

## **SALES AGENT AGREEMENT**

**THIS AGREEMENT** embodied herein exists between ROBUS LEATHER CORPORATION (the Company), with its principal office located at 1100 West Hutchinson Lane, Madison, Jefferson County, Indiana and \_\_\_\_\_, of \_\_\_\_\_ County, \_\_\_\_\_ (hereinafter "Sales Agent").

The Company desires to retain the above Sales Agent to solicit sales for it in the territory and in the market channels herein set forth; and inasmuch as the above named Sales Agent has expressed a desire and willingness to accept the sales challenge and pursue opportunities, the parties hereby agree to the following terms and conditions:

- (1) **APPOINTMENT.** The Company appoints the Sales Agent as its exclusive agent within the territory and market channels described in Schedule "A" attached hereto, for the solicitation of orders for the Company's product line. The territory and market channels set forth in Schedule A can be changed or modified at any time in the Company's sole discretion.
- (2) **SCOPE OF APPOINTMENT.** The Sales Agent's solicitive efforts are hereby limited to selling the goods and market described on Schedule "B" attached hereto. Excluded from this market are all house accounts being handled directly by the Company without the use of a Sales Agent, OEM accounts, exporters and accounts currently being handled by other Sales Agents. The Sales Agent cannot subcontract or assign any duties or responsibilities under this Sales Agent Agreement without the prior written approval of the Company.
- (3) **SALES POLICIES.** Prices and terms of the Company's products shall be established by the Company in its sole discretion. Sales policies will be those currently in effect and established from time to time by the Company in its price lists, bulletins and other communications. The Sales Agent shall be furnished (and documented by memorandum billing) current product samples, sales literature and such other materials as deemed necessary by the Company for the successful presentation and sale of the Company's products. All product pricing is subject to change by the Company without notice in the Company's sole discretion.
- (4) **ACCEPTANCE OF ORDERS.** All orders shall be subject to acceptance by the Company. All questions and/or decisions regarding credit approvals, pricing, invoicing and product shipments shall be made by the Company, in its sole discretion. The Company also reserves the right to decline acceptance of any order. Furthermore, the Company reserves the right to discontinue production and the sale of any product, without incurring any liability to the Sales Agent for payment of sales commissions. The Company also reserves the right in its sole discretion to cancel any order at any time after acceptance, either in whole or in part, without liability to the Sales Agent.

- (5) COMMISSIONS. The Company shall pay the Sales Agent, and the Sales Agent shall be deemed to have earned as a commission on accepted orders, an amount equal to \_\_\_\_\_ percent ( %) of the actual net selling price of the Company product excluding any taxes or transportation or other add on charges (after deductions for trade discounts, adjustments or returns). All commissions will be based on actual amounts received by the Company from its customers in payment of invoices for products previously shipped and credited to the Sales Agent. Commission payments will be made to the Sales Agent monthly on or about the 15<sup>th</sup> of the month but not before receipt of payment by the Company. In no event shall any commissions be deemed due and payable prior to the Company's receipt of payment from the customer for invoiced and adjusted amounts.
- (6) BEST EFFORTS. The Sales Agent agrees to put forth his best efforts to promote the sale of the Company's products and services, including participation in convention, trade shows and exhibitions. However, nothing herein shall be deemed to authorize the Sales Agent to grant any franchise or appoint any dealers or distributors on behalf of the Company, such rights being reserved to the Company in its sole discretion. If, during the term of this Agreement, the Sales Agent shall sell or represent any product or products which are competitive with the Company's products, such actions shall be deemed conclusive evidence that the Sales Agent is not putting forth his best efforts on behalf of the Company, and shall be sufficient cause for the Company to cancel this Agreement without advance notice, notwithstanding other cancellation provisions set forth herein.
- (7) EXPENSES AND DISBURSEMENTS. All expenses and disbursements incurred or made by the Sales Agent in the solicitation of orders or for otherwise performing its duties under this Agreement shall be borne solely by the Sales Agent.
- (8) LIMITATIONS OF POWERS. The Sales Agent shall not have, nor shall he hold himself out as having, the authority to make contracts on behalf of the Company, to establish pricing structure, to pledge the Company's credit, or to extend credit on behalf of the Company or in its name.
- (9) GOODWILL, TRADEMARKS AND COPYRIGHTS. The Sales Agent shall not acquire any rights to any goodwill, trademark, copyright, tangible property or intangible property of the Company.
- (10) CONFLICT OF TERRITORY. In the event of a conflict between the Sales Agent and another agent of the Company claiming commissions on any sales, final allocation of the commissions at issue shall be made by the Company in its sole discretion.
- (11) INDEPENDENT CONTRACTOR STATUS. The Sales Agent shall be solely liable for proper withholding and payment of federal income tax, state income tax, self-employment tax, social security tax and any other applicable tax. The Sales Agent shall also be solely liable for payment of unemployment insurance and worker's compensation insurance, together with all other taxes and insurance which may be required of self-employed, independent contractors.

The Sales Agent shall at all times maintain complete control of the form, manner and method of his performance hereunder. If for any reason whatsoever the courts or any administrative agency or tribunal shall determine that the Sales Agent is not a self employed independent contractor, and the Company shall incur liability as a result thereof, the Sales Agent shall indemnify and hold the Company harmless for any loss, damage or expense caused, including costs and attorney fees incurred in the collection of such reimbursement. Nothing contained herein shall be construed to represent that an employer-employee relationship exists between the Company and the Sales Agent.

(12) PROPRIETARY KNOWLEDGE. The Sales Agent agrees not to divulge to any person, company or third party, any proprietary knowledge, trade secrets, customers lists or information concerning the Company's internal affairs which the Sales Agent may become aware of by virtue of this Agreement, or any other means, all of which is confidential.

(13) TERMINATION. This Agreement may be terminated upon the occurrence of any one of the following events:

- (a) On the death of the Agent, or upon the Sales Agent filing for bankruptcy, having a receiver appointed over it or liquidating its assets, the Company shall have the right to terminate this Agreement immediately upon written notice to the Sales Agent.
- (b) Upon failure of either party to perform its obligations hereunder, the other party may terminate this Agreement immediately upon written notice to the other party. Failure of either party to terminate this Agreement for any default shall not prejudice its rights to terminate for other or subsequent defaults. Termination shall not constitute a waiver by either party to the other of any claim existing at the time of such termination.
- (c) Upon the provision of thirty (30) days written notice of termination by either party to the other, for which no cause or reason shall be required.
- (d) In the event of termination, the Company shall pay commissions to the Sales Agent on all orders accepted and delivered by the Company originating from sales made by the Sales Agent providing such orders were entered before the termination date. Thereafter, the Company shall have no further obligation whatsoever to pay commissions or other compensation to the Sales Agent for services performed hereunder.
- (e) This Agreement may not be transferred or otherwise assigned by the Sales Agent.

(14) PRIOR AGREEMENTS AND REVISIONS. This Agreement supersedes and replaces any and all prior understandings, commitments or agreements between the parties with respect to subject matter hereof and may only be amended, revised or otherwise modified by a written document signed by all parties hereto.

(15) ENTIRE AGREEMENT. This Agreement contains the entire understanding between the parties. If any provision or provisions hereof are held to be contrary to law, the remaining provisions shall be binding upon the parties.

(16) ARBITRATION. In the event of a dispute or disagreement between the parties, both parties shall submit their claims to arbitration in the State of Indiana, under then current rules of the American Arbitration Association. The parties agree to be bound by the arbitrator's decision, and they further agree that a judgment upon the award may be entered in any court of competent jurisdiction. The parties hereto agree and stipulate that this agreement shall be interpreted in accordance with the laws of the State of Indiana, excluding choice of law provisions.

(17) EFFECTIVE DATE. This Agreement shall be effective as of the date of its execution by the parties. It shall remain in effect from the date of signature until written request is made for the termination by either party according to the established procedures specified in Paragraph 13 above.

**IN WITNESS WHEREOF**, the parties have affixed their signatures as of the day and year indicated below.

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Printed Name)

\_\_\_\_\_

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Printed Name)

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