

SALES POLICY AND COMPENSATION PLAN

The Goal is to establish a well-respected sales force that will present Geronimo Alloys to the market. The sales force must be knowledgeable in the technologies that are utilized by Geronimo and understand where they can be of benefit to customers. Geronimo's sales force should be contacted by the customer when they have a problem because of the knowledge that the sales force has exhibited in the past.

GENERAL POLICIES

The sales force is considered to be outside sales people for Wage and Hour purposes. This means that the sales person does not have to record their work hours, but they ARE NOT eligible for overtime pay. Any objections to this should be immediately disclosed to the home office.

The sales force will office out of their residence.

The company will provide each member of the sales force a company cell phone that will be used for company business.

The sales force will use their personal car and be reimbursed monthly for the business mileage at the Federal reimbursement rate which is currently \$.575 cents per mile. This changes annually. The individual must carry a minimum of \$100,000/\$300,000 insurance coverage on their automobile at all times and must be willing to show proof of coverage when requested. It is suggested that the individual's car be of approximately the same class as that which their clients would be driving.

The individual will be advanced \$1,500.00 for expenses when they complete training. The advance will be taken out of their last pay, commission, or expense account reimbursement check when the individual leaves the employment of the company for any reason. The individual will submit, no later than the 10th day of each month a request for reimbursement of expenditures in the prior month that were required to transact the company's business. Any single expense of more than \$250.00 must be approved in advance in writing by the company. The company has a strict policy of not buying business. If there is any doubt whether or not this is being done, don't do it. It is perfectly acceptable to pay for business meals or minor recreational activities. Holiday gifts must be advertising items or something that has a value of less than \$100.00.

Each individual member of the sales force will be assigned a geographical area or a list of companies on which to call. It is important that multiple sales personnel not call on the same company without other sales personnel knowing.

The individual members of the sales force will choose from one of the following compensation plans and that plan will not change. The compensation plan is one of a draw against future commissions. All draws will be deducted from commissions earned and no additional amount will be paid until the draw has been repaid. Should an individual leave the company for any reason, all unpaid but earned commissions are forfeited and all future commissions that would have been earned are forfeited, but the individual does not owe the company for prior draws. The individual leaving the employment of the company will be paid the equivalent of 1/30 of their chosen monthly draw for the period of time since their last compensation.

1. DRAW AGAINST FUTURE COMMISSION COMPENSATION PLANS

The individual will choose from the following plans:

Plan 1: A draw of \$60,000.00 per year paid monthly or a commission of 6% of all sales to accounts or customers in the individuals area of responsibility who have not purchased from the company in any prior time period up to 2 years and a matching amount of sales to existing customers in the individuals area up to the total sales to existing customers. A minimum of 25% of sales to existing customers will be included in the amount of sales eligible for commissions.

Plan 2: A draw of \$75,000.00 per year paid monthly or a commission of 4% of all sales to accounts or customers in the individuals area of responsibility who have not purchased from the company in any prior time period up to 2 years and a matching amount of from sales to existing customers in the individuals area up to the total of sales to existing customers. A minimum of 25% of sales to existing customers will be included in the amount of sales eligible for commissions.

AREA MANAGERS PLAN:

Manager's Plan : A draw of \$85,000.00 per year paid monthly or a commission of 2% of all sales to accounts or customers who have not purchased from the company in any prior time period up to 2 years and a matching amount of from sales to existing customers in the Manager's area of responsibility up to the total of sales to existing customers. A minimum of 25% of sales to existing customers will be included in the amount of sales eligible for commissions.

Commission Qualification and Payment

No commission is eligible to be paid until the individual sale has been completed with payment in full. The commission will be computed by calendar quarter. Payment will be made in equal amounts over the next quarter's three months. Should the individual and the area manager request that the pricing be lower on an object to achieve market penetration, the commission amount may be reduced with the approval of the individuals requesting the reduced pricing.

I HAVE READ AND UNDERSTAND THE SALES AND COMPENSATION PLAN.

I CHOOSE _____ FOR MY COMPENSATION.

SIGNED:

DATE:
