

THE PHILADELPHIA NANNY NETWORK, INC.

www.nannyagency.com ♦ E-MAIL: wsachs@nannyagency.com
10 East Athens Ave, Suite 214, Ardmore, Pennsylvania 19003 Tel: (610) 645-6550 Fax: (610) 645-6540

REFERRAL AGREEMENT
Long Term, Full Time as of 1/1/2008

I, \_\_\_\_\_ (the "Client") and The Philadelphia Nanny Network, Inc. ("TPNN"), hereby enter into the following agreement:
1. REFERRAL FEE. The Client shall pay to TPNN a fee in the amount of 14% for live-out and 16% for live-in of the nanny's gross annual salary including any bonus offered to the nanny for referral of a full time nanny (the "Nanny") with the Client. The minimum fee is \$3600. The fee, subject to 6% sales tax for PA residents, shall be paid as follows:

- (a) Upon execution of this Agreement, the Client shall pay TPNN a non-refundable Application Fee of \$150 (\$125 for returning clients) and
(b) The balance of the fee shall be due: (i) within 10 days after the Nanny is hired (the "Hiring Date"), or (ii) Upon the commencement of the Nanny's employment (the "Commencement Date"), whichever date is sooner.

2. GUARANTEE. TPNN provides a one year (365 day) guarantee period ("the "Guarantee Period") beginning on the Commencement Date. If the Nanny resigns or is terminated for any reason within the first thirty (30) days of the Guarantee Period, TPNN shall, at the Client's option, (i) replace the Nanny or (ii) refund the Client 70% of the total fee. The client must deliver written notification to TPNN of the termination and Client's choice of (i) or (ii). If the second referral is not successful within the first month, TPNN reserves the right to decline replacing the Nanny. If the Nanny resigns or is terminated for any reason during the 31st to 365th day of the Guarantee Period, TPNN shall replace the Nanny. TPNN's obligations under this paragraph 2 shall be null and void if: (i) payment is not made in accordance with paragraph 1 of this Agreement; (ii) the Client alters the Nanny's job description from that which the Client expressed in its family application for a Nanny, and such alteration causes the Nanny to resign; (iii) the Client chooses to replace the Nanny and the second Nanny resigns or is terminated; (iv) the Nanny resigns due to illegal activity, substance abuse or acts of moral turpitude within the Client's household.

3. REPLACEMENT POLICY. TPNN will work in good faith to make a second referral but will not be required to provide services of any kind between termination and replacement dates. The Client may choose to hire a temporary nanny at the current temporary fees. If the replacement Nanny stays in the employ of the Client beyond the original year (Commencement Date to 365th day), the Client will be required to pay TPNN for the services provided by the Nanny beyond the completion of the initial year up to one full additional year. The additional fee will be a prorated fee based on the rate of \$325 per month with each week rounded forward to complete a month.

4. INTRODUCTION. If within two years from the date of this Agreement the Client hires any Nanny introduced to the Client by TPNN, the Client shall be obligated to pay TPNN current percentage rate fee of the nanny's gross annual salary including any bonus offered to the nanny pursuant to paragraph 1 of this Agreement. In the event that Client refers any Nanny introduced to Client by TPNN to a third party who hires the services of the Nanny within two years of introduction, the Client shall be obligated to pay TPNN current percentage rate fee of the nanny's gross annual salary including any bonus offered to the nanny pursuant to paragraph 1 of this Agreement.

5. REFERRAL SERVICE. The Client understands that TPNN is strictly a referral service and that the Client is solely responsible for the selection of the Nanny. The Client further understands that it is the Client's responsibility to confirm and verify all references and information supplied by TPNN and that the Client, and not TPNN, is the employer of the Nanny. The Client acknowledges that the Nanny is not an employee of TPNN and that in no event shall TPNN be liable or otherwise responsible for any action or performance of the Nanny, including without limitation, the Nanny's negligence, malfeasance, nonfeasance or willful misconduct.

6. INDEMNITY. The Client on behalf of itself and all successors and assigns agrees to release and discharge TPNN, its officers, directors, employees and agents harmless from any and all liabilities, claims, action and causes of action whatsoever arising out of or in any way connected with the referral or subsequent action or performance of the Nanny. Additionally, in the event TPNN is named as a defendant in a lawsuit involving the Nanny, the Client or any other person, arising out of the Nanny's or the Client's negligence, malfeasance, nonfeasance or willful misconduct, or involving the Client's payment of TPNN's fee, the Client agrees to indemnify TPNN and pay all of TPNN's costs and attorneys' fees.

7. CANCELLATION REFUND/FEE. If between the Hiring Date and the Commencement Date the Client desires to cancel the employment of the Nanny, the Client shall be refunded 80% of paid fee, if fee is paid in full; or charged 20% of owed fee, cancellation fee, if referral fee is unpaid.

8. LATE PAYMENT FEE. If payment is not received by TPNN in accordance with paragraph 1 of this Agreement, Client shall be liable for an additional \$25.00 for each week any payment remains outstanding. In the event the Client defaults in its payment of any of the fees set forth in paragraph 1, 4, 7 or this paragraph, the Client agrees to pay all costs incurred by TPNN in connection with its collection of such fees, including reasonable attorneys' fees. In the event the Client or Clients are husband and wife each Client shall be jointly and severally and in their entireties obligated to pay TPNN the agreed upon fees.

9. CONSTRUCTION. This Agreement shall be governed by and constructed in accordance with the laws of the State of Pennsylvania without regard to principles of conflicts of law. Notwithstanding the foregoing Client expressly agrees that any action relating to the contract and/or non-payment of fees may be brought in the Court of Common Pleas of Montgomery County, Pennsylvania and/or Magisterial District 38-1-07 and Client hereby irrevocably consents to the personal jurisdiction of said courts.

10. SUPERSEDING EFFECT. This contract supersedes all prior oral or written agreements, if any, between the parties and constitutes the entire agreement between the Client and TPNN with respect to their obligations under this contract.

11. MODIFICATION OF CONTRACT. This contract contains all the agreements and conditions under which the contract is to be performed and no course of dealing or usage of the trade shall be applicable unless expressly incorporated in this Contract. The terms and conditions contained in this Contract may not be added to, modified, superseded or otherwise altered except by written modification signed by authorized representative of TPNN.

12. CLAUSE HEADINGS. The headings and subheadings of clauses herein are used for convenience and ease of reference and shall not limit the scope or intent of the clause.

THE PHILADELPHIA NANNY NETWORK, INC.

CLIENT
By Father \_\_\_\_\_

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

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