

Part One – Agent Appointments

1. Purpose of this document

This document is not a contract it merely describes Peak Sensors Limited's (PSL) intent and approach to the operation of an International Agents Network for the period January 2002 to December 2006. PSL retains the right to change this framework during this period in response to local or regional market conditions.

2. Timescales for Review and Change

It is PSL's intention to operate using this framework for the foreseeable future. However, PSL retains the right to review and reorganize its agency network at any time in the future by giving the affected agent a minimum of six months notice in writing of the intended changes if such change is made without the agents agreement. However, in order to safeguard the Agent's interests, PSL will undertake to pay commission on all sales to customers introduced by the Agent (and which resulted in an order) for a period of 12 months from the issue of such a letter.

3. Relationships and Commitments

Our purpose is to ensure that agents get the appropriate level of support. This requires us to identify industries and regions we intend to focus on through our International Agents Network so that Sales support resources are balanced to achieve our Plan for Growth 2002 -2006.

Peak Sensors has enjoyed good relationships with agents with varying level of commitment from both parties. We believe in allowing working relationships with agents to develop over time, from Relationship Level 1 through to Relationship Level 3 as below. Appointment of an Agent and his subsequent acceptance represents a two way commitment to work together for mutual benefit. It is expected that appointment at level 2 and 3 will be exclusive in both directions, That is PSL undertakes to deal exclusively through the appointed agent in the specified territory and or the specified industry sector.

Level of Commitment Agents	Exclusive Customers Introduced	Territory Specified	Industry Specified	Sales & Technical Support	Commission	In-house Technical Sales Resources	Annual Perform Review
Level 1	Yes	Non Specified	Non Specified	From PSL	Up to 15%	No	Yes
Level 2	Yes	Specified Non Excl	Exclusive Specified	From PSL	Up to 15%	No	Yes
Level 3	Yes	Specified Exclusive	All	From PSL	Negotiable	Yes (+ PSL Support)	Yes

Commissions

Most products and services provided by PSL are bespoke. Therefore in order to successfully win orders, pricing of each enquiry is dependent on prevailing market conditions, it is impossible to specify a fixed commission or discounting structure.

Commissions will vary according to the nature and value of business. Typically Level 1 & 2 Agents receive between 10 to 15 % of sales in commissions depending on costs, methods of delivery and payment. Commissions for Level 3 Agents could be higher depending on particular sales prospects and product or market conditions

If an agent introduces a new customer to Peak Sensors, and subsequently through the agents assistance an order is placed, a commission will be paid on receipt of payment from the customer. Furthermore, commissions will be paid on all subsequent sales to that customer for 12 months from the last order placed by that customer. However, commission percentage will vary from order to order as each order may be priced differently.

For long as an Agent is actively and satisfactorily promoting PSL sales with a customer the agency will continue to be paid the related commission for up to 12 months after the last order or as outlined above for 12 months following the issue of a 'Letter of Termination' or Amendment of the agency network in any given country or territory.

Technical Sales Support

The level of support provided by our Technical Sales Support team will depend on the Relationship level and Agents' commitment to PSL. At all levels our team will provide Product specification and quotations services as well as sales advice or technical advice. Initially all quotations will be provided from our UK headquarters for Level 1 and 2 agents. Level 3 Agents are expected to have indigenous technical expertise and sales resources to support sales from their own resources.

Specific support requirements will vary from Agent to Agent. These will be discussed and agreed individually according to prospects and needs.

Agents Relationship / Commitment Levels

Level 1 – Non Exclusive Agents

Level 1 Agent operates on a commission only basis within defined country/ state / territory boundaries which will be nonexclusive. This is the starting point for all new Agents. Further progression will depend on the level and quality of sales achieved via the agent and how the working relationship between Agent and Peak Sensors progresses.

Level 2. Exclusive Agents – Specified Territory – Industry Specialists

Level 2 Agent commission only basis within defined Country / State boundaries. With exclusive access to specified industry i.e. Glass, Steel, Cement.

This will be available to agents who have strong technical and sales contacts in a particular industry sector in a state or country and who can demonstrate a capability to get enquiries and help to convert them to sales.

Industry specialist agents are appointed after minimum business level is achieved and satisfactory performance and technical sales capability is demonstrated in the specified Industry.

Technical sales training and sales support is available from PSL

Level 3. Exclusive Agents – Specified Territory – All Industries

A Level 3 agent operates as a Distributor with own technical resources.

The remuneration and commission structure is negotiable and depends on market conditions and margins.

Peak Sensors Limited - Outline Framework for an International Agents Network –2002 to2006

Level 3 agents have exclusive access to all industries within defined Country / State boundaries. Appointed after minimum business level is achieved and satisfactory performance and technical sales capability is demonstrated in the specified territories.

Assistance with setting up Agency office and technical sales training is available as is sales support.

Shekhar Nagarkar
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