

INDEPENDENT CONTRACTOR EMPLOYMENT AGREEMENT

This Agreement is entered into by and between Michigan Coalition for Responsible Gun Owners (hereinafter “Principal”) by and through its Board of Directors, and Charles R. Perricone (hereinafter “Contractor”) of New Era Consulting, LLC.

WHEREAS, Principal is an advocacy organization with IRS 501(c)(4) tax exempt status; and

WHEREAS, Contractor is an individual with substantial legislative, fundraising, and leadership experience and owner of New Era Consulting, LLC; and

WHEREAS, the parties desire to enter into this Agreement whereby Principal will engage Contractor to serve as Executive Director of Principal.

NOW, THEREFORE, in consideration of the mutual promises set forth herein, it is agreed by and between the parties as follow:

1. Position and Duties. Principal hereby contracts with Contractor to serve in the position of Executive Director of Principal. The Executive Director shall perform the following duties and responsibilities in this capacity:

- a. Support, inform, and advise the Board of Directors;
- b. Fundraise;
- c. Grow and retain membership;
- d. Review and monitor budget development and compliance;
- e. Develop and recommend policy;
- f. Advocate legislative priorities;
- g. Assume responsibility for operators;

- h. Develop legislative strategy and tactics; and
- i. Supervise staff.
- j. Develop and coordinate MCRGO's message and its delivery to membership and the public.

The Executive Director may perform other duties and responsibilities as agreed to by the parties.

2. Terms of Contracting. The contracting term shall begin on November 24, 2002, and shall terminate three (3) calendar years from this date. This Agreement will automatically renew for successive terms of as least one (1) year unless Principal or Contractor give notice at least thirty (30) days before the end of the contracting term. If notice is given thirty (30) days prior to the end of the contracting term, the Agreement may terminate at the request of either party or the parties may renegotiate the terms and conditions of this Agreement.

3. Termination. Contractor reserves the right to terminate this Agreement by sixty (60) days notice to the Principal. Principal shall have the right to terminate this Agreement for just and reasonable cause. Such "just and reasonable" cause may include, but is not limited to:

- a. Failure to resolve performance issues, established by the Principal as "improvement required", consistent with this contract, after reasonable opportunity for correction. Such issues may themselves include, but are not limited to: Excessive absenteeism and/or poor punctuality at required meetings; Failure to follow lawful directives of the Principal; Failure to follow established policies and procedures; and other like requirements.

b. Failure to resolve conflict of interest as determined by the Principal, after reasonable opportunity for correction.

c. Conviction of any felony or misdemeanor if it adversely affects the operations of the Principal, as determined by the Principal.

d. Gross misconduct, including but not limited to theft, assault, sabotage, falsification of documents, divulgence of confidential information, or other like misconduct.

4. Noncompetition and Confidentiality. During the term of this Agreement, Contractor shall not perform consulting or other services for any person or organization that directly competes with Principal without the prior written consent of Principal's Board of Director's. During or after the term of this Agreement, Contractor shall not use or disclose to any person or organization, without the prior written consent of Principal's Board of Directors, and confidential information, including membership lists or any of its proprietary rights, relating to Principal that Contractor may acquire during the performance of Contractor's services. Contractor agrees to respect Principal's confidential and proprietary information. This means Contractor will not take, copy, retain, or otherwise disclose any confidential or proprietary information either directly or indirectly, to any person, firm or organization. Further, Contractor will not take, copy or in any way retain this information for Contractor's own competitive advantage over Principal.

In turn, Principal agrees to preserve and enforce the confidentiality of specific terms and conditions of the Agreement excluding the information disclosed on IRS tax filings and/or general accounting statements. Principal also agrees to maintain full

confidentiality of any and all personnel information including performance reviews and other information pertaining to employment.

Principal understands and agrees this Agreement is not to interfere with the Contractor accepting or serving other clients so long as the representation of other clients and/or the rendition of legislative, political and management consulting services to other clients does not create a real or potential conflict of interest. Conflict of interest shall be defined as providing consulting services for any person or organization that directly competes with Principal. Contractor shall use care and vigilance to scrupulously avoid all conflicts of interest. In circumstances where a real potential for a conflict of interest exists, Contractor shall advise Principal in a general way that there is such potential and, without divulging confidential or proprietary information as regards the potential conflict, seek Principal's authority to proceed with the new contract or client. Contractor shall not proceed, in such circumstances, without Principal's authorization first received. For a denial of such consent or authorization to be effective, $\frac{3}{4}$ of the full Board of Directors, elected and serving, must vote in favor of such denial. In no circumstances shall Board of Directors unreasonably withhold or capriciously withhold authority from the Contractor to represent a new client or new interests.

5. Compensation. Principal shall pay to Contractor the following:
 - a. A retainer of \$5,000 per month payable to New Era Consulting, LLC.
 - b. \$500 per month for expenses such as mileage, cellular service, home office expenses, and the like;

- c. 20% of the gross revenues received per month from the new membership secured through Contractor's efforts;
- d. 10% of the gross revenues received per month from renewals of memberships that has previously been secured through Contractor's efforts;
- e. 15% of the gross revenues per month secured as a result of advertising and fundraising efforts arranged and facilitated by Contractor; and
- f. 15% of the net revenues per month secured as a result of fundraising events conceived and arranged by Contractor.

Additionally, Principal shall provide a credit card to Contractor billed and mailed to Principal for pre-approved activities and expenses related to legislative advocacy and subject to Board review. Principal shall reimburse Contractor for any pre-approved out-of-pocket advocacy-related expenses relating to Contractor's duties and responsibilities as Executive Director pursuant to budget constraints. Subject to pre-approval, Principal agrees to reimburse Contractor for costs and expenses associated with attending pre-approved conferences, special events, and the like. Contractor agrees to prorate the reimbursement claim if he was acting on behalf of more than one client. Nothing in this Agreement shall be construed to prohibit the parties from agreeing to additional benefits and/or compensation during the term(s) of this Agreement.

6. Hours of Work. Contractor agrees to work a minimum of 24 hours per week during the term(s) of this Agreement.

7. Dispute Resolution. Should any dispute arise between the parties as to the violation, interpretation, compensation, or application of any portion of this Agreement, it shall be decided through arbitration in accordance with the arbitration rules

of the American Arbitration Association. The decision of the arbitrator shall be final and binding upon the parties and any judgment thereon may be entered in a court of competent jurisdiction.

8. Severability. This Agreement is to be constructed pursuant to the laws of the State of Michigan. Any provision of this Agreement which is found to be illegal, contrary to public policy, or otherwise void or unenforceable shall not affect the validity or enforceability of the remaining provisions.

9. Entire Agreement. This writing states the entire agreement between the parties as to the terms and conditions covered herein. Any amendments to this Agreement must be in writing and signed by the parties. The benefits and/or compensation of Contractor may be increased as agreed to by the parties in writing without such written amendment to this Agreement. This Agreement shall remain in full force and effect throughout its term(s) and shall apply to any successor Board of Directors of Principal.

To indicate their acceptance of this Agreement, the parties have set forth their signatures on the date indicated below:

Dated: January 5, 2003

Charles R. Perricone

Dated: January 3, 2003

MICHIGAN COALITION FOR
RESPONSIBLE GUN OWNERS

David K. Felbeck

By its President and Chairman