

**American Son Products, Inc.**

Innovators of  
EZ Swimmer™  
Travel Mate Clip™

**Personal Services Agreement**  
**Individual Business Contract**

# American Son Products, Inc.

## Personal Services Agreement

In consideration of the mutual promises and covenants contained below, the parties agree as follows:

1. Services To Be Rendered: The Sales Representative shall perform the following marketing and sales services to the best of his or her abilities, and to the satisfaction of American Son Products, Inc. (hereafter referred to as ASP), including, but not limited to:

- (A) Developing and implementing a marketing program and sale plan for health and fitness product to the club industry, retail stores, sports stores, spas, hotels, cruise lines, and other business to business (B2B) accounts as deemed appropriate and profitable. The club industry shall include both public and private fitness facilities.
- (B) Making introductions to, or otherwise initiating sales relationship with the club industry, retail stores, spas, hotels, cruise lines, and other business to business (B2B) accounts as deemed appropriate and profitable.
- (C) Exercising responsibility for all sales resulting directly or indirectly from the Sales Representative's introduction to, or other initiation of business relationships with the club industry, et al, including all after-sales record keeping, order processing and administration and collection of payments on these accounts.

The Sales Representative shall sell only the following ASP products: (a) aquatic resistance training devices such as the EZ Swimmer™ and TD24.7™ (b) other swimming tools such as the Swim2Ogen™ (c) health measurement equipment such as but not limited to blood pressure, heart rate monitors and AED's machines. (e) Travel Mate™ (f) Services Rendered by ASP, and its Affiliates and/or Subsidiaries™ and/or other ASP products as deemed appropriate by the ASP management

The Sales Representative shall sell, pursuant to the terms of this Agreement, only to those customers/clients for whom the Sales Representative has received ASP's prior written approval. ASP approval shall be conclusively evidenced by signature of the ASP's authorized representative on the "Sales Representative Customer Approval Form" which names the proposed customer.

2. Independent Contractor Status: The Sales Representative expressly acknowledges that he or she will be acting as an independent contractor and not as an employee, for all purposes, including payment of Social Security, withholding tax, and all other federal, state and local taxes. The Sales Representative shall be free to set his/her own hours and appointments.

3. Performance of Sales Representative: All work performed hereunder by the Sales Representative shall meet the highest professional standards and be performed to the reasonable satisfaction of ASP management.

4. Commissions and Other Payments: The Sales Representative shall receive, as full compensation for the services rendered on behalf of the ASP, a commission consistent with the schedule of commissions now in effect or the schedule of commissions in effect from time to time hereafter, subject, however, to ASP's now existing policy or its policy from time to time hereafter with respect to deductions or set-offs from commissions due the Sales Representative.

The Sales Representative's compensation under this Agreement is limited to: (A) Commissions on those sales made by the ASP which directly result from the Sales Representative's introductions or other interaction during the period covered by this Agreement. Commissions shall be paid to the Sales Representatives at the rate of 20 percent collected from customers on the basis of total net paid invoices in a calendar year or ASP's fiscal year. For the purposes of this Agreement, a "net paid invoice" shall equal the gross amount of a paid invoice; less discounts, allowances and returns. Commissions shall be paid to the Sales Representative by the tenth (10<sup>th</sup>) day of the month immediately following the month in which payment on the invoices is received. A Statement of Commissions shall accompany payment of commissions to the Sales Representative. (B) Additionally, from time to time as deemed appropriate, bonuses on top of the above stated commission may apply.

The ASP shall have the absolute right, in its discretion: (A) to refuse to accept any orders procured through the Sales Representative and to refuse to ship the goods described therein; or (B) to make any allowances or adjustments to order and accept any returns of any shipments. The ASP shall notify the Sales Representative in writing of such refusals, allowances or adjustments.

5. Successors: This agreement shall be binding upon both ASP and the Sales Representative as described below:

- (A.) Estate Payments. If the Sales Representative dies, any amounts payable under this Agreement, shall be paid in full to the Sales Representative's estate.
- (B.) Assignment by Sales Representative. As this Agreement provides for the personal services to be performed by the Sales Representative, this Agreement shall not be assigned. In addition, except as required by law, the Sales Representative's right to receive payments or benefits under this Agreement may not be subject to execution, attachment, levy or similar process. Any attempt to affect any of the preceding in violation of this agreement whether voluntary or involuntary, shall render this Agreement void.
- (C.) Assumption by Any Surviving ASP. Before the effectiveness of any merger, consolidation, statutory share exchange or similar transaction (including an exchange offer combined with a merger or consolidation) involving ASP Inc. (a "Reorganization") or any sale, lease or other disposition (including by way of a series of transactions or by way of merger, consolidation, stock sale or similar transaction involving one or more subsidiaries) of all or substantially all of the ASP's consolidated assets (a "Sale"), ASP Inc. will cause (1) the Surviving ASP to unconditionally assume this Agreement in writing and (2) a copy of the assumption to be provided to you. After the Reorganization or Sale, the Surviving ASP will be treated for all purposes as ASP Inc. under this Agreement. The "Surviving ASP" means (i) in a Reorganization, the entity resulting from the Reorganization or (ii) in a Sale, the entity that has acquired all or substantially all of the assets of ASP.

6. Certain Definitions: The following words and terms have the following definitions:

AED A three-letter acronym that refers to Automated External Defibrillator. An Automated External Defibrillator or AED a portable electronic device that automatically diagnoses the potentially life threatening cardiac arrhythmias. The AED is able to treat cardiac arrhythmias by application of electrical therapy, which stops the arrhythmia, allowing the heart to re-establish an effective rhythm.

ASP is an acronym for American Son Products, Inc., its successors and/or its affiliates.

B2B means business to business, not a retail relationship or direct selling.

Board is defined as the Board of Directors of American Son Products, Inc.

Club Industry is defined as the fitness industry both private and public.

Compensation Committee means the Compensation Committee of the Board, or any successor to such committee.

EZ Swimmer™ is the aquatic resistance training tool patented by ASP that provides innovative resistance and balance training in the water.

Sales Representative is defined as the contractor retained for sales, marketing and development of the ASP product line and/or services.

Services provided may include instructor training, certification, seminars or conferences as defined by the Board of Director of American Son Products, Inc.

Swim2Ogen™ is a swimming tool that conveniently holds an oxygen tank safely and securely in the water thus allowing an oxygen dependent swimmer to enter the water with their oxygen tank.

Travel Mate™ is a promotional item patented by ASP that conveniently stores plastic identification card and/or serves as a luggage tag.

7. Protection of Research & Development: ASP believes strongly in research and development and accordingly will take legal steps to protect intellectual property rights through such legal vehicles such as trademarks and patents. Additionally, the Sales Representative is held responsible for protecting these very valuable intangible assets of the ASP as detailed below:

(A.) Trade Secrets & Intellectual Property Rights: With respect to the ASP's special business techniques, market analysis, forms, software programs, customer lists, and all other information regarding manufacture or distribution of ASP's products, the Sales Representative acknowledges that all of such information: Belongs to ASP; constitutes specialized and highly confidential information not generally known in the industry; and constitutes trade secrets of ASP. Accordingly, the Sales Representative recognizes and acknowledges that it is essential to ASP to protect the confidentiality of this trade information.

(B.) Non-Disclosure: During the term hereof, and for thirty-six (36) months thereafter, the Sales Representative shall not disclose such information to any person, company association (either for profit or non-profit), or other entity for any reason or purpose whatsoever, unless such information has already become common knowledge or unless the Sales Representative is required to disclose the information by judicial process.

(C.) Ownership Rights: All rights, title and interest, whether known or unknown, in any intellectual property that is discovered, invented or developed directly or indirectly by, or disclosed to the Sales Representative, in the course of rendering services under this Agreement or in the course of rendering services to any predecessors to ASP, will be the sole and exclusive property of ASP. The Sales Representative agrees to do anything reasonably requested by ASP in furtherance of perfecting ASP's possession of, and title to, any such intellectual property.

(B) Applicability: If any provision of this Agreement is finally held to be invalid, illegal or unenforceable (whether in whole or in part), such provision shall be deemed modified to the extent, but only to the extent, of such invalidity, illegality or unenforceability and the remaining provisions shall not be affected thereby. Except as expressly provided herein, this Agreement shall not confer on any person other than the Sales Representative and ASP any rights or remedies hereunder. The captions in this Agreement are for convenience of reference only and shall not define or limit the provisions hereof.

8. Agreement Not to Compete. ASP has retained the Sales Representative only for the purposes set forth in this Agreement, and his or her relationship to ASP is that of an independent contractor.

- (A) Non-Compete: During the term hereof, the Sales Representative shall not, directly or indirectly, enter into or in any manner take part in, any business, profession, or other endeavor which competes with ASP in the sale of similar health and fitness products as ASP may add to its product lines during the term of this Agreement. The Sales Representative shall not compete either as a Sales Representative, agent, independent contractor, owner, or otherwise.
- (B) Non-Compete Penalties: In the event that the Sales Representative breaches the terms of this Non-compete Agreement, the Sales Representative does hereby agree that he or she shall forfeit all commissions then due and, in addition thereto, shall be liable to ASP, as and for liquidated damages, in an amount equal to three (3) times the accrued and unpaid commissions then due, but, in no event, in an amount less than an amount equal to three (3) times the total of the most recent previous three months' commissions paid by ASP to the Sales Representative. Such liquidated damages shall not be construed as a penalty, but shall be considered liquidated damages only, as the damages in the event of the Sales Representative's violation or breach of the terms of this Non-compete Agreement are difficult, if not impossible, to ascertain.
- (C) The Sales Representative does hereby further agree that such liquidated damages shall be paid to ASP within thirty (30) days after the date of the Sales Representative's breach of the terms of this Non-compete Agreement. The remedies provided for herein in the event of the Sales Representative's breach of this Non-competition Agreement shall be cumulative and ASP's pursuit of any one remedy shall not preclude ASP from seeking enforcement of any and all other remedies available to it, whether provided for in this agreement or available to it as a matter of law or in equity.
- (D) The Sales Representative does hereby agree that this Non-compete Agreement shall be independent of any other provision in this Agreement and that any claim or cause of action by the Sales Representative against the ASP, be it found under the terms of this Agreement or otherwise, shall not constitute a defense to the enforcement by the ASP of the provisions of this Non-compete Agreement. The Sales Representative acknowledges and agrees that the foregoing restrictions in this Non-compete Agreement are reasonable and necessary for the proper protection of the business and interest of ASP and will not deprive the Sales Representative of the means or opportunity for suitably supporting and maintaining the Sales Representative and that individual's family after the termination of this Agreement.

9. Restrictive Covenant: For the protection of ASP's business contacts, both ASP and the Sales Representative agree to a restrictive covenant for the timeframe of one-year as described below:

- (A) Time Period: For a period of one (1) year after the expiration or termination of this Agreement for any reason, with or without cause, or for a period of time equal to the length of the Sales Representative's retention by the ASP if such tenure has been for less than one (1) year, the Sales Representative will not, directly or indirectly, contact any then-existing client of the ASP for the purpose of selling health and/or fitness products on behalf of any other person, company or corporation.
- (B) Livelihood Acknowledgement: The Sales Representative further acknowledges that in the event this agreement with ASP terminates for any reason, the Sales Representative will be able to earn a livelihood without violating the foregoing restrictions.
- (C) Inclusion: All health and fitness products are included under this restrictive covenant. This restrictive covenant is not meant to inhibit the Sales Representative from offering other personal training and instruction services under a private or public health club facility in an employment relationship.

10. Warranty Against Prior Existing Restrictions. The Sales Representative warrants to ASP that he or she is not party to any agreement containing a non-compete clause or other restriction with respect to: (A) the services requested to perform hereunder; or (B) the use or disclosure of any information, directly or indirectly, related to ASP's business or to the services required to render for ASP.

11. Other Agreements: This Agreement shall not supersede any other agreement, written or oral, pertaining to the matters covered herein, except to the extent of any inconsistency between this Agreement and any prior agreement, in which case this Agreement shall prevail. Notices hereunder shall be delivered to the ASP at its principal executive office directed to the attention of ASP Inc.'s General Counsel, and to the Sales Representative at that individual's last known address appearing in ASP's records.

12. Prohibition Against Assignment: The Sales Representative agrees, for himself or herself and on behalf of successors, heirs, executors, administrators, and any persons claiming under him or her, that this Agreement and the rights, interest, and benefits hereunder cannot be assigned, transferred, pledged, or hypothecated in any way and shall not be subject to execution, attachment, or similar process. Any attempt to do so contrary to these terms, shall be null and void and shall relieve ASP of any all obligations or liability hereunder.

13. Severability: If any provision, paragraph, or subparagraph of this Agreement is adjudged by any court of law to be void or unenforceable, in whole or in part, such adjudications shall not be deemed to affect the validity of the remainder of the Agreement, including any other provision, paragraph, or subparagraph. Each provision, paragraph, and subparagraph of this Agreement is declared to be separable from every other provision, paragraph, and subparagraph and constitutes a separate and distinct covenant.

14. Termination of Agreement: This Agreement shall continue from month to month for a maximum of five (5) years and may be terminated by either party upon two (2) weeks' written notice in accordance with Paragraph 20 below.

(A) Final Commissions: The Sales Representative acknowledges and agrees that any commissions which may have earned prior to the termination of this Agreement shall be due and payable upon termination, and shall be paid to the Sales Representative within one hundred twenty (120) days following his or her termination. Final commission shall be due and payable to the Sales Representative only if the Sales Representative has returned ASP's rightful property. The Sales Representative shall not solicit or make any attempt to solicit the business of the sale of products similar to those sold by ASP at the time of termination of this Agreement to or from any customer of ASP or any customer whom the Sales Representative may have called upon within the territory to which the Sales Representative was assigned at the date of the termination of this Agreement.

15. Modifications and Waiver: No waiver or modification of this Agreement shall be void unless it is in writing and signed by ASP and the Sales Representative.

16. Binding Effect: This Agreement shall be binding upon, and inure to the benefit of ASP and its successors, assigns, heirs, legal representatives, executors, and administrators. This Agreement constitutes the entire Agreement between the parties with respect to the subject matter hereof. This Agreement supersedes any and all other Agreements, whether oral or in writing, between the parties with respect to the subject matter hereof. The headings in this Agreement are inserted for convenience only and shall not be considered in interpreting the provisions hereof.

17. Attorneys' Fees. If either party hereto shall breach any of the terms hereof, such party shall pay to the non-defaulting party all of the non-defaulting party's costs and expenses, including attorneys' fees, incurred by such party in enforcing the terms of this Agreement.

19. Governing Law: This Agreement shall be subject to, and governed by, the laws of the state of Illinois.

20. Notice: All notices shall be given in writing and sent by registered or certified mail, return receipt requested, and shall be addressed to:

In the case of the ASP:

Kelly Engaldo  
President  
American Son Products, Inc.  
1218 Harlem Blvd  
Rockford, Illinois 61103-7132;

And in the case of the Sales Representative:

First Name Last Name \_\_\_\_\_  
Address \_\_\_\_\_  
City, State Zip Code \_\_\_\_\_

21. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

If the foregoing is in accordance with your understanding, please kindly contact ASP upon your acceptance and agreement by signing and returning this Agreement, which will then constitute an agreement between you and ASP, on its behalf and on behalf of its subsidiaries and affiliates.

IN WITNESS WHEREOF, the parties have executed this Agreement on \_\_\_\_\_.

By: \_\_\_\_\_

American Son Products, Inc.  
By: \_\_\_\_\_

\_\_\_\_\_  
Sales Representative (Printed)

\_\_\_\_\_  
Kelly Engaldo, President

WITNESS PRINTED NAME AND ADDRESS:

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
City/State: \_\_\_\_\_

\_\_\_\_\_  
Witness Signature

\_\_\_\_\_  
Date