



TRADE RULES AND REGULATIONS

The following Trade Rules and Regulations form part of and are included in the Membership Application and Agreement.

1. I/We hereinafter referred to as the "member" or "members" hereby apply for membership in Biz 2 Biz Commerce, LLC (hereafter referred to as B2BC) for the purpose of trading products and/or services with other B2BC members or Affiliated Trade Exchanges (hereafter referred to as ATE). I/We agree to read and abide by the trading Rule and Regulations prescribed below which are incorporated with and made a part of this Agreement and further agree that this Agreement may be amended from time to time in the manner provided herein.
2. Member, as well as all individuals, agents, and other entities liable hereunder, do hereby agree that this Agreement shall be governed by and construed in accordance with the laws of the State of South Carolina, exclusive of its conflicts of law provisions, that any suit involving any dispute or matter arising under this Agreement shall be brought in any South Carolina State Court having jurisdiction over the subject matter, and that the proper venue shall be Charleston County, South Carolina. Prior to filing an action in State Court, the parties in dispute shall make a good faith effort to mediate the dispute(s). The mediator shall be mutually selected by the parties from the list of court-approved mediators. Mediation shall be non-binding. Furthermore, member, as well as all individuals and other entities liable hereunder, hereby consent to the exercise of personal jurisdiction by any such court with respect to any such proceeding, and hereby waive a jury trial.
3. B2BC acts as a clearinghouse, third party record keeper, brokerage and barter exchange for its members who have joined B2BC's referral and trade network to trade or barter their individual products and services among themselves. The sole principals in a trade are the buying and selling members. B2BC is not the agent for any member nor is B2BC the guarantor of any transaction, trade or trade credits(s). B2BC does not guarantee the availability of a particular service, product, customer, or member within the trade network. It is member's responsibility to initiate and engage in trades and derive the economic benefits of the referral and trade network.
4. Trade transactions are entered into on a voluntary basis between members of B2BC or ATE, and although B2BC may provide referrals as a service to its members, B2BC assumes no responsibility for the quality, timely delivery, warranty or dispute of any nature between members or between members and ATE with regard to any product or service being traded. Member should exercise the same diligence entering into trade transactions as they exercise with ordinary cash transactions. B2BC reiterates that it is functioning in a brokerage capacity and the member does hereby indemnify and hold B2BC harmless with respect to any claims, debts or liability whatsoever arising out of any trade exchange transaction wherein the member is a buyer or a seller.
5. All B2BC fees earned are for payment of services rendered and processing members into the exchange system, maintaining records and facilitating the member's use of the exchange and otherwise regulating and administering the exchange system.
6. B2BC is entitled to its assigned transaction/commission fee (usually 10% cash) on any and every gross sale made by a B2BC member to another B2BC or ATE. A gross sale includes any trade or cash portion, excluding any tax, shipping, or gratuity. Unless otherwise stipulated to the member in writing, the transaction fee for the trade portion will be assessed and billed upon a B2BC members purchase from another B2BC member or ATE. Unless otherwise stipulated to the member in writing, the transaction fee for the cash portion will be assessed and billed upon a B2BC members sale to another B2BC member or ATE.
7. A buyer must always identify himself/herself to the seller as a B2BC member before making a purchase. To receive credit for transactions, a member who is a Vendor (Seller) must:
 - a. Obtain an authorization number from B2BC on each transaction;
 - b. Obtain the buyer's signature on a B2BC trade draft, other written document, or a verbal authorization from a B2BC officer.
8. The member/seller agrees/acknowledges and understands that if a signed trade draft is not submitted in the case of a dispute, B2BC is obligated to reverse the transaction.
9. For telephone order transactions, seller must retain a facsimiled trade draft with buyer's signature.
10. Sales to person without a trade draft or to person using a trade draft of another member or sales by mail or sales by telephone, as provided in this Agreement, are at the member's sole discretion. An authorization number must be obtained for all such sales but the selling member is fully responsible for satisfying himself that the buying member is in fact, a member or has authority to use a trade draft of another. B2BC will not accept liability surrounding such sales if a dispute arises and it will be the responsibility of the seller to collect from the buyer should B2BC choose to reverse any authorization provided.
11. Selling members shall furnish all materials and labor for 100% trade at members' normal prevailing prices, up to \$1,500.00. Real Estate and individual transactions over \$1,500.00 may be negotiated for a partial cash payment with prior written approval/contract by both members involved and a copy of said approval/contract must be submitted to B2BC. Failure to negotiate partial cash terms in writing before a transaction begins and/or failure to report said terms to B2BC may, at B2BC's option, terminate the membership of any party to such a trade.
12. Direct trades between B2BC members or ATE are prohibited. If direct trades occur, B2BC may, at its option, charge each party a cash penalty of 20% of the transaction total in addition to the standard cash transaction fee. B2BC may also, at its option, terminate membership of any party to such a trade.
13. Each sale/purchase or trade is a barter purchase or sale of goods and/or services whereby payment is made in trade credits posted to a member's account pursuant to these Rules and Regulations. A trade unit is an accounting unit used to record the value of the trade and

- ownership of trade units, denotes, the right to receive goods and services available within the B2BC system. Trade units may be used only in this manner for the purposes set forth in these Rules and Regulations and will not be considered legal tender, securities or commodities and may not be redeemed for cash, except for specifically provided in these Rules and Regulations. B2BC disclaims responsibility for negotiability of trade units or for the availability of any particular goods or services from any source.
14. Purchases by members must be limited to the amount of B2BC trade units in the purchaser's/buyer's account plus any line of credit amount available to the purchaser/buyer. Members wishing to apply for a line of credit may submit an application for approval and approval will be at the complete discretion of B2BC. Members will be required to compensate B2BC in cash or by way of credit card payments on demand for any deficit amounts in the trade credit accounts resulting from purchases made without sufficient trade unit balances or without prior loan arrangements. Members will pre-authorize access to valid and existing credit card accounts. Lines of credit are granted at the sole discretion of B2BC and may be adjusted or revoked by B2BC's discretion.
 15. Members may request their account to be placed in standby status (temporarily decline further B2BC sales) only if:
 - a. Member's account has a positive trade balance over \$3,000;
 - b. Member gives written notice to B2BC of said request.
 16. In the event of a breach of this Agreement, member agrees to pay reasonable cumulative costs, mediation/litigation costs, attorney fees, court costs, collection costs and/or interest. Member further agrees to be personally responsible for any indebtedness to B2BC.
 17. The declaration and reporting of all applicable local, municipal, state/provincial and federal taxes, including but not limited to appropriate sales and excise taxes and BST, resulting from trade transactions rest solely with the members. Barter sales are taxable events for municipal, county, state, provincial, federal or other, to in any way whatsoever, the member agrees not to hold B2BC liable for any actions B2BC takes in compliance with the said laws.
 18. All cash transactions, fees and charges are due upon receipt of the B2BC monthly statements. If payment, by cash, check or credit card has not been received by the 15th of the month or within 10 days of the monthly statement (whichever is longer) fees and charges will be charged against members MasterCard, Visa or American Express credit card account, although that will occur no sooner than the 15th of the month. B2BC reserves the right to suspend all trading privileges of members whose accounts are not paid in full by the 15th of the month that the statement is forwarded. A late payment of \$10 cash and 1.5% of the gross amount of cash fees due per month will be assessed at month end if the transaction fees and charges are not paid in full, a suspension of trading privileges may be put into effect until the account is current. These terms reflect the additional costs incurred by B2BC in order to bill and collect these accounts and the member agrees to waive all rights to usage of any positive trade unit balance in his account and grants B2BC the right to hold any such balances so long as any cash, fees and charges remain outstanding after the last day of the month in which the statement is forwarded.
 19. Member's monthly statement will be considered accurate as printed unless B2BC's accounting department is notified of any discrepancy in writing within 30 days of the statement being received. B2BC will issue monthly statements to members reflecting account activities and monies due and owing to B2BC and all transactions are subject to audit and verification by B2BC and, in the case of inaccuracies, B2BC may debit or credit the member's account, without notice, as a result of such error.
 20. B2BC may, in the future, publish bulletins or directories containing modification or additions to these Trading Rules and Regulations that are deemed to be in the best interest of B2BC members and by which the member agrees to abide. Retention and/or use of the B2BC trade unit constitutes acceptance of the B2BC Application and Agreement and acknowledgment with all Rules and Regulations and with all terms and conditions of a member of B2BC.
 21. Any member that has a credit card or any other pre-authorized payment declined or check returned to B2BC, for any reason, by a financial institution will be charged \$25 cash for each said return.
 22. Member acknowledges, consents, and grants to B2BC the right and power to regulate and control the number of outstanding trade units within the exchange system and to make trade credit loans to members as set forth in these Rules and Regulations.
 23. Member(s) grant B2BC the right and power to make trade credit loans to any member on terms and conditions consistent with member's credit worthiness and ability to repay. The exercise of this power shall be at the discretion of B2BC management with regard to principal, interest, terms and conditions, lending policy, and other particulars. Members desiring to apply for a loan may be required to submit a loan application, financial statement, credit agreement, promissory note, and equivalent collateral prior to approval. B2BC is under no obligation to extend credit at any time. B2BC will use its best efforts to insure timely repayment of principal and interest, appropriate collateralization, and perfection of security interest in all loans. Member acknowledges that in consideration for loan management services provided by B2BC, all fees, service charges, and other proceeds from such loans are the sole and exclusive property of B2BC. Member will be given written confirmation of the credit line issued. The outstanding balance of the line of credit, as it is utilized, will be treated as a loan under the Rules and Regulations. Member in a deficit position may not refuse trade and must trade their products and services at the prevailing cash prices. Failure to do so will result in immediate termination of membership and outstanding deficit balance immediately due in cash to B2BC. A member who has made purchases in excess of member's established line of credit may not make purchases and must trade his/her products or services until such excess deficit is cured. At B2BC's option, member may be billed and shall pay such amount of the outstanding balance in cash.
 24. Member agrees to indemnify and hold harmless B2BC for any loss incurred by member which is caused by any act of omission of another B2BC member or ATE including, but not limited to the following: failure to complete a transaction after a voucher has been signed; failure to properly perform services for another member; failure to deliver goods that conform to a contract with another member; and improper pricing by a member. In the event of payment, loss, expense, or the crediting of member's accounts by B2BC in which payment, loss, expense, or the crediting of member's account arises out of any transaction between members. B2BC shall be subrogated to the extend

- of the amount of such payment, loss, expense, or crediting or a member's account to all the rights, powers, privileges and remedies of any member against any other member's account. Member shall execute all papers required by B2BC and render all necessary assistance, other than pecuniary aid, to enable B2BC to secure the right granted in this paragraph.
25. Member authorizes B2BC to make whatever credit investigation it deems appropriate and to exchange any information received in the course of such investigation. B2BC may request reports from credit reporting agencies. If member asks whether a credit report was requested, he/she will be informed, and if B2BC has received a credit report, member will be given the name and address of agency that supplies the report.
 26. B2BC is responsible only for commitments made in writing by only a duly authorized corporate officer of B2BC, and not verbal or written commitments made by account executives, trade brokers, or other representatives of B2BC.
 27. B2BC reserves the right to modify or change the annual membership fees, commissions, maintenance fees, and any service fees at any time. Member will receive thirty (30) days written notice of any such changes.
 28. Unless otherwise stipulated between B2BC and the particular member, member authorizes B2BC to notify and advertise to other members the availability of member's products or services. B2BC may use, free of charge, the name, address and logo of any member in B2BC advertising and promotion, unless otherwise stipulated in writing by member.
 29. Member or B2BC may cancel this Agreement upon written notice to the other party. Upon cancellation, all trade units due to the member must be spent within 90 days on products and services available through B2BC and the member may stay active for the said 90 days and spend the balance until purchases equal sales by paying B2BC in advance the cash commission and service fees on the positive balance. Any outstanding balance due, B2BC must immediately be paid in full, by products or services deemed acceptable by B2BC, or in cash. Upon termination for any reason, all obligations under this Agreement and pursuant to the Rules and Regulations in connection with any trade transaction shall survive termination of this Agreement.
 30. B2BC may freeze an account and/or cancel this Agreement if:
 - a. B2BC has received two or more complaints on a given member for either poor performance or for attempting to charge in excess of member's industry or retail prices or for overpricing in any form;
 - b. The member has committed fraud against B2BC or any B2BC members;
 - c. The member charging cash and/or not following and abiding by member's contractual Agreement with B2BC; or
 - d. For any other reasonable cause
 31. Member agrees and acknowledges that the decision of B2BC to Freeze and/or terminate the member's account shall be final and conclusive and in the sole and absolute discretion of B2BC.
 32. Member grants B2BC a security interest in all trade units in member's account for the amount of all unpaid cash fees. In the event of the insolvency or bankruptcy of a member, all cash shall be due and payable in full. Upon member's filing a petition under chapter 7, 11, or 13 of the United States Bankruptcy Code or an Assignment for the Benefit of Creditors, no trade shall be allowed until all cash fees due in B2BC have been paid in full.
 33. B2BC reserves the right to mail statements only in the month there is activity in member's account. If there is no activity for six months in a member's account, B2BC reserves the right to place the member's account in a dormant status and to refrain from mailing monthly statements. If member's account is inactive for twelve months, B2BC membership will be immediately and automatically terminated, at the sole discretion of B2BC. Member's account will be terminated in accordance with these Rules and Regulations.
 34. Time shall be of the essence in this Agreement and with regard to these Rules and Regulations.
 35. Memberships in B2BC may not be transferred or sold or assigned in any fashion without prior written approval from B2BC.
 36. Forbearance or indulgence by B2BC in enforcing any of the terms of this Agreement and these Rules and Regulations shall not constitute a waiver of the obligations to be performed by the member under this Agreement and B2BC shall be entitled to any remedy available to it pursuant to this Agreement or by law notwithstanding any such forbearance or indulgence.
 37. Each and every term and provision contained in this Agreement and in the Rules and Regulations is severable and if any such term or provision should be judged invalid, illegal or unenforceable, it shall not affect the validity, legality or enforceability of the remainder of the Agreement or the Rules and Regulations of any term or provision of the Agreement or the Rules and Regulations and the remainder shall remain valid, legal and enforceable and in full force and effect.
 38. Upon acceptance of this Agreement and the opening of an account for a member by B2BC, the member and authorized individuals signing for or on behalf of the member hereby assumes joint and several responsibility for any and all purchases and fees as outlined in this Agreement and the individual signing on behalf of a corporation agrees to guarantee and be personally liable for the full performance, by the said corporation, of this Agreement and conformity with any and all Rules and Regulations.
 39. The member and B2BC agree and acknowledge that transmission by facsimile of this Agreement, Rules and Regulations, changes to Rules and Regulations, a membership application and/or trade receipts or drafts shall be valid and treated as if they are in original form. In the event that the member or B2BC utilize facsimiles transmitted signed documents, both parties hereby agree to accept and hereby agree to rely upon such documents as if they bore original signatures.
 40. The Applicant agrees, acknowledges and authorizes the use of the credit cards or pre-authorized bank account deductions above noted for payment of any and all outstanding fees, charges and account balances at any time and from time to time. B2BC requires written notice of intent to cancel memberships in B2BC. All fees and charges, including but not limited to the initial set up fee, are in payment for services rendered in processing members into the trade exchange, maintaining records and facilitating the member's use of the exchange. It is understood that this Agreement will become effective when signed by the member/applicant and an officer of B2BC.