



NOVO® Sales Agent Agreement



This Agreement made on this date ____/____/____ between KALO, Inc., a Kansas corporation, having its principal office at 13200 Metcalf Avenue, Suite 250, Overland Park, Kansas 66213 (“KALO”) and the Sales Agent identified below (“Agent”).

AGENT INFORMATION	CONTRACT & PRODUCT INFORMATION
Company: _____	Effective Date: ____/____/____
Agent: _____	Term: _____ to _____
Address: _____	Territory: _____
City, State, Zip: _____	
Phone: _____	Products: AE-CSA104 NOVO 4-Port System AE-CSA108 NOVO 8-Port System
Email: _____	Fee: 0-9 Units: 7% / 10-19 Units: 10% / 20+ Units: 12%

TERMS AND CONDITIONS

- Appointment.** The Agent desires to become a non-exclusive sales agent of KALO for the Products in the Territory. KALO agrees to retain the Agent subject to the terms and conditions herein set forth. Accordingly, KALO hereby grants Agent the right to sell the Products in the Territory, and the Agent hereby agrees to solicit customers for the Products in the Territory, all on a non-exclusive basis.
- Customer Orders.** All sales orders submitted to KALO by Agent shall be in accordance with KALO’s policies and procedures communicated to Agent from time to time, and shall be subject to acceptance by KALO. Sales orders, if accepted, shall become sales orders of KALO for purposes of completing the sale of the Products. The parties acknowledge and agree that KALO’s current practice is to require the Agent to provide to KALO with a completed sales order signed by the customer, with the customer’s down payment of \$5,000 made payable to KALO, for acceptance by KALO.
- Agent’s Fee.** In consideration of Agent soliciting customers, KALO shall pay to Agent a fee on each completed Product sale based upon the final sales price for the Product, exclusive of taxes, accessory items, freight, or similar charges, at the applicable fee percentage set forth above. The applicable fee level for each sale shall be determined based upon the number of Products sold by the Agent within the 12 month period immediately preceding the date of the new sales order. KALO shall pay the Agent its fee for each sale within thirty (30) days following its receipt of payment in full on the applicable sales order. The fees set forth herein are the only compensation provided by KALO to Agent. Agent is responsible for all expenses and costs related to its activities, obligations and duties hereunder.
- Covenants of Agent.** The Agent agrees to represent and offer the Products with the literature and other sales tools provided by KALO, in accordance with all of KALO’s pricing and terms of sale, sales policies and operating procedures. The Agent agrees that it will not promote or sell the Products outside of the Territory. Agent agrees not to make

any false or misleading statements concerning KALO or the Products. Agent agrees not to use any written materials to advertise or promote the Products for KALO other than those written materials provided or approved by KALO. Agent agrees to obtain, comply with and abide by all federal, state, and local laws governing the performance of its duties and obligations under this Agreement. Agent shall not, and shall not permit its employees, agents or independent contractors, to contract in the name of or bind KALO in any manner whatsoever, without the prior, written approval of KALO.

5. Independent Contractor. The Agent shall perform its services under this Agreement as an independent contractor. Nothing contained in this Agreement shall be deemed to create any association, partnership, joint venture, or relationship of principal and agent or employer and employee between the parties hereto or to provide either party with the right, power or authority, whether express or implied, to create any such duty or obligation on behalf of the other party. The Agent also agrees that it will not hold itself out as a partner, joint venturer, co-principal or employee of the KALO by reason of the Agreement.

6. Term. The initial term of this Agreement shall commence on the Effective Date of this Agreement and shall continue for two (2) years unless earlier terminated as provided herein (the “Initial Term”). Thereafter, this Agreement shall be renewed automatically for periods of one (1) year, and shall continue to be renewed automatically each year (the “Renewal Term”), unless earlier terminated as provided herein. In the event of termination, the Agent will be paid fees on all sales orders accepted by KALO prior to the effective date of termination, even though such orders may be shipped after the effective date of termination.

7. TERMINATION.

7.1 For Convenience. This Agreement may be terminated by either party at the expiration of the Initial Term or any Renewal Term by providing the other party of such intention to terminate this Agreement at least thirty (30) days prior to the expiration of such Initial Term or

such Renewal Term, as the case may be. Following the Initial Term, either party may terminate this Agreement at any time by providing the other with sixty (60) days' notice of such termination.

7.2 **For Cause.** If either party shall fail to perform or comply with any material provision of this Agreement (a "Breach"), and if such Breach continues for more than thirty (30) days after written notice of such Breach or remains unremedied thirty (30) days after notice of such Breach, then the non-breaching party may, at its option, immediately terminate this Agreement, whereupon neither party shall have any continuing obligations hereunder.

8. **Representations and Warranties of Agent.** Agent is duly authorized and otherwise duly qualified and empowered to execute and deliver this Agreement, and, when executed and delivered in accordance with the provisions hereof, this Agreement shall constitute a legal valid and binding obligation of Agent enforceable against Agent in accordance with its terms. The execution, delivery and performance of this Agreement by Agent will not be limited or prohibited by, and shall not cause a breach of, any agreement or understanding to which Agent is a party.

9. **Indemnification By Agent.** Agent shall indemnify, defend and hold harmless KALO and its officers, directors, employees, subcontractors, suppliers and affiliates from and against any and all losses, liabilities, damages, costs, claims and expenses (including without limitation attorneys' reasonable fees and disbursements) sustained or incurred by KALO as a result of, relating to or in connection with (i) any breach of this Agreement by Agent, its employees or its independent contractors, (ii) any representation, warranty or other statement made by Agent regarding the Products other than those expressly authorized by KALO, or (iii) any act of negligence or willful misconduct by Agent, its employees or its independent contractors.

10. **Indemnification By KALO.** KALO shall indemnify, defend and hold harmless Agent from and against any and all losses, liabilities, damages, costs, claims and expenses (including attorneys' reasonable fees and disbursements) sustained or incurred by Agent as a result of any breach of this Agreement by KALO or as a result of any representation or warranty of KALO regarding the Products being incorrect or misleading.

11. **Notices.** Any and all notices or other communications required or permitted by any provision of this Agreement shall be in writing and shall be hand-delivered, or mailed by certified mail, return receipt requested, and shall be deemed to be given, dated and received when so hand-delivered or, if mailed, 48 hours after the time of mailing, to the address of the party as set forth herein (or to such other address or addresses as such Person may subsequently designate by notice given hereunder).

12. **MISCELLANEOUS.**

12.1 **Amendment and Waiver.** Except as otherwise provided herein, no modification, amendment or waiver of any provision of this Agreement will be effective against KALO or Agent, unless such modification, amendment or waiver is approved in writing by KALO if it is to be effective against KALO, or by Agent if it is to be effective against

Agent. The failure of any party to enforce any of the provisions of this Agreement will in no way be construed as a waiver of such provisions and will not affect the right of such party thereafter to enforce each and every provision of this Agreement in accordance with its terms.

12.2 **Governing Law; Submission to Jurisdiction.** ALL QUESTIONS CONCERNING THE CONSTRUCTION, VALIDITY AND INTERPRETATION OF THIS AGREEMENT WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAW, AND NOT THE LAW OF CONFLICTS, OF THE STATE OF KANSAS. EACH OF THE PARTIES HERETO CONSENTS AND AGREES TO THE JURISDICTION OF ANY STATE COURT SITTING IN THE CITY OF OLATHE, STATE OF KANSAS, OR ANY FEDERAL COURT SITTING IN THE CITY OF KANSAS CITY, STATE OF KANSAS, AND WAIVES ANY OBJECTION BASED ON VENUE OR FORUM NON CONVENIENS WITH RESPECT TO ANY ACTION INSTITUTED THEREIN.

12.3 **Assignment.** Agent shall not assign, pledge, encumber or hypothecate its interest in this Agreement without the prior written approval of KALO. KALO may assign its interest in this Agreement to any party. This Agreement will bind and inure to the benefit of and be enforceable by KALO and Agent and their permitted successors and assigns.

12.4 **Entire Agreement.** Except as otherwise expressly set forth herein, this document embodies the complete agreement and understanding among the parties hereto with respect to the subject matter hereof and supersedes and preempts any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way.

12.5 **Counterparts.** This Agreement may be executed in separate counterparts each of which will be an original and all of which taken together will constitute one and the same agreement.

12.6 **Consequential Damages.** KALO shall not be liable to Agent for any incidental or consequential damages, including, but limited to, loss of profits resulting from the activities, duties or obligations under this Agreement.

13. **Special Terms/Conditions (if Any).**

By signing below, the parties agree to be bound by the Terms and Conditions stated in this contract.

KALO, Inc.
By: _____

Its: _____

AGENT
By: _____

Its: _____