminate in referrals, placements or employment.

12. Confidential Information. Client understands and agrees that through the screening process MBF may share basic information about Client's job description with potential Candidates. Subject to that understanding, MBF agrees to make reasonable efforts to keep Client's personal information confidential, and to utilize a reasonable degree of care in ensuring that such information remains private. In the event that Client has unique confidentiality requirements, Client agrees to provide MBF with a separate nondisclosure agreement to identify such requirements.

The parties hereby certify, represent and warrant that they have carefully read this Agreement and that they fully understand its final and binding effect.

Please be aware that an electronic signature is as legally binding as a handwritten signature. Electronic contracts and electronic signatures are just as legal and enforceable as traditional paper contracts signed in ink. Federal legislation enacted in 2000, is known as the Electronic Signatures in Global and International Commerce Act (ESGICA).

Client	
Client Name:	
Electronic Signature:	
Date:	

MBF Agency	
Agency Name:	
Electronic Signature:	
Title:	

Exhibit A

MBF Current Fee Schedule

1. Application/Membership Fee

- **Temporary Services:** Client will pay a \$125 fee for a one-year membership. MBF will contact clients before renewing this annual membership at the rate of \$100.
- **Long-Term Placements:** Client will pay a \$250 fee (\$125 will be credited to the final placement fee), which entitles Client to access all of the services offered by MBF. MBF will contact clients before renewing this annual membership at the rate of \$125.

2. MBF Nanny Professionals (Long-Term Placement only)

Type of Long-Term Placement	Placement Fee
Full-Time Live-Out (30+hrs/week)	12% of Candidate's Total Annual Gross Compensation* (Note: Child Educators and Governesses are 20% of Candidate's Gross Annual Compensation**)
Part-Time Live-Out (min. 20 hrs/week)	15% of Candidate's Total Annual Gross Compensation* (Note: Child Educators and Governesses are 20% of Candidate's Gross Annual Compensation**)
Live-In	20% of Candidate's Total Annual Gross Compensation*. <i>Passive searches only; live-in candidates are extremely rare, so Mom's Best Friend does not charge the membership fee until candidates become available</i>
Short-term/Summer	\$100 per week (\$1200 minimum)

*Total Annual Gross Compensation is based on 52 weeks in a year and includes estimated non-salary benefits as defined and calculated in this Agreement. All positions require a minimum of \$15/hr gross compensation.

In the event that a Candidate starts at a temporary interim schedule and then shifts to an alternate and long-term number of hours, the referral fee will be based on the long-term schedule. For a summer Nanny or a short-term Nanny hired to work for fewer than six months, the fee is \$100 per week with a minimum \$1200. In the event that a short-term Nanny's term of employment exceeds the original estimate, the Client shall pay the lesser of: (a) the long-term Nanny's referral fee minus sums already paid, or (b) an additional \$100 for each week, beyond the original estimate. All referral fees are non-refundable and are due after an offer has been extended and accepted. After a fee is collected, MBF will authorize your employee to begin work. Under no circumstances is a Candidate authorized to start employment until the fee is paid.

3. MBF Household Staffing (Long-Term Placement only)

The non-refundable referral fee for a long-term live-out Candidate (hired to work for six months or more) is equivalent to 20% of the Candidate's total annual gross compensation as defined and calculated in this Agreement. The total annual gross compensation is calculated as the Candidate's hourly rate times the number of hours worked per week times 52 weeks/year (regardless of the length of contract), and includes all compensation in whatever form, including but not limited to hourly wages, salary, bonuses and the value of room and board and any other benefits received by the Candidate from Client. In the event that a Candidate starts at a temporary interim schedule and then shifts to an alternate and long-term number of hours, the referral fee will be based on the long-term schedule. For a short-term Candidate hired to work for fewer than six months, the fee is 20% of the Candidate's total compensation for the term of employment. In the event that a short-term Candidate's term of employment exceeds the original estimate, the Client shall pay the long-term Candidate referral fee minus sums already paid. We do not place short-term or part-time Housekeepers. The referral fee is non-refundable and is due after an offer has been extended and accepted and must be before the Candidate commences any work with Client. MBF will authorize your employee to begin work after payment is received.

Type of Long-Term Placement	Placement Fee
Full-Time/Part-Time Live-Out, Live-In	20% of Candidate's Total Annual Gross Compensation*
Short-term	20% of Candidate's Compensation

*Total Annual Gross Compensation is based on 52 weeks in a year and includes estimated non-salary benefits as defined and calculated in this Agreement. All positions require a minimum of \$15/hr gross compensation.

4. MBF Nanny Professionals (Sitter Service only)

Service	Provider Fees	Agency Fees
* Babysitter	\$11/hr** for 1 child with a 4 hr. min. +\$1/hr each additional child	\$25/ half day (≤6 hrs) \$40/ full day (>6 hrs)
Temporary Nanny Manager / Temporary Personal Assistant	Quoted on a case-by-case basis (Typically \$15+/hr depending on duties)	\$25/ half day (≤6 hrs) \$40/ full day (>6 hrs)
Hotel Childcare	\$11/hr** for 1 child with a 4 hr. min. +\$1/hr each additional child	\$25/ half day (≤6 hrs) \$40/ full day (>6 hrs)
Church Childcare	\$12/hr	\$5/hr
Overnight Temporary Nanny / Babysitter	\$175 (up to 24 hour period)	\$50
Travel Fees	\$5-20 fee for travel (outer metro areas only)	
Last-minute Job Fees		\$25 when booked within 24 hours of job or after hours
Gratuities	Customary for excellent service	
Cancellation fee (confirmed job only)		<24 hrs of start time: \$40 ≥ 24 hrs of start time: \$25

** On certain holidays or special event days during the year, Client will compensate the caregiver at a rate of time and a half (1.5 times the listed hourly rate) for any jobs which fall on the following days: New Year's Day, Valentine's Day (after 5pm), Good Friday, Easter, Independence Day, Thanksgiving Day, Christmas Eve, and Christmas Day. On New Year's Eve (after 5pm), Client will compensate the caregiver at a rate of \$20/hr for the first child, \$1/hr for each additional child. The sole purpose of this increase is to guarantee availability on days when most Candidates will have alternate plans. In accordance, MBF fees remain the same.

5. MBF Night Nanny Pricing

Night Nannies are available on a temporary basis only, and are not eligible for short-term or long-term placement.

Type of Night Nanny Placement	Provider Fee	Agency Fee (members only)
Night Nannies 10 hour shift	Rates are based on Night Nanny/ Newborn Specialist's experience. Rates start at \$130 for singles, \$150 for twins and \$175 for triplets.	\$50
Extra night nanny hours (after 10 hour shift)	\$13/hr. for singles \$15/hr. for twins or special needs \$17.50/hr. for triplets	\$5/hr

6. Senior Care Pricing

Our in-home care services are \$18.50/hr with a 4-hour minimum. Pricing will vary, and is customized, for overnight services or bookings that are less than 4 hours at a time. Please call for a quote.

Exhibit B: Screening and Background Checks

Because your family's privacy and security are at stake, it is of utmost importance to thoroughly screen any and all household employees. Mom's Best Friend conducts an extensive qualification process for every candidate referred through our agency. A list of our extensive qualification processes is detailed below. Throughout the placement process, you will be receiving background information on potential employees/candidates based upon information provided to Mom's Best Friend by the candidate, including name, date of birth and address history.

Check	Description
Personal Interview	Each candidate is extensively interviewed by one to two staff members. The candidate's application is reviewed and discussions include work history, future career plans, as well as intentions of their job search.
References	MBF conducts a check of each reference the candidate provides, inquiring about performance, abilities, character, integrity, strengths and weaknesses. References are available to you at your request.
CPR/ First Aid Training	All childcare-related MBF candidates are required to provide proof of current CPR and First Aid training.
Criminal Record Search	Provides a nationwide history of felony and/or misdemeanor convictions based upon the candidate's name and date of birth. Many counties report digitally and Sterling has direct, electronic access to the records. In non-digital reporting counties, Sterling employs hundreds of researchers and internal expeditors to access applicable record repositories. Criminal records are obtained through primary court data ONLY. <i>By law, Mom's Best Friend is not permitted to make discriminatory employment decisions based on arrest records. Regrettably, per the Regulation of Consumer Credit Reporting Agencies Act, we are limited to the information we can receive. Seven years is the maximum extent to which we can search back for criminal records as permitted by Texas law.</i>
Sex Offender Database Search	Offers an additional measure of protection beyond a criminal conviction search as the offender's county records may be sealed, records may reside in family court, or the original sexual offense may have been reduced to a lesser charge.
Social Security Trace	The purpose of this trace is to show fraudulent use of a Social Security Number. This also shows additional names and aliases that may need to be checked. Also reveals address history which allows Sterling to determine where to perform additional criminal background checks.
Driving Record	Reports the driving record for the state that issued the candidate's driver's license and any additional states previously lived in the past year. Generally, violations remain on the DMV report for 3 years, although convictions for serious offenses are reported for 5 years or more, depending on the state. DMV reports provide verification of address, physical description and birth date.
Education Verification	Confirms degree attainment, area of study and graduation date of highest level of education received. Paperwork/documentation provided by candidate during in-person interview.
Annual Background Check Monitoring	Mom's Best Friend will run an updated check on your placed candidate on the year anniversary of the date the candidate's background check was first run, for the lifetime of your placement. We will only do this if you contact one of our staff to communicate that he/she is still employed with you and that you would like their check to be run again each year.

Optional Investigation for long-term placements (initial if you would like to order):

_____ Drug Testing: \$30 (10-Panel urine drug screen. Avg turnaround time: 2-4 days)

**** By law, as a placement agency, we are not allowed to pass credit information along. Therefore, please note that if you would like a credit check run on a candidate, you must do this on your own. ****

Please be aware that an electronic signature is as legally binding as a handwritten signature. Electronic contracts and electronic signatures are just as legal and enforceable as traditional paper contracts signed in ink. Federal legislation enacted in 2000, is known as the Electronic Signatures in Global and International Commerce Act (ESGICA).

Client Name:			
Client Electronic Signature:		Date:	

I certify (by signing) that the purpose of viewing the consumer report belonging to any candidate is for pre-employment screening only.