

AGENCY CONTRACT

This contract is formed to acquire real property Tax Liens or Tax Lien Certificates, hereafter referred to as TLCs. The undersigned, TAX LIEN AGENTS, Inc., (TLA) an Individually Contracted Purchasing Agent, is hereafter referred to as 'Agent' and the other undersigned, hereafter referred to as 'Principal', are the sole two parties to this two-party employment contract. Both parties agree to the following terms and conditions:

1. Agent will make all purchasing decisions, subject to such criteria as may be specified by Principal. Principal will make all selling decisions. Agent shall pay all expenses of going to TLCs auction sites, searching tax records, evaluating the properties, bidding (it is understood by Principal that, unless Principal instructs Agent otherwise, Agent will bid primarily on tax liens that, in Agent's exclusive opinion, have a reasonable prospect of not being redeemed) and purchasing TLC(s) only in Principal's name or, in event of a Trust, Principal's Trust's name. Principal agrees to pay Agent a NON-REFUNDABLE AGENCY FEE and grants an inchoate interest of 50% ownership in any unredeemed TLC(s) to Agent for its valuable service.
2. Principal will give Agent FDIC Insured Bank Cashier's Checks made payable to "COUNTY TREASURER FOR TAX LIENS" or, if Principal is using a fiduciary Trust, will give Principal's Trust a Trust Investment Direction Authorization for the maximum amount that Principal wishes Agent to buy in TLC(s). Each TLC bought will be listed in Principal's name or Trust's name by the issuing governmental entity, hereinafter referred to as "County", with Principal's address or Trust address as the official notification address. Principal and/or Trust agree that Agent will be notified when anything happens concerning the TLC. After each auction, Principal and/or Trust should get a receipt or a certificate from the County which shows the exact cost of the TLC(s). All monies paid to County in excess of the exact cost of the TLC(s) should be refunded directly back to the Principal or Trust by the County according to that government's policies.
3. If any original TLC is redeemed before its maturity date, Agent agrees that Principal shall keep all redemption monies, including interest and penalties, and Agent shall not be entitled to any of such amounts. If Principal provides the necessary funds to reinvest such proceeds, using the procedures set forth in paragraph 2 above, Agent (without charging any additional agency fee) shall use its best efforts to purchase replacement TLC(s) at the next tax lien auction that Agent attends. Agent further agrees, if Principal so elects, to continue to reinvest redemption monies, at no additional charge, until (a) Principal receives a matured tax lien/certificate or tax deed OR (b) thirty six (36) months have passed from the original date of first TLC purchase.
4. Agent SHALL HAVE THE RIGHT OF FIRST REFUSAL should Principal and/or Trust decides to sell or transfer ownership of the TLC(s) or resultant property purchased under this contract. If Principal/Trust sells or otherwise transfers its ownership of a TLC to any other party, the transferee or purchasing party is required to become the new Principal party and must agree in writing to the same terms and conditions as this contract. If Principal/Trust violates the aforesaid conditions, Principal/Trust must immediately buy out Agent's interest by paying to Agent 50% of the then appraised value of the real property that secures each pertinent TLC. If Principal uses a Trust to acquire and hold the TLC, it is also agreed that once Agent is notified of any sale proceeds, if Agent does not file a written demand with the Trustee of such Trust for the amounts due to Agent in accordance with this contract (with the exception of a transfer condition, for which no claim against Trustee can be made at any time) within 90 days after payment is received by Trustee, no future demands or claims for such amounts may be made against Trustee, and any such demand or claim must be made by Agent directly to the Principal and Grantor of the Trust.
5. If not in a fiduciary Trust, once a TLC's period of redemption has expired, Principal agrees, upon Agent's request, to immediately sign such papers as are legally required to assign, convey, register and confirm that Agent has an earned 50% interest in the net profit of the TLC and in any resultant Tax Deed, Warranty Deed, Property Deed, Treasurer's Deed or such other documents and instruments regarding title to the related real property that may be issued by the County. Unless Principal and Agent otherwise agree,

once the Government issues a tax deed or title to Principal, Principal shall promptly thereafter commence good faith efforts to quiet the title and sell such property. Agent, upon Principal's request, will contact and negotiate terms with a third party attorney who Principal can then retain to prepare documents necessary to arrange for good and marketable (quiet) title to the property represented by the TLC(s). If and to the extent that Principal so requests, Agent shall conduct or supervise the listing, negotiation and sale of the property, and shall retain real estate brokers, agents, and such other professionals as Agent deems advisable. At closing, the proceeds of the sale will be applied (1) to repay Principal its purchase price, including direct out-of-pocket costs, paid for the TLC, and (2) to reimburse Agent for any actual direct out-of-pocket costs paid by Agent on Principal's behalf in connection with the marketing and sale of the property. Thereafter, any remaining net proceeds will be divided equally between Principal and Agent by the escrow fiduciary per standard closing procedures. If a TLC is held by a fiduciary Trust and such Trust cannot legally hold a deed in that state, then the TLC itself will be marketed and sold by Principal (or at Principal's request, by Agent) as if the TLC is the marketable deed, and the gross proceeds of the sale, as determined by the closing fiduciary as final authority, will be transferred back to Trust to replace the TLC; upon receipt of the gross proceeds, the Trust will pay Agent its invoice for actual out-of-pocket costs paid by Agent on Principal's behalf and then Agent's invoice for 50% of the net gain on sale of the TLC.

6. Once a TLC's period of redemption has expired, if either party elects to buy the other party's 50% interest, each party will select one certified real estate appraiser, who in turn will jointly select a third certified appraiser. The resulting sale price to be paid, either by Principal or by Agent for the other party's 50% interest, will be 50% of the average of all three appraisals.

7. Except for the purchase by Agent of the TLC itself and the incidental costs of sale per paragraph 5, no party may obligate the other party to any liabilities without the written consent of the other party.

8. Principal understands, while there are no risks in owning government sold and issued TLC(s) that are redeemed (paid off), there are potential down side financial risks if a TLC matures into a property deed as the underlying property market value could substantially drop during the tax lien maturity period.

9. This contract is the full and complete agreement between the parties. This contract shall be governed by and construed in accordance with the laws of the State of South Carolina. Time is of the essence. **NOTICE: COUNTY TAX LIENS ARE SOLD AND REGULATED BY LAWS OF THE STATE THEY ARE LOCATED IN AND THIS AGREEMENT IS VOID ONLY WHERE IT CONFLICTS WITH THOSE LAWS.**

(If Principal is a legal resident of California, use California agency contract)

AGREED this ___ day of _____, 200__

AGREED this ___ day of _____, 200__

AGENT
TAX LIEN AGENTS, INC.
by

PRINCIPAL

Print Name _____
Title _____
4502 Hwy. 17 Bypass So., Myrtle Beach, SC 29588
Phone 843-293-6307
Fax 843-293-6340

Print Name _____
Signature _____
Address _____
City _____ State _____ Zip _____
Day Phone _____
Night Phone _____
Fax Number _____
SS# or Fed. ID# _____

Principal's Witness' Signature _____ Date _____
Principal's Witness' Address and Phone _____
Agent's Witness' Signature _____ Date _____

FOR AGENT'S USE ONLY **W9 or W 8**

Amount of TLC(s) to purchase: \$ _____ Fee paid: \$ _____ Referred by: _____
Who was referred by: _____