

INDEPENDENT CONTRACTOR AGREEMENT

Tax Identification Number: _____

This Independent Contractor Agreement is made on this _____ day of _____, 2008, between THE DATA ENTRY COMPANY OF MARYLAND, a Maryland corporation, ("TDEC") and _____ ("Independent Contractor").

WHEREAS, TDEC is in the business of providing data entry services to its customers and to that end desires to employ the services of Independent Contractor to provide data entry services.

WHEREAS, Independent Contractor is in the business of data entry services and desires to provide such services to TDEC.

NOW, THEREFORE, for in consideration of the mutual promises of the parties, the receipt and sufficiency of which is hereby acknowledged by the parties, the parties hereby agree as follows:

1. **Services to be Performed.** While generally speaking, the services the Independent Contractor will be providing for TDEC will be that of data entry, the specifications shall be set forth on a job to job basis, depending on the particular requirements of each of TDEC's customers. Consequently, for each and every job Independent Contractor performs for TDEC shall be attached to this Agreement as "Exhibit A" on a job by job basis.
2. **Fee Arrangement.** For the reasons stated in paragraph 1 above, the fee paid to the Independent Contractor will depend on the specifications for each job. Each job will have its own fee schedule, which will be a part of "Exhibit A", and attached to this Agreement.
3. **Expenses.** Independent Contractor shall be responsible for all expenses incurred while performing services under this Agreement. This includes license fees, memberships and dues; automobile and other travel expenses; meals and entertainment; insurance premiums; and all salary, expenses and other compensation paid to employees or contract personnel the Independent Contractor hires to complete the work under this Agreement.
4. **Independent Contractor Status.** Independent Contractor is an Independent Contractor, not TDEC's employee. Independent Contractor's employees or contract personnel are not TDEC's employees. Independent Contractor and TDEC agree to the following rights consistent with an Independent Contractor relationship.
 - (A). Independent Contractor has the right to perform services for others during the term of this Agreement.
 - (B). Independent Contractor has the sole right to control and direct the means manner and method by which the services required by this Agreement will be performed.
 - (C). Independent Contractor has the right to perform the services required by this Agreement at any place, location, or time.
 - (D). Independent Contractor will furnish all equipment and materials used to provide the services required by this Agreement.
 - (E). Independent Contractor has the right to hire assistants as subcontractors, or to use employees to provide the services required by this Agreement.
 - (F). The Independent Contractor or Independent Contractor's employees or contract personnel shall perform the services required by this Agreement; TDEC shall not hire, supervise or pay any assistants to help Independent Contractor.

(G). Neither Independent Contractor or Independent Contractor's employees or contract personnel shall receive any training from TDEC in the skills necessary to perform the services required by this Agreement.

(H). TDEC shall not require Independent Contractor or Independent Contractor's employees or contract personnel to devote full time to performing the services required by this Agreement.

(I). Independent Contractor shall provide all services using its own equipment and at any place of its choosing.

(J). Independent Contractor shall have no obligation to work any particular hours or any particular amount of hours and shall further have the right to refuse to accept any project as Independent Contractor, in its sole judgement, may wish to refuse.

(K). Independent Contractor agrees that, with respect to each project, which it accepts, it will meet the deadline applicable to such project.

(L). Independent Contractor agrees to perform the services on each project it accepts in a manner in accord with the format which may be prescribed by regulations applicable to the project and in a manner in accord with ordinary business customs.

(M). Independent Contractor shall have the right to subcontract any project it accepts, and if it chooses to subcontract any such project, Independent Contractor agrees to see that such work is performed in accordance with the terms of this Agreement.

5. **Intellectual Property Ownership.** To the extent that the work performed by Independent Contractor under this Agreement (Independent Contractor's Work) includes any work of authorship entitled to protection under the copyright laws, the parties agree to the following provisions.

(A). Independent Contractor's Work has been specially ordered and commissioned by TDEC as a contribution to a collective work, a supplementary work or other category of work eligible to be treated as a work made for hire under the United States Copyright Act.

(B). Independent Contractor's Work shall be deemed a commissioned work and a work made for hire to the greatest extent permitted by law.

(C). TDEC shall be the sole author of Independent Contractor's Work and any work embodying the Independent Contractor's Work according to the United States Copyright Act.

(D). To the extent that Independent Contractor's Work is not properly characterized as a work made for hire, Independent Contractor grants to TDEC all right, title and interest in Independent Contractor's Work, including all copyright rights, in perpetuity and throughout the world.

(E). Independent Contractor shall help prepare any papers TDEC considers necessary to secure any copyrights, patents, trademarks or intellectual property rights at no charge to TDEC. However, TDEC shall reimburse Independent Contractor for reasonable out-of-pocket expenses incurred.

(F). Independent Contractor agrees to require any employees or contract personnel Independent Contractor uses to perform services under this Agreement to assign in writing to Independent Contractor all copyright and other intellectual property rights they may have in their work product. Independent Contractor shall provide TDEC with a signed copy of each such assignment.

6. **Confidentiality.** Independent Contractor will not disclose or use, either during or after the term of this Agreement, any proprietary or confidential information of TDEC without TDEC's

prior written permission except to the extent necessary to perform services on TDEC's behalf. Proprietary or confidential information includes:

- (A). the written, printed, graphic or electronically recorded materials furnished by TDEC for Independent Contractor to use;
- (B). business plans, customer lists, operating procedures, trade secrets, design formulas, know-how and processes, computer programs and inventories, discoveries and improvements of any kind, and
- (C). information belonging to customers and suppliers of TDEC about whom Independent Contractor gained knowledge as a result of Independent Contractor's services to TDEC.

Independent Contractor shall not be restricted in using any material which is publicly available, already in Independent Contractor's possession or known to Independent Contractor without restriction, or which is rightfully obtained by Independent Contractor from sources other than TDEC.

Upon termination of Independent Contractor's services to TDEC, or at TDEC's request, Independent Contractor shall deliver to TDEC all material in Independent Contractor's possession relating to TDEC's business.

7. **State and Federal Taxes.** TDEC will not:

- (A). withhold FICA (Social Security and Medicare taxes) from Independent Contractor's payments or make FICA payments on Independent Contractor's behalf;
- (B). make state or federal unemployment compensation contributions on Independent Contractor's behalf, or
- (C). withhold state or federal income tax from Independent Contractor's payments.

Independent Contractor shall pay all taxes incurred while performing services under this Agreement – including all applicable income taxes and, if Independent Contractor is not a corporation, self-employment (Social Security) taxes. Upon demand, Independent Contractor shall provide TDEC with proof that such payments have been made.

8. **Fringe Benefits.** Independent Contractor understands that neither Independent Contractor nor Independent Contractor's employees or contract personnel are eligible to participate in any employee pension, health, vacation pay, sick pay or other fringe benefit plan of TDEC.

9. **Worker's Compensation.** TDEC shall not obtain workers' compensation insurance on behalf of Independent Contractor or Independent Contractor's employees. If Independent Contractor hires employees to perform any work under this Agreement, Independent Contractor will cover them with workers' compensation insurance and provide TDEC with a certificate of workers' compensation insurance before the employees begin the work.

10. **Unemployment Compensation.** TDEC shall make no state or federal unemployment compensation payments on behalf of Independent Contractor or Independent Contractor's employees or contract personnel. Independent Contractor will not be entitled to these benefits in connection with work performed under this Agreement.

11. **Insurance.** TDEC shall not provide any insurance coverage of any kind for Independent Contractor or Independent Contractor's employees or contract personnel. Independent Contractor agrees to maintain an insurance policy of at least \$_____ to cover any negligent acts committed by Independent Contractor or Independent Contractor's employees or agents while performing services under this Agreement.

Independent Contractor shall indemnify and hold TDEC harmless from any loss or liability arising from performing services under this Agreement.

12. **Terminating the Agreement.** Either party may terminate this Agreement any time by giving thirty (30) days written notice to the other party of the intent to terminate.
13. **Exclusive Agreement.** This is the entire Agreement between Independent Contractor and TDEC.
14. **Severability.** If any part of this Agreement is held unenforceable, the rest of the Agreement will continue in effect.
15. **Applicable Law.** This Agreement will be governed by the laws of the state of Maryland.
16. **Notices.** All notices and other communications in connection with this Agreement shall be in writing and shall be considered given as follows:
 - (A). when delivered personally to the recipient's address as stated on this Agreement
 - (B). three (3) days after being deposited in the United States mail, with postage prepaid to the recipient's address as stated on this Agreement, or
 - (C). when sent by fax or telex to the last fax or telex number of the recipient known to the person giving notice. Notice is effective upon receipt provided that a duplicate copy of the notice is promptly given by first class mail, or the recipient delivers a written confirmation of receipt.
17. **No Partnership.** This Agreement does not create a partnership relationship. Independent Contractor does not have authority to enter into contracts on TDEC's behalf.
18. **Assignment.** This Agreement may not be assigned without prior written approval of both parties.

THE DATA ENTRY COMPANY OF MARYLAND

BY: _____

Name: _____ Title: _____

INDEPENDENT CONTRACTOR:

BY: _____

Name: _____ Title: _____

Address: _____

Taxpayer ID Number: _____

Date: _____