

Non-Exclusive Sales Representative Agreement

This Non-Exclusive Sales representative Agreement is between _____, an individual (the "Representative ") and TOTH GROUP, Inc., an Ohio Corporation (the "Company").

The Company is engaged in the marketing and sale of the Company products

The Company wishes to engage the Representative as its independent nonexclusive sales representative of Selected Company Products

The parties therefore agree as follows:

1. ENGAGEMENT; SERVICES.

(a)Engagement.

The Company retains the Representative to provide, and the Representative shall provide, the marketing services to offer select products provided by the company, which may change from time to time at the company's exclusive discretion.

(b) Services.

The Representative shall:

- (i) serve as the Company's nonexclusive sales representative to promote the Products;
- (ii) use its best efforts to introduce, promote the sale of, solicit, and obtain new and additional orders for the Products from existing and potential customers in the Territory;
- (iii) timely deliver the Products to the customers after the company has accepted the purchase orders;
- (iv) accurately represent and state Company policies to all potential and present customers;
- (v) assist in finalizing agreements and purchase orders with each customer;
- (vi) provide assistance to the Company in promotional activities in the Territory;

(vii) devote as much productive time, energy, and ability to the performance of its duties under this agreement as may be necessary to offer and promote the sale of the Products in the Territory in a timely and productive manner;

(viii) provide and maintain, at its own expense, a competent and adequately trained, skilled, and motivated sales organization for the solicitation and offering of Company Products to potential customers;

(ix) provide reasonable "after sale" support to buyers of the Products;

(x) promptly inform the Company of all sales and orders;

(xi) maintain contact with the Company via telephone, e-mail, or other agreed on means of communication with reasonable frequency to discuss sales activity within the Territory;

(xii) provide weekly reports of sales of the Products to the Company;

(xiii) may wish to operate, at its own expense, to build a competent and adequately trained, skilled, and motivated organization for the solicitation and offering of Company's exclusive products to potential customers;

(xiv) perform such other sales-related services with respect to the customers as the Company may reasonably require.

(c) Company's Obligations.

The Company shall:

(i) determine all prices and terms of offering for sale or rebate terms for the Products;

(ii) provide the Representative with copies of its current programs, price lists, delivery schedules, and standard terms and conditions of offering or sale, and update those documents regularly;

(iii) notify the Representative of any changes to its procedures affecting the Representative's obligations under this agreement at least 30 days before implementing those changes;

(iv) provide the Representative, at minimal or no cost, materials relating to the Products for use in selling and marketing the Products;

(v) provide the Representative with current information as to improvements, upgrades, or other changes in the Products; and

(vi) make timely payments of amounts earned under this agreement.

2. TERM AND TERMINATION.

(a) Term.

This agreement will become effective as described in section 1 and continue for an initial term of 1 year(s) (the "Term"). Unless either party gives written notice to the other at least 30 days before the end of the Term, this agreement will renew automatically for an additional 1-year term. This automatic extension will continue to apply at the end of each extended period until the agreement is terminated.

(b) Termination.

This agreement may be terminated:

(i) by either party on provision of 30 days' written notice to the other party, with or without cause;

(ii) by either party for a material breach of any provision of this agreement by the other party, if the other party's material breach is not cured within 30 days of receipt of written notice of the breach;

(iii) by the Company at any time and without prior notice, if the Representative is convicted of any crime or offense, fails or refuses to comply with the written policies or reasonable directives of the Representative, or is guilty of serious misconduct in connection with performance under this agreement; or

(iv) automatically, on the death of the Representative.

(c) Effect of Termination.

After the termination of this agreement for any reason, the Company shall promptly pay the Representative for Services rendered before the effective date of the termination. However, the Company will not pay the Representative if (i) prohibited under applicable government law, regulation, or policy, or (ii) if the Representative is guilty of serious misconduct in connection with performance under this agreement.

3. COMPENSATION.

(a) Commissions.

The Representative shall be entitled to receive a commission on sales of the Products in the Territory to customers, which sales were made substantially

through the efforts of the Representative during the Term. Commissions shall be payable as follows:

(i) Commission amounts set by the company may vary from time to time at the discretion of the Company the Net Amount (as defined below) charged by the Company for orders of the Products placed through the Representative (other than to Existing Customers and their affiliates); and

(b) Timing of Payment.

The Company shall forward the commissions to the Representative within 15 days of the Company's receipt of payment from the customer, and the commission will be based on the amounts actually received.

(c) Offsets and Charge-Backs.

In calculating the commission that is due to the Representative, the Company may offset any credits, cancellations, refunds, allowances, and returns to or by customers of revenues on which the Representative has already been paid commissions under this agreement. However, the offset for any customer may not exceed the sales price of that customer's returned, cancelled, or otherwise credited products.

(d) No Commissions in Certain Circumstances.

No commission shall be payable to the Representative under any of the following circumstances:

(i) if prohibited under applicable government law, regulation, or policy;

(ii) for any sales outside of the Territory, unless otherwise agreed in writing by the Company;

(iii) for any sales to Existing Customers, unless otherwise agreed in writing by the Company; or

(iv) for any sale of Products to a customer occurring after the expiration or termination of the Term unless:

(a) the sale takes place within 30 days after the termination of this agreement; and

(b) the sale is the direct result of the Representative's sales efforts before the termination.

(e) No Other Compensation.

The compensation set out above will be the Representative's sole compensation under this agreement.

(f) Expenses.

Any ordinary and necessary expenses incurred by the Representative or its staff in the performance of this agreement will be the Representative's sole responsibility.

(g) Taxes.

The Representative is solely responsible for the payment of all income, social security, employment-related, or other taxes incurred as a result of the performance of the Services by the Representative under this agreement, and for all obligations, reports, and timely notifications relating to those taxes. The Company has no obligation to pay or withhold any sums for those taxes.

(h) Other Benefits.

The Representative has no claim against the Company under this agreement or otherwise for vacation pay, sick leave, retirement benefits, social security, worker's compensation, health or disability benefits, unemployment insurance benefits, or employee benefits of any kind.

4. NATURE OF RELATIONSHIP.

The relationship of the parties under this agreement is one of independent contractors, and no joint venture, partnership, agency, employer-employee, or similar relationship is created in or by this agreement. Neither party may assume or create obligations on the other party's behalf, and neither party may take any action that creates the appearance of such authority.

5. TERRITORY.

(a) Representative Territory.

During the Term, the Representative shall use its best efforts to sell the Products in the following geographical area (the "Territory"): to be assigned.

(b) Company Rights.

The Company is free to directly solicit, attempt, and complete sales of Products, or any products or services, in the Territory at any time.

(c) Territory Reallocation.

The Company may modify or limit the Territory with 30 days' written notice to the Representative.

6. PRODUCTS.

(a) Product List.

The Company may amend the Products from time to time in its sole discretion with 30 days' advanced written notice to the Representative.

(b) Discontinuance; Modification. In its discretion, the Company may:

- (i) discontinue or limit the manufacture or sale of any Product; or
- (ii) modify the design, specifications, or construction of any Product or part of a Product. The Company shall inform the Representative of any discontinuance or modification by providing 30 days' advanced written notice. When faced with limited stock, the Company may allocate, limit, or terminate the production and sale of Products in its sole discretion. The Company will incur no liability arising out of or related to the exercise of its rights under this section.

7. RECORDS; AUDITS.

(a) Retention of Records.

The Representative shall retain originals or copies of all quotations, orders, invoices, correspondence and other documents relating to Products sold under this agreement for a minimum of 1 year(s) after the termination of this agreement. During the Term and for 1 year(s) after the termination of this agreement,

- (i) all records and accounts containing transaction and marketing data for the Products; and
- (ii) the Representative's inventory tracking and management systems as directed by the company.

(b) Audit Results.

If an audit under this section reveals that the Representative has not complied with this agreement, the Representative shall promptly cease and use its best efforts to remedy that noncompliance and the Company may terminate this agreement under section 2(b).

8. USE OF TRADEMARKS.

The Representative may use, reproduce, and distribute the Company's service marks, trademarks, and trade names (if any) (collectively, the "Company Marks") in connection with the performance of the Services. Any goodwill received from this use will accrue to the Company, which will remain the sole owner of the Company Marks. The Representative may not engage in activities or commit acts, directly or indirectly, that may contest, dispute, or otherwise impair the Company's interest in the Company Marks. The Representative may not cause diminishment of value of the Company Marks through any act or representation. The Representative may not apply for, acquire, or claim any interest in any Company Marks, or others that may be confusingly similar to any of them, through advertising or otherwise. At the expiration or earlier termination of this agreement, the Representative will have no further right to use the Company Marks, unless the Company provides written approval for each such use.

9. WARRANTY.

The Company warrants to the Representative that the Products will be free from material defects in materials and workmanship and will operate substantially in conformance with the Company's documentation for a warranty of one year. All Products will have a one-year unconditional warranty parts and labor. A lifetime limited warranty is the second part of the warranty, and the maximum cost to refurbish like-new Products for a set price of \$89, with a one-year warranty. This warranty period begins the date on which the Products are shipped from the Company or Representative to its customers. This warranty does not apply to Products that have been subject to misuse, including neglect, accident, or modification, or that have been altered during assembly and are not capable of being tested by the Company under its normal test conditions. replace or repair the nonconforming Products. The Company shall bear the cost of freight and insurance for returned Products. The warranty on any replacement Product will be the same as that of the original Products.

10. CONFLICT OF INTEREST.

The Representative warrants to the Company that it does not currently represent or promote any lines or products that compete with the Companies Programs or Products. During the Term, the Representative may not represent, promote, or otherwise try to offer or sell in the Territory any lines or products that, in the Company's judgment, compete with the Products. The Representative shall provide the Company with a list of the companies and the products that it currently represents, and notify the Company in writing of any new companies or products when its promotion of those new companies and products begins.

11. OTHER ACTIVITIES.

During the Term, the Representative may engage in other independent contracting activities, except that the Representative may not accept work, enter into contracts, or accept obligations inconsistent or incompatible with the Representative's obligations or the scope of Services to be rendered for the Company under this agreement.

12. INDEMNIFICATION.

(a) Of Representative by Company.

At all times after the effective date of this agreement, the Company shall indemnify the Representative from all damages, liabilities, expenses, claims, or judgments (including interest, penalties, reasonable attorneys' fees, accounting fees, and expert witness fees) (collectively, the "Claims") that the Representative may incur and that arise from:

- (i) the Company's breach of its obligations or representations under this agreement; or
- (ii) the negligent, intentional, or other acts of the Company or its employees;
- (iii) defects or malfunctions of the Products; or
- (iv) the failure of the Company to provide any Products to a customer that has properly ordered through the Representative.

However, the Company is not obligated to indemnify the Representative if any of these Claims result from the Representative's own actions or inactions.

(b) Of Company by Representative.

At all times after the effective date of this agreement, the Representative shall indemnify the Company and its officers, members, managers, employees, owners, and contractors (collectively, the "Company Indemnitees") from all damages, liabilities, expenses, claims, or judgments (including interest, penalties, reasonable attorneys' fees, accounting fees, and expert witness fees) (collectively, the "Claims") that any Company Indemnitee may incur and that arise from:

- (i) the Representative's negligence or willful misconduct arising from the Representative's carrying out of its obligations under this agreement;
- (ii) the Representative's breach of any of its obligations or representations under this agreement; or

(iii) the Representative's breach of its express representation that it is an independent contractor and in compliance with all applicable laws related to work as an independent contractor. If a regulatory body or court of competent jurisdiction finds that the Representative is not an independent contractor or is not in compliance with applicable laws related to work as an independent contractor, based on the Representative's own actions, the Representative will assume full responsibility and liability for all taxes, assessments, and penalties imposed against the Representative or the Company resulting from that contrary interpretation, including taxes, assessments, and penalties that would have been deducted from the Representative's earnings if the Representative had been on the Company's payroll and employed as a Company employee.

13. FORCE MAJEURE.

A party will not be considered in breach or in default because of, and will not be liable to the other party for, any delay or failure to perform its obligations under this agreement by reason of fire, earthquake, flood, explosion, strike, riot, war, terrorism, or similar event beyond that party's reasonable control (each a "Force Majeure Event"). However, if a Force Majeure Event occurs, the affected party shall, as soon as practicable:

- (a) notify the other party of the Force Majeure Event and its impact on performance under this agreement; and
- (b) use reasonable efforts to resolve any issues resulting from the Force Majeure Event and perform its obligations under this agreement.

14. GOVERNING LAW; ATTORNEYS' FEES.

- (a) Choice of Law.

The laws of the state of Ohio govern this agreement (without giving effect to its conflicts of law principles).

- (b) Choice of Forum.

Both parties consent to the personal jurisdiction of the state and federal courts in Summit County

15. AMENDMENTS.

No amendment to this agreement will be effective unless it is in writing and signed by a party or its authorized representative.

16. ASSIGNMENT AND DELEGATION.**(a) No Assignment.**

Neither party may assign any of its rights under this agreement, except with the prior written consent of the other party. All voluntary assignments of rights are limited by this subsection.

(b) No Delegation.

Neither party may delegate any performance under this agreement, except with the prior written consent of the other party.

(c) Enforceability of an Assignment or Delegation.

If a purported assignment or purported delegation is made in violation of this section, it is void.

17. SEVERABILITY.

If any provision contained in this agreement is, for any reason, held to be invalid, illegal, or unenforceable in any respect, that invalidity, illegality, or unenforceability will not affect any other provisions of this agreement, but this agreement will be construed as if the invalid, illegal, or unenforceable provisions had never been contained in it, unless the deletion of those provisions would result in such a material change so as to cause completion of the transactions contemplated by this agreement to be unreasonable.

18. NOTICES.**(a) Writing; Permitted Delivery Methods.**

Each party giving or making any notice, request, demand, or other communication required or permitted by this agreement shall give that notice in writing and use one of the following types of delivery, each of which is a writing for purposes of this agreement: personal delivery, mail (registered or certified mail, postage prepaid, return-receipt requested), nationally recognized overnight courier (fees prepaid), facsimile, or email.

(b) Addresses.

A party shall address notices under this section to a party at the following addresses:

If to the Company:

Julius Toth, President; 154 Norton Ave., Barberton, Ohio 44203

jtoth@tothgroup.com

If to the Representative: _____

19. WAIVER.

No waiver of a breach, failure of any condition, or any right or remedy contained in or granted by the provisions of this agreement will be effective unless it is in writing and signed by the party waiving the breach, failure, right, or remedy. No waiver of any breach, failure, right, or remedy will be deemed a waiver of any other breach, failure, right, or remedy, whether or not similar, and no waiver will constitute a continuing waiver, unless the writing so specifies.

20. ENTIRE AGREEMENT.

This agreement constitutes the final agreement of the parties. It is the complete and exclusive expression of the parties' agreement with respect to its subject matter. All prior and contemporaneous communications, negotiations, and agreements between the parties relating to the subject matter of this agreement are expressly merged into and superseded by this agreement. The provisions of this agreement may not be explained, supplemented, or qualified by evidence of trade usage or a prior course of dealings. Neither party was induced to enter this agreement by, and neither party is relying on, any statement, representation, warranty, or agreement of the other party except those set forth expressly in this agreement. Except as set forth expressly in this agreement, there are no conditions precedent to this agreement's effectiveness.

21. HEADINGS.

The descriptive headings of the sections and subsections of this agreement are for convenience only, and do not affect this agreement's construction or interpretation.

22. EFFECTIVENESS.

This agreement will become effective when all parties have signed it. The date this agreement is signed by the last party to sign it (as indicated by the date associated with that party's signature) will be deemed the date of this agreement.

23. NECESSARY ACTS; FURTHER ASSURANCES.

Each party shall use all reasonable efforts to take, or cause to be taken, all actions necessary or desirable to consummate and make effective the transactions this agreement contemplates or to evidence or carry out the intent and purposes of this

agreement. [SIGNATURE FOLLOWS] Each party is signing this agreement on the date stated opposite that party's signature.

For Toth Group, Inc.

Date: _____

By: _____

Julius Toth, President
154 Norton Ave.
Barberton, Ohio, 44203
jtoth@tothgroup.com

For Independent Representative.

Date: _____

By: _____

Print Name: _____

Address: _____

City/State/Zip _____

Phone: _____

Email: _____