
SALES AGENCY AGREEMENT

Effective Date:

This Agreement appoints:

(hereinafter called PER-FIL® Agent) as sales agent of:
PER-FIL® INDUSTRIES, INC.
407 Adams Street, PO Box 9
Riverside, NJ 08075

(hereinafter called PER-FIL®) for the entire product line of filling machinery and accessories presently manufactured and/or sold by PER-FIL® during the term of this Agreement.

1. Order Solicitation:
 - 1.1 PER-FIL® hereby authorizes PER-FIL® Agent to solicit orders for PER-FIL® Filling Machinery from any prospect within the assigned territory with the following exceptions:
 - a. PER-FIL® Agent shall have no right to solicit or to receive commissions in connection with orders from any OEM.
 - b. PER-FIL® Agent shall have no right to solicit or to receive commissions in connection with orders from “House Accounts” as specified by PER-FIL® on a list to be updated periodically by PER-FIL®.
 - 1.2 PER-FIL® Agent shall solicit orders only from prospects having business offices within the territory. PER-FIL® Agent shall solicit and take orders only at the prices specified in PER-FIL’s® price list and / or quotations and on the additional terms and conditions of quotation or sale specified otherwise by PER-FIL®.
 - 1.3 PER-FIL® Agent shall make no oral or written representations to any prospect regarding warranties which are at variance with the information set forth in the PER-FIL® Sales Manual, the PER-FIL® order form or other bulletins which PER-FIL® may distribute to PER-FIL® Agent.

2. Sales of PER-FIL® Filling Machinery by PER-FIL®:
 - 2.1. PER-FIL® may approve and accept such orders that it, in the sole discretion, determines to accept. PER-FIL® reserves the right to decline to accept any order solicited or taken by a PER-FIL® Agent and to discontinue sale of any PER-FIL® filling machinery during periods of shortages without incurring any liability to PER-FIL® Agent.
 - 2.2. All sales to customers shall be invoiced by PER-FIL®. Decisions regarding a customer's credit and all matters relating to billings shall be made by PER-FIL®.
 - 2.3. PER-FIL® Agent shall make no oral or written representations to any prospect or customer regarding the terms and conditions of sale which are at variance with the information set forth in the PER-FIL® order acknowledgement.
 - 2.4. PER-FIL® will furnish PER-FIL® Agent with reasonable quantities of sales promotion literature and materials, sales aids, technical data, etc.
 - 2.5. PER-FIL® will promptly respond to requests for information from PER-FIL® Agent, which will assist and enable Agent to solicit PER-FIL® Filling Machine prospects and customers in the territory.
3. Installation and Minor Repairs:

PER-FIL® Agent shall, at no cost to PER-FIL®, provide services for minor adjustments for PER-FIL® Filling Machinery sold to customers in its territory in conformity with PER-FIL's® standards as specified by PER-FIL® and when notified in writing to provide such service. Normal repair service on PER-FIL® Filling Machinery will be provided by PER-FIL®.
4. Commissions
 - 4.1 PER-FIL® shall accrue to PER-FIL® Agent commissions as herein established on all authorized and accepted orders obtained by the PER-FIL® Agent within the territory and on which PER-FIL® Filling Machinery is shipped, installed and accepted by the customer and invoiced to the customer. PER-FIL® shall not be liable to PER-FIL® Agent for commissions on any order that is not shipped, regardless of the reason for failure to ship.
 - 4.2 Commissions shall be finally earned and payable when PER-FIL® Filling Machinery is installed to the satisfaction of the customer and PER-FIL®, and payment in full is received by PER-FIL®, based upon the payment terms for customers in effect at the time of invoicing.
 - 4.3 Commissions shall be computed and payable to PER-FIL® Agent in accordance with the following schedule, which is subject to amendment from time to time by PER-FIL® and such amendment will be effective upon written notice to PER-FIL® Agent. Such commission schedule is also subject to the exception provided in paragraph 4.4 below:

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- a. Complete PER-FIL® Filling Machinery (excluding Micro-Filler and Micro-Recharger product line):
___% on customer's purchase price up to \$30,000.00 USD
___% on balance over \$30,000.00 USD
(excludes integration, crating, shipping or installation/service charges)
 - b. ___% on purchased equipment which may be integrated with the PER-FIL® Filling Machinery (ie. Cappers, Drum Dumpers, labelers, checkweighers, etc.)
 - c. Complete PER-FIL® Micro-Filler® and Micro-Recharger® Filling Machinery:
___% on customer's purchase price
(excludes integration, crating, shipping or installation/service charges)
- 4.4 Close margin sales are defined as those sales which are made at less than normal gross margins (below standard pricing) to customers and shall be an exception to the commission schedule outlined in paragraph 4.3 above. For all close margin sales, the commission payable to the PER-FIL® Agent shall be negotiated between PER-FIL® and the PER-FIL® Agent.
- 4.5 Commissions on orders accepted by PER-FIL® will be credited to the PER-FIL® Agent's account upon invoicing of the PER-FIL® Filling Machinery to the customer. Payment of commissions credited, less a charge back for commissions which are unearned because payment is not made by the customer, and any commission splits will be made the Friday after payment is received.
5. Conduct of PER-FIL® Agent's business:
- 5.1 PER-FIL® Agent shall maintain an office and staff sufficient to perform its obligations under this Agreement.
 - 5.2 PER-FIL® Agent shall use its best efforts to promote the sale of PER-FIL® Filling Machinery to the full potential of the market.
 - 5.3 PER-FIL® shall keep in close personal touch with all prospects in its territory, and shall mail catalogs, circular letters and other advertising matter to such prospects periodically at its own expense.
 - 5.4 PER-FIL® Agent shall periodically send a responsible employee to PER-FIL® manufacturing facilities to keep in close personal touch with new machinery developments.
 - 5.5 PER-FIL® Agent shall provide PER-FIL® with periodic reports of all activities pertaining to the solicitation and sale of PER-FIL® Filling Machinery, and periodic reports on the status of all outstanding quotations. PER-FIL® Agent shall make all records and reports available for examination and copying by PER-FIL® upon request.

6. Non-Disclosure of PER-FIL® Confidential Information:
- 6.1 PER-FIL® Agent will have substantial contact with the PER-FIL® equipment designs, customers and potential customers. All PER-FIL® business, equipment designs, patents, trademarks, inventions, and other services produced or transacted through my efforts shall be the sole property of PER-FIL®.
- 6.2 While serving as PER-FIL® Agent and thereafter, I shall not, directly or indirectly, disclose to anyone outside of the Company any Confidential information or use any confidential information (as hereinafter defined) other than pursuant to my representation of and for the benefit of the Company. The term "Confidential Information" as used throughout this Agreement means any and all trade secrets and any and all data or information not generally known outside of PER-FIL® whether prepared or developed by or for PER-FIL® or received by PER-FIL® from any outside source. Without limiting the scope of this definition. Confidential Information includes any pricing, equipment designs, vendor lists, customer files, customer lists, any business, marketing, financial or sales record, data, plan, or survey, and any other record or information and copies thereof are the sole property of PER-FIL®. Notwithstanding the foregoing, the term Confidential Information shall not apply to information that the Company has voluntarily disclosed to the public without restriction, or which has otherwise lawfully entered the public domain.
- 6.3 Upon termination of Agreement, PER-FIL® Agent must immediately return to PER-FIL® all PER-FIL® sales materials, including but not limited to: sales manual, literature, CDs, DVDs, and customer lists.
7. Competitive Equipment:
- 7.1 PER-FIL® Agent shall not directly or indirectly offer for sale or otherwise deal in any filling machinery or other products competitive with PER-FIL® Filling Machinery or other products. Competitive filling machinery or products are defined as any item that performs the same or substantially similar functions as items manufactured by PER-FIL®.
- 7.2 PER-FIL® Agent shall provide PER-FIL® with a list of all persons, firms, or entities represented by PER-FIL® Agent on an exclusive or non-exclusive basis, and any additions or deletions thereto.
- 7.3 In the event that a prospect or customer has a need for a filling machine and his need can be met by either PER-FIL® Filling Machinery or other machines manufactured by any other person, firm, or entity, then the PER-FIL® Agent shall make every effort to solicit sales for PER-FIL® Filling Machinery in preference to any other manufacturer or seller of filling machinery.

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8. Renewal or Termination:
- 8.1 Unless terminated earlier, as herein provided, this agreement will have a term of one (1) year, commencing with the date hereof, and will be renewed automatically thereafter on a year to year basis.
- 8.2 Either party may terminate this agreement by serving not less than thirty (30) days written notice of its intention to terminate to the other party by certified mail.
- 8.3 If PER-FIL® Agent commits or attempts any act of dishonesty or fraud to PER-FIL® or any of its affiliates, or if PER-FIL® Agent commits or is charged with any unlawful activity punishable as a felony, PER-FIL® may terminate this agreement immediately without notice.
- 8.4 If either party of this Agreement shall become insolvent or make any assignment for the benefit of creditors, the other party shall have the right to terminate this agreement immediately without notice.
- 8.5 In the event that this Agreement is terminated, PER-FIL® Agent shall receive any commissions that are unpaid but earned up to the effective date of the termination.
- 8.6 In the event that this Agreement is terminated by either party for any reason above, PER-FIL will have no obligation to pay or indemnify PER-FIL® Agent for any expenditures it has incurred in performance of the provisions of this Agreement, other than the commissions which have vested prior to the effective date of the termination.
9. Assignment:
- 9.1 This Agreement shall inure to the benefit of the successors and assigns of PER-FIL®. The interest of PER-FIL® Agent in this Agreement is personal and shall not be assigned, transferred, shared or divided in any manner by PER-FIL® Agent without the prior written consent of PER-FIL® which shall not be unreasonably withheld.
- 9.2 In the event that PER-FIL® Agent should have a substantial change in ownership or management, PER-FIL® has the option to terminate this Agreement.
10. General Provisions
- 10.1 Any notice or demand permitted or required by this Agreement will be sent to the address in the introductory paragraph of this Agreement or at such other address as either party may, from time to time, designate in writing. Notice shall be deemed complete when mailed.
- 10.2 This Agreement constitutes the entire Agreement between the parties, and neither party shall be bound by any representations, promises, warranties or statements, expressed or implied, oral or written, not set forth herein. This Agreement may be modified only by a subsequent written Agreement expressly referring to this Agreement and signed by the parties.

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- 10.3 In the event that PER-FIL® Agent consists of more than one person, the obligations of this Agreement and all liabilities arising from this Agreement will be the joint and several obligations and liabilities of each and all such persons.
 - 10.4 This Agreement shall be deemed to have been executed in the State of New Jersey and shall be governed and construed in accordance with the laws of the State of New Jersey.
 - 10.5 This Agreement supersedes and cancels all previous Agreements between the parties hereto, whether known as PER-FIL® Agent, PER-FIL® Industries Inc., or by any other names as predecessors to these parties.
 - 10.6 Neither party shall be liable to the other for delays or failures to perform any obligation to the other hereunder or such delay or failure to perform is due to any cause beyond its reasonable control, including acts of God, acts of other party, acts of civil or military authority, labor disputes, fire, riot, civil commotion, sabotage, war embargo, blockade, flood, epidemics, delays in transportation, or governmental restrictions.

Wherefore the parties hereto have executed this Agreement on the day and year first written above.

The term “Territory” as used in the Agreement shall mean the geographical area and industries depicted in Exhibit “A”

Respectfully Submitted,
PER-FIL® Industries, Inc.

Accepted By: PER-FIL® Agent

Name (signature)

Title

Company

By _____
Name:
Title: