



## Product Purchase Agreement

THIS PRODUCT PURCHASE PROGRAM (the "Agreement") is made as of \_\_\_\_\_ by \_\_\_\_\_ (the "Purchaser") and between VTG Mobile Inc., (the "Company") all organized under the laws of California. Having its principal place of business at 5621 Palmer Way Ste G Carlsbad, CA 92010 and \_\_\_\_\_ (the "Purchaser").

WHEREAS the Company is a Mobile Virtual Network Operator (MVNO) which provides wireless voice, text messaging, and data services on the nationwide networks of the major carriers.

WHEREAS the purpose of the Product Purchase Program is to expand our Wireless/Mobile Cellular Network through proven methods of marketing to include our referral/marketing Programs.

WHEREAS the parties desire to form a business relationship whereby Purchaser earns a profit by participating in a product purchase program.

WHEREAS the Product Purchase Program is a product purchase opportunity and is not being offered as a security or stock, this agreement does not constitute an ownership interest in VTG Mobile Inc., or its affiliated entities. This is an agreement that gives the Purchaser all legal rights to the profits agreed upon from the gross Revenues of the internet Routers sold through the Marketing efforts and business contacts in the industry.

Now therefore, in consideration of the promises here in after made by the parties hereto, it is agreed as follows:

### 1. DEFINITIONS

- a) "Master Agent" means a business entity that develops distribution channels between business and consumers with wholesale service providers of Monthly prepaid cellular service plans, also known as Mobile Virtual Network Operations (MVNO's), offered from contracts the MVNO's hold with major carriers known as Mobile Network Operators (MNO), including but not limited to AT&T, Sprint, Verizon, and T-Mobile.
- b) "Program" means a Product Purchase Program made available to the Purchaser by the company under the terms of this agreement to maximize the company's subscriber base. Via sale of our exclusive rights to internet Routers needed to activate on our data plans.
- c) "Gross Sales Revenue" shall mean the gross dollars received by the company from the sale of each internet router.

## 2. TERM

- a) The Product Purchase Agreement is a Ninety (90) – One Hundred Eighty (180) day agreement effective on the date of signing and acceptance of funds from the Purchaser to VTG Mobile Inc.

## 3. COMPENSATION

- a) In return for value received of \$45,000, VTG Mobile Inc., promises to payout from the first Three Hundred Sixty (360) Internet Routers out of the Thousand (1,000) Internet Routers purchased and sold at a price point of Two Hundred Fifty (\$250). With 1<sup>st</sup> payment paid out in Ninety (90) – One Hundred Eighty (180) days based on inventory turnover.

## 4. Product Purchase Option

- a) Each Product Purchase Program is \$45,000 and can be split up into individual “Purchases” at a minimum of \$4,500. I elect to purchase \_\_\_\_\_ “Internet Routers” for a total of \$ \_\_\_\_\_.
- b) Product Purchase totaling less than \$45,000 will be calculated based on inventory purchase for value received. Inventory payout pursuant to the terms and conditions set forth in **Exhibit A** to this Agreement.

## 5. CANCELLATION POLICY

Purchaser can cancel this agreement for any reason within 3 calendar days for a full refund by providing written notice to: VTG Mobile, Inc., 5621 Palmer Way Ste. G Carlsbad, CA 92010.

## 6. GENERAL

- 6.1 **Termination for Cause.** Either Party may terminate this Agreement upon written notice if the other party materially breaches this Agreement and fails to correct the breach within ten (10) days following written notice specifying the breach, as indicated in sections one through four. Provided that the cure period for any default with respect to payment shall be five (5) business days.
- 6.2 **Independent Contractors.** The relationship of the Company and the Purchaser shall be, and shall always remain, that of an independent contractor and not that of employer and employee, franchisor and franchisee, joint ventures, or partners. This Agreement does not establish either Party as the other Party’s agent or representative for any purpose. Neither Party shall have any authority of any kind to bind the other Party in any respect. Without limiting the generality of the preceding sentence, neither Party is authorized to enter into contracts or any obligation in the other Party’s name, or to transact any business on behalf of the other Party.
- 6.3 **Waiver.** No waiver of any provision of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.
- 6.4 **Severability.** If any provision of these policies and regulations or the application thereof to any person or set of circumstances is held invalid, such invalidity shall not affect other provisions or applications of these policies and regulations, which can be given effect without the invalid provision or application, and, to this end, the provisions of these policies and regulations are

severable. In lieu thereof, there shall be added a legal, valid, and enforceable provision as similar in terms to such illegal, invalid, or otherwise unenforceable provision as may be necessary to achieve the overall intent of this Agreement as nearly as possible.

6.5 **Assignment.** The Purchaser shall not assign or subcontract any of his/her rights under this Agreement, or delegate the performance of any of his/her duties hereunder, without the prior written consent of the Company which will not be unreasonably withheld.

6.6 **Successors and Assigns.** Except as may be otherwise provided, this Agreement shall be binding on, and shall inure to the benefit of, the parties to it as well as their respective heirs, legal representatives, successors, and assigns.

6.7 **Entire Agreement.** This Agreement constitutes the entire agreement between the parties pertaining to its subject matter and supersedes all prior contemporaneous agreements, representations and understanding of the parties. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by all parties.

6.8 **Governing Law.** This Agreement shall be deemed to have been entered into in the State of California, County of San Diego, and all questions concerning the validity, interpretation, or performance of any of the terms, conditions, and provisions of this Agreement or of any of the rights or obligations of the parties shall be governed by, and resolved in accordance with, the laws of the State of California. Any and all actions or proceedings, at law or in equity, to enforce or interpret the provisions of this Agreement shall be litigated in the Superior Court of the State of California, County of San Diego or in the United States District Court in the Southern District of California, and each party hereby expressly consents to the jurisdiction of the Superior Court of the State of California, County of San Diego or to the United States District Court in the Southern District of California, and consents that any service of process in such action or proceeding may be made by personal service upon such party wherever such party may be then located or by certificated or by registered mail directed to such party at such party's last known address.

6.9 **Notice.** The Company shall be deemed contacted by facsimile or certified mail on the date of postmark or date of facsimile transmission at the following address:

By Mail: 5621 Palmer Way Ste. G  
Carlsbad, CA 92081

By Fax: (760) 429-7534

The Purchaser shall be deemed contacted by facsimile or certified mail on the date of postmark or date of facsimile transmission at the address:

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed the day and year set forth above.

SSN or FIN: \_\_\_\_\_

\_\_\_\_\_  
Signature of Purchaser

Date: \_\_\_\_\_

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City, State, Zip Code

In consideration of the above representations, warranties and agreements, the Company accepts the Agreement.

**VTG Mobile Inc.**

\_\_\_\_\_  
By: Tony Smart, CEO

# Exhibit A

## Product Purchase

**Terms:**

**Product Purchase Agreement:** The purchase of the internet Routers will be made pursuant to a Product Purchase Agreement, which shall contain, among other things, appropriate representations, warranties, and conditions to participating.

The proceeds from the opportunity will be used to Purchase Internet Routers. To resell to our network of resellers and subscribers.

### PRODUCT PURCHASE PAYOUT BREAKDOWN

**How this works:**

It cost us \$45 to manufacture each internet router. Every internet router purchased and sold at the price point of \$250 per internet router. So out of the One Thousand (1,000) internet Routers, you will see a payout based on Three Hundred Sixty (360) internet Routers. With 1<sup>st</sup> payment paid out in Ninety (90) – One Hundred Eighty (180) days based on inventory turnover.

Payouts is based on the internet Routers purchased and sold on value received see **table 1.0**.

**Table 1.0**

Buying Capital	Purchased Product	Sold Product	Retail Price Point	Inventory Turnover	Payout
\$45,000	1,000 Internet Routers	360 Internet Routers	\$250	90 -180 Days	\$90,000
\$40,500	900 Internet Routers	324 Internet Routers	\$250	90 -180 Days	\$81,000
\$36,000	800 Internet Routers	288 Internet Routers	\$250	90 -180 Days	\$72,000
\$31,500	700 Internet Routers	252 Internet Routers	\$250	90 -180 Days	\$63,000
\$27,000	600 Internet Routers	216 Internet Routers	\$250	90 -180 Days	\$54,000
\$22,500	500 Internet Routers	180 Internet Routers	\$250	90 -180 Days	\$45,000
\$18,000	400 Internet Routers	144 Internet Routers	\$250	90 -180 Days	\$36,000
\$13,500	300 Internet Routers	108 Internet Routers	\$250	90 -180 Days	\$27,000
\$9,000	200 Internet Routers	72 Internet Routers	\$250	90 -180 Days	\$18,000
\$4,500	100 Internet Routers	36 Internet Routers	\$250	90 -180 Days	\$9,000