

MANAGEMENT AGREEMENT

This Management Agreement (this "Agreement") is made as of [EFFECTIVE DATE], between [COMPANY NAME] ("Company") and [MANAGER NAME] ("Manager").

RECITALS

A. Company owns and operates [DESCRIPTION OF COMPANY'S BUSINESS] and wants management and administrative services for that business.

B. Manager provides management and administrative services and is willing to provide them to Company for the management fee and on the other terms of this Agreement.

NOW, THEREFORE, in consideration of the recitals, the mutual covenants in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, Company and Manager agree as follows:

1. Engagement. Company engages Manager, and Manager accepts the engagement, to provide the Services described in Section 2 during the Term. The engagement is not exclusive, and Manager may provide the same or similar services to other clients.

2. Services. Manager shall provide the following management and administrative services (the "Services"):

- (a) day-to-day management and supervision of Company's business operations;
- (b) bookkeeping, accounts payable and accounts receivable, payroll administration, and periodic financial reporting;
- (c) purchasing, vendor selection, and administration of Company's contracts;
- (d) marketing, advertising, and business development;
- (e) recruiting, training, scheduling, and human resources administration for Company's personnel;
- (f) maintenance of Company's books and records and coordination with Company's accountants and attorneys;
- (g) obtaining and maintaining the insurance Company's business requires.

3. Authority and Limits. Manager may act for Company in the ordinary course of Company's business to the extent necessary to provide the Services, including signing ordinary-course contracts, purchase orders, and invoices in Company's name. Manager shall not, without Company's prior written approval, sell, lease, or encumber any of Company's assets outside the ordinary course of business, borrow money in Company's

name, guarantee the obligations of another person, settle a claim against Company for more than \$[SETTLEMENT APPROVAL THRESHOLD], commit Company to a contract with a term longer than [CONTRACT TERM MONTHS] months or a value greater than \$[CONTRACT APPROVAL THRESHOLD], or hire or terminate an officer of Company.

4. Management Fee. Company shall pay Manager a management fee for the Services as follows:

[OPTION - FLAT FEE: \$[MONTHLY FEE AMOUNT] per month.]

[OPTION - PERCENTAGE FEE: [FEE PERCENTAGE] percent of Company's gross revenue for the preceding calendar month.]

[OPTION - BASE PLUS PERCENTAGE: \$[BASE FEE AMOUNT] per month, plus [FEE PERCENTAGE] percent of Company's gross revenue for the preceding calendar month above \$[REVENUE THRESHOLD].]

The management fee is earned monthly and is payable in arrears on the [PAYMENT DAY] day of the following month, without invoice or demand. A partial month is prorated on a daily basis.

5. Expense Reimbursement. Company shall reimburse Manager for out-of-pocket expenses Manager reasonably incurs in providing the Services, within [REIMBURSEMENT DAYS] days after Manager delivers an itemized statement with supporting documentation. A single expense greater than \$[EXPENSE APPROVAL THRESHOLD] requires Company's prior written approval. Manager's own overhead, including compensation of Manager's personnel and Manager's office costs, is included in the management fee and is not separately reimbursable.

6. Deferral of Unpaid Fees. If Company does not pay all or part of a management fee, an expense reimbursement, or a termination fee when it is due, the unpaid amount is deferred and is not waived, forgiven, or reduced (the "Deferred Fees"). Deferred Fees remain an obligation of Company and bear interest at [DEFERRAL INTEREST RATE] percent per annum from the date the amount was due until it is paid, computed on the basis of a 365-day year and the actual number of days elapsed. Manager's acceptance of a late or partial payment, and any period in which Manager does not demand payment, do not waive any Deferred Fee or any interest on it.

Deferred Fees and accrued interest on them are payable on Manager's written demand.

Company and Manager shall confirm the outstanding balance of Deferred Fees and accrued interest in a written statement signed by both parties at least once in each calendar year. Interest under this Agreement will never exceed the highest rate Florida

law allows, and any amount collected as interest that exceeds the lawful maximum will be applied to reduce the Deferred Fees or, if they have been paid in full, refunded to Company.

7. Security.

[OPTION - SECURED: Company's obligations under this Agreement, including the management fees, the Deferred Fees and accrued interest on them, the expense reimbursements, and any termination fee, are secured by a Security Agreement of even date between Company, as debtor, and Manager, as secured party, covering the collateral described in it.]

[OPTION - UNSECURED: Company's obligations under this Agreement are unsecured.]

8. Term. The initial term begins on the date of this Agreement and ends on [INITIAL TERM END DATE]. The term then renews automatically for successive terms of [RENEWAL TERM MONTHS] months unless either party gives the other written notice of non-renewal at least [NON-RENEWAL NOTICE DAYS] days before the end of the term then running. The initial term and every renewal term are the "Term".

9. Termination. Before the end of the Term:

- (a) either party may terminate this Agreement for any reason on [TERMINATION NOTICE DAYS] days' prior written notice to the other;
- (b) either party may terminate this Agreement immediately on written notice if the other party materially breaches it and does not cure the breach within thirty days after written notice of the breach; and
- (c) either party may terminate this Agreement immediately on written notice if the other party files or has filed against it a petition under any bankruptcy or insolvency law, makes an assignment for the benefit of creditors, or has a receiver, trustee, or custodian appointed for it or for a substantial part of its assets.

[OPTIONAL - TERMINATION FEE, delete if the parties do not want one: If Company terminates this Agreement under Section 9(a) before the end of the initial term, Company shall pay Manager a termination fee equal to [TERMINATION FEE MONTHS] times the average monthly management fee for the [AVERAGING MONTHS] months before the termination date, due within [TERMINATION FEE DAYS] days after the termination date.]

10. Effect of Termination. Termination does not affect any management fee, Deferred Fee, accrued interest, expense reimbursement, or termination fee accrued or owing as of the termination date, and all of those amounts remain payable on the terms of this

Agreement. Within [WIND DOWN DAYS] days after termination, Manager shall deliver to Company all books, records, funds, and other property of Company in Manager's possession or control. Sections 6, 7, 10, 11, 14, 15, 18, and 19 survive termination.

11. Default; Remedies. Each of the following is an "Event of Default" under this Agreement:

- (a) Company fails to pay any amount due under this Agreement, other than an amount deferred under Section 6, within [GRACE PERIOD DAYS] days after it is due;
- (b) Company fails to pay Deferred Fees and accrued interest on them within [GRACE PERIOD DAYS] days after they become payable under Section 6;
- (c) Company breaches any other provision of this Agreement and does not cure the breach within thirty days after written notice from Manager; or
- (d) Company files or has filed against it a petition under any bankruptcy or insolvency law, makes an assignment for the benefit of creditors, admits in writing an inability to pay debts as they come due, or has a receiver, trustee, or custodian appointed for it or for a substantial part of its assets.

On the occurrence and during the continuance of an Event of Default, Manager may suspend the Services, terminate this Agreement immediately on written notice, declare all Deferred Fees and accrued interest on them immediately due and payable, and exercise every right and remedy available under any security agreement securing this Agreement and under applicable law. Company shall pay all costs of collecting amounts owed under this Agreement, including reasonable attorneys' fees and costs at all trial and appellate levels and in bankruptcy proceedings.

12. Independent Contractor. Manager is an independent contractor. This Agreement does not create an employment, partnership, joint venture, or agency relationship, except for the limited authority Section 3 gives Manager. Manager controls the means and methods of performing the Services. Manager is responsible for its own personnel, for compensating them, and for its own taxes, insurance, and benefits, and Company will not withhold or pay any employment tax on Manager's account.

13. Books, Records, and Reporting. Manager shall keep complete and accurate books and records of the Services, the management fees, the Deferred Fees and accrued interest on them, and the expense reimbursements. Manager shall deliver to Company, within [REPORTING DAYS] days after the end of each month, a statement showing the management fee for that month, the amounts paid, the outstanding Deferred Fees and accrued interest, and the expense reimbursements requested or paid. Company may inspect and copy the books and records relating to this Agreement at any reasonable time

on reasonable notice. Company's own business books and records remain Company's property.

14. Standard of Care; Indemnification. Manager shall provide the Services in good faith and with the care an ordinarily prudent person in a like position would use under similar circumstances. Company shall indemnify Manager against claims, losses, and expenses arising from the Services, except those arising from Manager's gross negligence, willful misconduct, or breach of this Agreement.

15. Confidentiality. Each party shall keep confidential the non-public business information of the other party that it learns under this Agreement, shall use that information only to perform this Agreement, and shall not disclose it except to its own personnel and advisers who need it or as law requires. This Section continues for [CONFIDENTIALITY YEARS] years after termination.

16. Assignment. Neither party may assign this Agreement or delegate its duties under it without the other party's prior written consent, except that Manager may assign its right to receive payment of the management fees, the Deferred Fees, and accrued interest on them without consent. This Agreement binds and benefits the parties and their permitted successors and assigns.

17. Notices. Notices under this Agreement must be in writing and are effective when delivered by hand, by a nationally recognized overnight carrier, by certified mail with return receipt requested, or by email with confirmation of receipt, addressed to the party at the address on the signature page or another address designated in writing.

18. Governing Law; Venue. This Agreement is governed by Florida law. Venue for any action arising from this Agreement lies exclusively in the state courts in [COUNTY] County, Florida.

19. Miscellaneous. This Agreement, together with any security agreement securing it, is the entire agreement of the parties about the Services and the management fee, and it replaces every earlier understanding about that subject. This Agreement may be amended only by a written instrument signed by both parties. No delay in exercising a right waives it, and no waiver of one breach waives any other or later breach. If any provision of this Agreement is unenforceable, the remaining provisions stay in effect. In any action arising from this Agreement, the prevailing party is entitled to recover its reasonable attorneys' fees and costs at all trial and appellate levels. The parties negotiated this Agreement jointly, and it is not to be construed against either party as drafter. Headings are for convenience only. This Agreement may be signed in counterparts, each of which is an original, and electronic signatures are valid and binding.

COMPANY

[COMPANY NAME]

Address for notices: [COMPANY NOTICE ADDRESS]

Date: _____

MANAGER

[MANAGER NAME]

Address for notices: [MANAGER NOTICE ADDRESS]

Date: _____

This sample form is for general information only. It is not legal advice, and using it does not create an attorney-client relationship with Alper Law. | alperlaw.com