

# SECURITIES AND EXCHANGE COMMISSION

## FORM DEF 14A

Definitive proxy statements

Filing Date: **2005-05-02** | Period of Report: **2005-06-28**  
SEC Accession No. **0000921895-05-000595**

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### FILER

#### QUIGLEY CORP

CIK: **868278** | IRS No.: **232577138** | State of Incorporation: **NV** | Fiscal Year End: **1231**  
Type: **DEF 14A** | Act: **34** | File No.: **000-21617** | Film No.: **05791593**  
SIC: **2834** Pharmaceutical preparations

#### Mailing Address

*PO BOX 1349  
LANDMARK BLDG, 10 S  
CLINTON ST  
DOYLESTOWN PA 18901*

#### Business Address

*KELLS BUILDING  
621 SHADY RETREAT RD  
DOYLESTOWN PA 18901  
2153450919*

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

SCHEDULE 14A  
(RULE 14A-101)

INFORMATION REQUIRED IN PROXY STATEMENT  
SCHEDULE 14A INFORMATION  
PROXY STATEMENT PURSUANT TO SECTION 14(a)  
OF THE SECURITIES EXCHANGE ACT OF 1934 (AMENDMENT NO. )

Filed by the Registrant  /X/

Filed by a Party other than the Registrant  / /

Check the appropriate box:

/ / Preliminary Proxy Statement

/ / Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

/X/ Definitive Proxy Statement

/ / Definitive Additional Materials

/ / Soliciting Material Pursuant to ss. 240.14a-12

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THE QUIGLEY CORPORATION  
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(Name of Registrant as Specified in Its Charter)

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(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)  
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Payment of Filing Fee (Check the appropriate box):

/X/ No fee required.

/ / Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:  
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(2) Aggregate number of securities to which transaction applies:  
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(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):  
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(4) Proposed maximum aggregate value of transaction:  
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(5) Total fee paid:  
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/ / Fee paid previously with preliminary materials:  
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/ / Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date

of its filing.

(1) Amount previously paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

THE QUIGLEY CORPORATION  
KELLS BUILDING  
621 SHADY RETREAT ROAD  
P. O. BOX 1349  
DOYLESTOWN, PA 18901

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS  
TO BE HELD JUNE 28, 2005

TO THE STOCKHOLDERS OF THE QUIGLEY CORPORATION:

NOTICE IS HEREBY GIVEN that the Annual Meeting of Stockholders (the "Meeting") of THE QUIGLEY CORPORATION, a Nevada Corporation (the "Company"), will be held at the Doylestown Country Club, Green Street, P.O. Box 417, Doylestown, PA 18901 on Tuesday, June 28, 2005, at 4:00 P.M., local time, for the following purposes:

- (i) To elect a Board of Directors to serve for the ensuing year until the next Annual Meeting of Stockholders and until their respective successors have been duly elected and qualified.
- (ii) To increase the total number of shares of common stock subject to the 1997 Stock Option Plan by 1,500,000 shares to 4,500,000 shares.
- (iii) To ratify the appointment of Amper, Politziner & Mattia P.C. as independent auditors for the year ending December 31, 2005.
- (iv) To transact such other business as may properly come before the Meeting and any adjournments or postponements thereof.

Only stockholders of record at the close of business on May 2, 2005 will be entitled to notice of and to vote at the Meeting or any adjournments or postponements thereof. Any stockholder may revoke a proxy at any time prior to its exercise by filing a later-dated proxy or a written notice of revocation with the Secretary of the Company, or by voting in person at the Meeting. If a stockholder is not attending the Meeting, any proxy or notice should be returned in time for receipt no later than the close of business on the day preceding the Meeting.

DUE TO LIMITED SEATING CAPACITY, ADMISSION WILL BE LIMITED TO ONE (1) SEAT PER STOCKHOLDER OF RECORD. IF YOUR SHARES ARE HELD BY A BANK OR BROKER, YOU MUST BRING YOUR BANK OR BROKER'S STATEMENT EVIDENCING YOUR BENEFICIAL OWNERSHIP OF THE QUIGLEY CORPORATION STOCK TO THE MEETING.

By Order of the Board of Directors  
  
/s/ Charles A. Phillips  
  
CHARLES A. PHILLIPS, Secretary

Doylestown, PA  
May 23, 2005

WHETHER OR NOT YOU EXPECT TO BE PRESENT AT THE MEETING, YOU ARE URGED TO FILL IN, DATE, SIGN AND RETURN THE ENCLOSED PROXY IN THE ENVELOPE PROVIDED, WHICH REQUIRES NO POSTAGE IF MAILED IN THE UNITED STATES.

THE QUIGLEY CORPORATION  
KELLS BUILDING  
621 SHADY RETREAT ROAD  
P. O. BOX 1349  
DOYLESTOWN, PA 18901  
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PROXY STATEMENT  
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JUNE 28, 2005

This proxy statement (the "Proxy Statement") is being furnished in connection with the solicitation of proxies ("Proxies," or if one, a "Proxy") by the Board of Directors of The Quigley Corporation (the "Company") for use at the Annual Meeting of Stockholders of the Company to be held at the Doylestown Country Club, Green Street, P.O. Box 417, Doylestown, PA 18901 on Tuesday, June 28, 2005, at 4:00 P.M., local time, and any adjournments or postponements thereof (the "Meeting").

The principal executive offices of the Company are located at the Kells Building, 621 Shady Retreat Road, P.O. BOX 1349, DOYLESTOWN, PENNSYLVANIA 18901. The approximate date on which this Proxy Statement and the accompanying Proxy will first be sent or given to stockholders is May 23, 2005.

At the Meeting, the following proposals will be presented to the stockholders for approval:

- (i) To elect a Board of Directors to serve for the ensuing year until the next Annual Meeting of Stockholders and until their respective successors have been duly elected and qualified.
- (ii) To increase the total number of shares of common stock subject to the 1997 Stock Option Plan by 1,500,000 shares to 4,500,000 shares.
- (iii) To ratify the appointment of Amper, Politziner & Mattia P.C. as independent auditors for the year ending December 31, 2005.
- (iv) To transact such other business as may properly come before the Meeting and any adjournments or postponements thereof.

DUE TO LIMITED SEATING CAPACITY, ADMISSION WILL BE LIMITED TO ONE (1) SEAT PER STOCKHOLDER OF RECORD. IF YOUR SHARES ARE HELD BY A BANK OR BROKER, YOU MUST BRING YOUR BANK OR BROKER'S STATEMENT EVIDENCING YOUR BENEFICIAL OWNERSHIP OF THE QUIGLEY CORPORATION STOCK TO THE MEETING.

RECORD AND VOTING SECURITIES

Only stockholders of record at the close of business on May 2, 2005 (the "Record Date") will be entitled to notice of and to vote at the Meeting. At the close of business on such record date, the Company had 11,660,078 shares of Common Stock, par value \$.0005 per share (the "Common Stock"), outstanding and entitled to vote at the Meeting. Each outstanding share of Common Stock is entitled to one vote. There was no other class of voting securities of the Company outstanding on the Record Date. A majority of the outstanding shares of Common Stock present in person or by Proxy is required for a quorum.

PROXIES AND VOTING RIGHTS

Shares of Common Stock represented by Proxies that are properly executed, duly returned and not revoked will be voted in accordance with the instructions contained therein. If no instructions are contained in a Proxy, the shares of Common Stock represented thereby will be voted (i) for the election as directors the persons who have been nominated by the Board of Directors, (ii) for the increase of the total number of shares of Common Stock reserved for the 1997 Stock Option Plan to 4,500,000 from 3,000,000 shares, (iii) for the ratification of the appointment of Amper, Politziner & Mattia P.C. as the Company's independent auditors for the year ending December 31, 2005, and (iv) upon any other matter that may properly be brought before the Meeting in accordance with the judgment of the person or persons voting the Proxy. The execution of a Proxy

will in no way affect a stockholder's right to attend the Meeting and to vote in person. Any Proxy executed and returned by a stockholder may be revoked at any time thereafter by written notice of

revocation given to the Secretary of the Company prior to the vote to be taken at the Meeting by execution of a subsequent Proxy that is presented at the Meeting or by voting in person at the Meeting in any such case, except as to any matter or matters upon which a vote shall have been cast pursuant to the authority conferred by such Proxy prior to such revocation.

Broker "non-votes" and the shares of Common Stock as to which a stockholder abstains are included for purposes of determining the presence or absence of a quorum for the transaction of business at the Meeting. A broker "non-vote" occurs when a nominee holding shares for a beneficial owner does not vote on a particular proposal because the nominee does not have discretionary voting power with respect to that item and has not received instructions from the beneficial owner.

ANNUAL REPORT PROVIDED WITH PROXY STATEMENT

Copies of the Company's Annual Report containing audited financial statements of the Company for the year ended December 31, 2004 are being mailed together with this Proxy Statement to all stockholders entitled to vote at the Meeting.

SECURITY OWNERSHIP

The following table sets forth information concerning ownership of the Company's Common Stock as of May 2, 2005 by each person known by the Company to be the beneficial owner of more than five percent of the Common Stock, each Director and Executive Officer and all directors and executive officers of the Company as a group. Unless otherwise indicated, the address of each person or entity listed below is the Company's principal executive office.

Five Percent Stockholders, Directors, and all Executive Officers and Directors as a Group	Common Stock Beneficially Owned (1)	Percent of Class
GUY J. QUIGLEY(2) (3) (4)	4,223,264	32.7
CHARLES A. PHILLIPS(2) (3) (5)	1,920,377	15.3
GEORGE J. LONGO(2) (3) (6)	635,000	5.2
JACQUELINE F. LEWIS(2) (7)	100,000	-
ROUNSEVELLE W. SCHAUM(2) (8)	45,000	-
STEPHEN W. WOUCH(2) (9)	30,500	-
TERRENCE O. TORMEY(2) (10)	20,000	-
ALL DIRECTORS AND OFFICERS (11) (Seven Persons)	6,974,141	47.7

(1) Beneficial ownership has been determined in accordance with Rule 13d-3 under the Securities Exchange Act of 1934, as amended ("Rule 13d-3"), and unless otherwise indicated, represents shares for which the beneficial owner has sole voting and investment power. The percentage of class is calculated in accordance with Rule 13d-3 and includes options or other rights to subscribe for shares of common stock which are exercisable within sixty (60) days of May 2, 2005.

(2) Director of the Company.

(3) Executive Officer of the Company.

(4) Mr. Quigley's beneficial ownership includes options and warrants exercisable within sixty (60) days from May 2, 2005 to purchase 985,000 shares of Common Stock, options and warrants to purchase 277,000 shares of Common Stock beneficially owned by Mr. Quigley's wife and an aggregate of 514,705 shares beneficially owned by members of Mr. Quigley's immediate family.

(5) Mr. Phillips' beneficial ownership includes options and warrants exercisable within sixty (60) days from May 2, 2005 to purchase 907,000 shares of Common Stock and 1,671 shares of Common Stock beneficially owned by Mr. Phillips' wife.

(6) Mr. Longo's beneficial ownership includes options and warrants exercisable within sixty (60) days from May 2, 2005 to purchase 595,000 shares of Common Stock.

(7) Ms. Lewis' address is P. O. Box 581, Lahaska, PA 18931. Ms. Lewis' beneficial ownership includes options exercisable within sixty (60) days from May 2, 2005 to purchase 100,000 shares of Common Stock.

(8) Mr. Schaum's address is 157 Harrison Ave, Newport, RI 02840. Mr. Schaum's beneficial ownership includes options exercisable within sixty (60) days from May 2, 2005 to purchase 45,000 shares of Common Stock.

(9) Mr. Wouch's address is 415 Sargon Way, Suite J, Horsham, PA 19044. Mr. Wouch's beneficial ownership includes options exercisable within sixty (60) days from May 2, 2005 to purchase 30,000 shares of Common Stock.

(10) Mr. Tormey's address is 4842 Mountain Top Road West, New Hope, PA 18938. Mr. Tormey's beneficial ownership includes options exercisable within sixty (60) days from May 2, 2005 to purchase 20,000 shares of Common Stock.

(11) Includes an aggregate of 2,959,000 shares of Common Stock underlying

COMPENSATION AND OTHER INFORMATION  
CONCERNING DIRECTORS AND OFFICERS

Executive Compensation

The following table provides summary information concerning cash and certain other compensation for the years ended December 31, 2004, 2003 and 2002 paid or accrued by the Company to the Company's Chief Executive Officer and each highly compensated executive officer of the Company whose compensation exceeded \$100,000 (the "Named Executive Officers") during 2004:

SUMMARY COMPENSATION TABLE

Name and Principal Position	Year	Annual Compensation			Long-Term Compensation	All Other Compensation
		Salary (1) (\$)	Bonus (2) (\$)	Other Annual Compensation (3) (4) (\$)	Securities Underlying Options (#)	(5) (\$)
Guy J. Quigley Chairman of the Board, President, Chief Executive Officer	2004	725,800	244,958	782,509	50,000	16,396
	2003	604,800	226,800	667,006	50,000	14,396
	2002	504,000	126,000	519,574	45,000	146,646
Charles A. Phillips Executive Vice President, Chief Operating Officer	2004	508,100	171,484	260,836	45,000	16,258
	2003	423,400	158,775	222,334	45,000	14,258
	2002	352,800	88,200	173,192	42,000	71,190
George J. Longo Vice President, Chief Financial Officer	2004	365,200	123,255	-	40,000	16,258
	2003	347,800	130,425	-	40,000	14,258
	2002	302,400	75,600	-	40,000	42,974

- (1) Compensation paid pursuant to employment agreements.
- (2) Bonuses paid pursuant to the Company attaining specified sales and net income goals.
- (3) Additional compensation, including founder's commission of 3.75% of sales collected, less certain deductions, for Mr. Quigley, and founder's commission of 1.25% of sales collected, less certain deductions, for Mr. Phillips.
- (4) The value of personal benefits for the Named Executive Officers of the Company that might be attributable to management as executive fringe benefits, such as vehicles, can not be specifically or precisely determined; however, it would not exceed the lesser of \$50,000 or 10% of the total annual salary and bonus reported for any individual named above.
- (5) Includes amounts attributable to the Named Executive Officers for reverse split dollar life insurance policies on which the Company paid the premiums. These insurance policies, which were cancelled in November 2002, provided for the proceeds to be used by the Company for, among other things, the purchase of the officer's stock, at the fair market value, from the officer's estate if desired by the executor of the estate. Also included are matching contributions attributable to each officer in the Company's 401(k) Plan and term insurance.

Compensation Pursuant to Plans

An incentive stock option plan was instituted in 1997 (the "1997 Stock Option Plan") and approved by the stockholders in 1998 and subsequently amended in 2000 and approved by the stockholders in 2001. Pursuant to the 1997 Stock Option Plan, options have been granted to directors, executive officers, and employees during 2004, 2003 and 2002. In early 1999, the Company implemented a defined contribution plan for its employees with the Company's contribution to the plan based on the amount of the employee plan contribution.

SECURITIES AUTHORIZED UNDER EQUITY COMPENSATION

The following table sets forth certain information regarding stock option and warrant grants to employees, directors and consultants:

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options & Warrants (A)	Weighted Average Exercise Price of Outstanding Options & Warrants (B)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column A) (C)
Equity Plans Approved by Security Holders(1)	2,664,500	\$6.26	200,000
Equity Plans Not Approved by Security Holders(2)	1,660,000	\$4.76	-
Total	4,324,500	\$5.68	200,000

- (1) An incentive stock option plan was instituted in 1997 (the "1997 Stock Option Plan") and approved by the stockholders in 1998. Pursuant to the 1997 Stock Option Plan, options have been granted to directors, executive officers, and employees.
- (2) Other grants of warrants are specific and not part of a plan. These specific grants were to executive officers, employees and consultants for services in 1996 and 1997.

OPTION GRANTS TABLE

The following table sets forth certain information regarding stock option grants made to each of the Named Executive Officers during 2004:

OPTION GRANTS DURING 2004 FISCAL YEAR

Name	Number of Securities Underlying Options Granted	Percent of Total Options Granted to Employees in Fiscal Year (%)	Exercise or Base Price (\$/sh)	Expiration Date	Potential Realizable Value at Assumed Annual Rates of Stock Price Appreciation for Option Term(\$)(1)	
					5%	10%
Guy J. Quigley	50,000	10.0	9.50	10/26/14	298,500	757,000
Charles A. Phillips	45,000	9.0	9.50	10/26/14	268,650	681,300
George J. Longo	40,000	8.0	9.50	10/26/14	238,800	605,600

- (1) The potential realizable value portion of the foregoing table illustrates value that might be realized upon exercise of options immediately prior to the expiration of their term, assuming (for illustrative purposes only) the specified compounded rates of appreciation on the Company's Common Stock over the term of the option. These numbers do not take into account provisions providing for termination of the option following termination of employment or non-transferability.

AGGREGATED OPTION EXERCISES AND YEAR-END OPTION VALUES TABLE

The following table sets forth certain information concerning stock options exercised during 2004 and unexercised stock options at the end of 2004 with respect to the Named Executive Officers:

AGGREGATED OPTION EXERCISES DURING THE MOST RECENTLY COMPLETED FISCAL YEAR AND FISCAL YEAR-END OPTION VALUES

Name	Shares Acquired on Exercise (#)	Value Realized (\$)	Number of Securities Underlying Unexercised Options at Fiscal Year End Exercisable / Unexercisable	Value of Unexercised In-the Money Options at Fiscal Year End(\$)(1) Exercisable/Unexercisable
Guy J. Quigley	-	-	985,000 / 0	3,925,210 / 0
Charles A. Phillips	-	-	907,000 / 0	3,842,226 / 0
George J. Longo	-	-	595,000 / 0	1,696,265 / 0

- (1) Represents the total gain that would be realized if all in-the-money options held at December 31, 2004 were exercised, determined by multiplying the number of shares underlying the options by the difference between the per share option exercise price and \$8.43 per share, which was the closing price per share of the Company's Common Stock on December 31, 2004. An option is in-the-money if the fair market value of the underlying shares exceeds the exercise price of the option.

#### Employment Agreements

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An employment agreement between the Company and Guy J. Quigley was entered into on June 1, 1995, whereby Guy J. Quigley is employed as the Chief Executive Officer of the Company for a term ending on May 31, 2005. In addition to compensation for services as an officer of the Company, Mr. Quigley is entitled to receive a founder's commission of five percent (5%) on sales collected, less certain deductions, of the Company's Cold-Eeze(R) products, which is shared with Charles A. Phillips at a ratio of 75% and 25%, respectively. Upon the termination of the contract for any reason, Mr. Quigley is entitled to the remainder of the compensation owed him through May 31, 2005.

An employment agreement between the Company and Charles A. Phillips was entered into on June 1, 1995, whereby Charles A. Phillips is employed as the Executive Vice President and Chief Operating Officer of the Company for a term ending on May 31, 2005. In addition to compensation for services as an officer of the Company, Mr. Phillips is entitled to receive twenty five percent (25%) of the founder's commission received by Guy J. Quigley, either directly from Guy J. Quigley or, if requested, directly from the Company. Should Mr. Phillips make such a request upon the Company, the amount owed to him would be deducted from any commissions due Guy J. Quigley. Upon the termination of the contract for any reason, Mr. Phillips is entitled to the remainder of the compensation owed him through May 31, 2005.

George J. Longo is employed as the Chief Financial Officer of the Company pursuant to an employment agreement, dated November 5, 1996, for a term ending on May 31, 2005. The agreement provides for a base salary of \$150,000, or such greater amount as the Board of Directors may from time to time determine, with annual increases over the prior year's base salary. In the event of his disability, Mr. Longo is to receive the full amount of his base salary for eighteen months. Upon a change of control of the Company, Mr. Longo is entitled to receive compensation for the remaining term of the agreement until May 31, 2005. Upon early termination by the Company without cause (as defined in the agreement), the Company is required to pay Mr. Longo the remainder of the salary owed him through May 31, 2005.

#### REPORTS ABOUT OWNERSHIP OF THE COMPANY'S COMMON STOCK AND COMPLIANCE WITH SECTION 16 (A) OF THE SECURITIES AND EXCHANGE ACT OF 1934

Section 16(a) of the Securities Exchange Act of 1934, as amended, requires the Company's officers, directors and persons who own more than ten percent of a registered class of the Company's equity securities to file reports of ownership and changes in ownership with the Securities and Exchange Commission (the "Commission"). Officers, directors and greater than ten-percent stockholders are required by the Commission's regulations to furnish the Company with copies of all Section 16(a) forms they file.

Based solely on its review of the copies of such forms received by it, the Company believes that during the fiscal year ended December 31, 2004, all reports of ownership and changes in ownership applicable to its executive officers, directors, and greater than ten-percent beneficial owners were filed on a timely basis, except that Messrs. Quigley, Phillips, Longo, Schaum, Wouch, Tormey and Ms. Lewis each inadvertently filed a Form 4 late on one occasion for one transaction.

#### CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

For the year ended December 31, 2004, \$1,043,345 was paid or payable pursuant to the founder's commission agreements between the Company and Guy J. Quigley and Charles A. Phillips, who share a commission of 5% on sales collected, less certain deductions, of the Company's Cold-Eeze(R) lozenge and gum products.

Certain individuals related to the Company's Chief Executive Officer are also employees of the Company. Their aggregate compensation for 2004 was \$275,110, and they received option grants to purchase an aggregate of 32,000 shares of the Company's Common Stock.

The Company is in the process of acquiring licenses in certain countries through related party entities, including arrangements with ScandaSystems Ltd. (UK) and ScandaSystems Ltd. (USA) whose officer and major stockholder, respectively, is



Mr. Gary Quigley, a relative of the Company's Chief Executive Officer. Approximately \$96,000 was paid or payable by the Company to such firms during 2004 and fees amounting to \$273,000 have been paid to another related entity to obtain such licenses. The Company believes that the services performed by these firms and employees are on terms no more favorable than could have otherwise been obtained from an unaffiliated third party.

PROPOSALS TO BE SUBMITTED FOR STOCKHOLDER APPROVAL

PROPOSAL 1. ELECTION OF A BOARD OF DIRECTORS

The directors of the Company are elected annually and hold office for the ensuing year until the next Annual Meeting of Stockholders and until their successors have been duly elected and qualified. The directors are elected by plurality of votes cast by stockholders. The Company's by-laws state that the number of directors constituting the entire Board of Directors shall be determined by resolution of the Board of Directors. The number of directors currently fixed by the Board of Directors is seven.

No proxy may be voted for more people than the number of nominees listed below. Shares represented by all proxies received by the Board of Directors and not so marked as to withhold authority to vote for any individual director (by writing that individual director's name where indicated on the proxy) or for all directors will be voted "FOR" the election of all the nominees named below (unless one or more nominees are unable or unwilling to serve). The Board of Directors knows of no reason why any such nominee would be unable or unwilling to serve, but if such should be the case, proxies may be voted for the election of substitute nominees selected by the Board of Directors.

The following table and the paragraphs following the table set forth information regarding the current ages, terms of office and business experience of the current directors and executive officers of the Company, all of whom are being nominated for re-election to the Board of Directors:

NAME	POSITION	AGE	YEAR FIRST ELECTED
Guy J. Quigley	Chairman of the Board, President, CEO	63	1989
Charles A. Phillips	Executive Vice President, COO and Director	57	1989
George J. Longo	Vice President, CFO and Director	58	1997
Jacqueline F. Lewis*	Director	60	1997
Rounsevelle W. Schaum*	Director	73	2000
Stephen W. Wouch*	Director	50	2003
Terrence O. Tormey	Director	50	2004

\* Current member of the Audit & Compensation Committees.

GUY J. QUIGLEY is the founder and has been Chairman of the Board, President and Chief Executive Officer of the Company since September 1989. Prior to such date, Mr. Quigley, an accomplished author, established and operated various manufacturing, sales, marketing, cattle ranching, pedigree cattle breeding and real estate companies in the United States, Europe and Africa.

CHARLES A. PHILLIPS has been Executive Vice President, Chief Operating Officer and a Director of the Company since September 1989. Before his employment with the Company, Mr. Phillips founded and operated KPB Enterprises, a gold and diamond mining operation that was based in Sierra Leone, West Africa. In addition, Mr. Phillips served as a technical consultant for Re-Tech, Inc., Horsham, Pennsylvania, where he was responsible for full marketing and production of a prototype electrical device.

GEORGE J. LONGO currently serves as Vice President, Chief Financial Officer and a Director of the Company. Mr. Longo assumed his duties as Vice President and Chief Financial Officer for the Company in January 1997. Mr. Longo was also appointed a Director of the Company in March 1997. Before joining the Company, Mr. Longo served as Chief Financial Officer of two privately-held international manufacturing firms and in Corporate Accounting Management with the predecessor pharmaceutical company to Aventis S.A. Prior to that, Mr. Longo was with KPMG LLP.

JACQUELINE F. LEWIS was appointed to the Board of Directors in December 1997. From 2003 until March 2005, she was the President and Director of CPC, a list management and marketing company. Prior to 2003, she co-founded and managed D. A. Lewis, Inc., a direct mail advertising company, for 27 years. Ms. Lewis was a founding director of Suburban Community Bank and served on its Board of Directors until Univest Corporation of Pennsylvania (Nasdaq: UVSP) acquired Suburban Community Bank. In April 2005, Ms. Lewis was appointed to the Board of Directors of Univest Foundation.

ROUNSEVELLE W. SCHAUM was appointed to the Board of Directors in March 2000. Since 1993, Mr. Schaum has served as Chairman of Newport Capital Partners, Inc., an investment-banking firm specializing in the private placement of equity and convertible debt securities. In such capacity, Mr. Schaum has directed and organized over thirty private equity placements and served on the board of directors of numerous public and private emerging growth companies. Prior to 1993, Mr. Schaum held senior management positions with international manufacturing companies. He also served as the Chairman of the California Small Business Development Corporation, a private venture capital syndicate, and was the founder of the Center of Management Sciences, a management-consulting firm that services multinational high technology companies and government agencies, including NASA and the Department of Defense. Mr. Schaum also serves on the Board of Directors of Mosiac Nutraceuticals (OTC:MCNJ), Camelot Entertainment Group, Inc. (OTC:CMEG) and Invicta Corporation (OTC:IVIA)

STEPHEN W. WOUCH was appointed to the Board of Directors in January 2003. Since 1988, Mr. Wouch has been Managing Partner of Wouch, Maloney & Co., LLP, Certified Public Accountants, a regional public accounting firm with offices in Pennsylvania and Florida. This firm has a diverse client base that encompasses various industries such as health care, manufacturing, construction and service providers. Prior to 1988, Mr. Wouch held senior management positions with other Certified Public Accounting firms. Mr. Wouch is an author, lecturer and a licensed Certified Public Accountant in Pennsylvania, New Jersey and Florida.

TERRENCE O. TORMEY was appointed to the Board of Directors in April 2004. Mr. Tormey is currently the President and founder of TOTormey, Inc., a sales and marketing consulting firm whose services include film and video productions for a variety of industries including the healthcare industry. During the years 2000 to 2003, Mr. Tormey was the President and Chief Operating Officer of Nelson Professional Sales, a division of Publicis SA, Paris. From 1994 to 2000, Mr. Tormey was the President and co-owner of The Medical Phone Company(R), a firm that eventually grew to the largest healthcare telesales company in the country, whose clients included virtually every major pharmaceutical company in the United States. Additionally, his experience includes holding various senior sales, sales training and sales management positions with various US pharmaceutical companies including Johnson & Johnson Inc. (NYSE-JNJ) and American Home Products Corporation (Wyeth - NYSE-WYE). Mr. Tormey also serves on the Board of Directors of The Foundation for Ichthyosis & Related Skin Types, Inc. (F.I.R.S.T.), a non-profit organization, dedicated to medical research of rare skin diseases.

Required Vote  
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Directors are elected by a plurality of the votes cast, in person or by proxy, at the Meeting. Votes withheld and broker non-votes are not counted toward a nominee's total.

Recommendation of the Board of Directors  
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The Board of Directors of the Company recommends a vote "FOR" the election of each of the nominees.

Meetings and Committees of the Board of Directors  
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For the fiscal year ended December 31, 2004, there were seven meetings of the Board of Directors. Each of the directors attended (or participated by telephone in) more than 75% of such meetings of the Board of Directors and meetings of committees on which they served in 2004. During 2004, the Board of Directors also acted by unanimous written consent in lieu of a meeting on two occasions. The independent members that serve on committees of the Board of Directors met in executive session on seven occasions during 2004. Messrs. Schaum, Wouch and Tormey and Ms. Lewis are deemed to be independent under NASD Rule 4200 and as such, the Board of Directors contains a majority of independent directors as required by NASD Rule 4350.

Each director is expected to make reasonable efforts to attend Board of Directors meetings, meetings of committees of which such director is a member and the Annual Meeting of Stockholders. Seven members of the Board of Directors attended the 2004 Annual Meeting of Stockholders.

The Company has three standing committees: the Audit Committee, the Executive Operating Committee and the Compensation Committee. Prior to establishing these Committees, the customary functions of such committees had been performed by the entire Board of Directors. The Company does not have a designated nominating committee.

Since December 18, 2003, decisions concerning nominees for the Board of Directors have been made by Messrs. Schaum and Wouch and Ms. Lewis, who are independent directors as defined under NASD Rule 4200(a)(15). The Board of Directors does not consider a nominating committee necessary in that its independent directors perform the same role as a nominating committee. The Company has not adopted a formal policy with respect to minimum qualifications for members of its Board of Directors. However, in making its nominations, Messrs. Schaum and Wouch and Ms. Lewis consider, among other things, an individual's business experience, industry experience, financial background, breadth of knowledge about issues affecting the Company, time available for meetings and consultation regarding Company matters and other particular skills and experience possessed by the individual. Stockholders wishing to recommend candidates for consideration by the Board of Directors may do so by writing to the Secretary of the Company and providing the candidate's name, biographical data and qualifications. Such candidates recommended by stockholders will be evaluated on the same basis as all other candidates.

The members of the Audit Committee are Messrs. Schaum and Wouch and Ms. Lewis. Mr. Schaum serves as Chairman of the Audit Committee. The Audit Committee reviews, analyzes and makes recommendations to the Board of Directors with respect to the Company's accounting policies, internal controls and financial statements, consults with the Company's independent public accountants, and reviews filings containing financial information of the Company to be made with the Securities and Exchange Commission. The Audit Committee met seven times during 2004.

The members of the Executive Operating Committee are Messrs. Quigley, Phillips and Longo. The Executive Operating Committee possesses and exercises all the power and authority of the Board of Directors in the management and direction of the business and affairs of the Company except as limited by law and except for the power to change the membership or to fill vacancies on the Board of Directors or the Executive Operating Committee. The Executive Operating Committee met two times during 2004.

The members of the Compensation Committee are Messrs. Schaum and Wouch and Ms. Lewis. The Compensation Committee reviews and approves the salary and other compensation of officers and key employees of the Company, including non-cash benefits, and designates the employees entitled to participate in the Company's benefits plans and other arrangements, as from time to time constituted. The Compensation Committee also administers the Company's 1997 Stock Option Plan and recommends the terms of grants of stock options and the persons to whom such options shall be granted in accordance with such plan. These recommendations are then subject to approval by the full Board of Directors. The Compensation Committee met one time during 2004.

#### Compensation of Directors

Outside directors receive annualized compensation of \$18,900. Effective January 1, 2005, each outside director that serves on the Audit Committee will receive annualized compensation of \$28,350 and the Chairman of the Audit Committee will receive annualized compensation of \$31,500. In addition, in October 2004, the Board of Directors approved the grant of options to purchase 20,000 shares of Common Stock to each of the then-current outside directors under the Company's 1997 Stock Option Plan. Officers of the Company receive no compensation for their service on the Board of Directors or on any Committee thereof.

#### Compensation Committee Interlocks and Insider Participation

The Compensation Committee provides overall guidance and approval of the Company's executive compensation program. Messrs. Schaum and Wouch and Ms. Lewis served on the Compensation Committee during the fiscal year ended December 31, 2004. None of the Compensation Committee members were officers or employees of the Company at any time prior to December 31, 2004 or had any relationship requiring disclosure under the caption "Certain Relationships and Related Transactions." All independent members of the Board of Directors participate in the approval of each of the Company's executive compensation programs described in the "Report on Executive Compensation." No executive officer of the Company served on any other entity's compensation committee or other committee performing similar functions during the fiscal year. There are certain related parties of Mr. Quigley that receive compensation from the Company. See "Certain Relationships and Related Transactions."

The report of the Audit Committee, the report of the Compensation Committee and

by any general statement incorporating by reference this proxy statement or future filings into any filing under the Securities Act of 1933 or under the Securities Exchange Act of 1934, except to the extent that the Company specifically incorporates the information by reference, and shall not otherwise be deemed filed under such Acts.

Other Corporate Governance

During 2002, the Company formed a Disclosure Committee in response to Management Certification Responsibilities under Sections 302 and 404 of the Sarbanes-Oxley Act of 2002. The Disclosure Committee assists the Chief Executive Officer, the Chief Financial Officer and the Audit Committee in monitoring (1) the integrity of the financial statements, policies, procedures and the internal financial and disclosure controls and risks of the Company, (2) the compliance by the Company with legal and regulatory requirements, to the extent that these policies, procedures and controls may generate either financial or non-financial disclosures in the Company's filings with the Securities and Exchange Commission. Additionally, in 2002, the Company also initiated a Code of Ethics, and in 2004, it initiated an Insider Trading Policy for all employees of the Company.

Procedures for Contacting Directors

The Company has adopted a procedure by which stockholders may send communications as defined within Item 7(h) of Schedule 14A under the Exchange Act to one or more members of the Board of Directors by writing to such director(s) at their respective address listed in the Security Ownership section of this Proxy Statement or to the whole Board of Directors care of the Corporate Secretary, The Quigley Corporation, Kells Building, 621 Shady Retreat Road, P.O. Box 1349, Doylestown, PA 18901. Any such communications addressed to the whole Board of Directors will be promptly distributed by the Secretary to each director.

REPORT OF THE AUDIT COMMITTEE

The members of the Audit Committee are Messrs. Schaum and Wouch and Ms. Lewis, who are independent directors as defined under NASD Rule 4200(a)(15). All of the members of the Audit Committee are financially literate under current listing standards of Nasdaq. The Board of Directors has determined that Messrs. Schaum and Wouch are financial experts, as defined under SEC rules, serving on the Audit Committee. The Audit Committee operates under a written charter adopted by the Board of Directors in 2000 and amended in 2002. The Audit Committee Charter is set forth as Appendix A to this Proxy Statement. The Audit Committee reviews and reassesses the adequacy of the charter on an annual basis as stated in its written charter.

We have reviewed and discussed with management the Company's audited financial statements as of and for the year ended December 31, 2004.

We have discussed with the independent auditors, Amper, Politziner & Mattia P.C., the matters required to be discussed by Statement on Auditing Standards No. 61, Communication with Audit Committees, as amended, by the Auditing Standards Board of the American Institute of Certified Public Accountants.

Additionally, audit fees, audit related fees, tax fees and all other service fees that were paid or payable to Amper, Politziner & Mattia P.C. for 2004 and PricewaterhouseCoopers LLP for 2004, which reflect additional costs due to the change in the Company's independent registered public accounting firm, and 2003 were discussed and amounted to:

Description	2004	2004*	2003*
Audit fees	\$99,000	\$52,500	\$274,800
Audit related fees	41,837	-	-

Tax fees	23,785	-	15,826
All other fees	4,996	67,200	-
	-----	-----	-----
Total	\$169,618	\$119,700	\$290,626
	=====	=====	=====

\*PricewaterhouseCoopers LLP

The Company's Audit Committee shall review and pre-approve all audit and non-audit services to be provided by the independent auditor (other than with respect to the de minimis exceptions permitted by the Act). This duty may be delegated to one or more designated members of the Audit Committee with any such pre-approval reported to the Audit Committee at its next regularly scheduled meeting.

We have received and reviewed written disclosures and the letter from Amper, Politziner & Mattia P.C., required by Independent Standards No. 1, Independence Discussions with Audit Committees, as amended, by the Independence Standards Board, and have discussed with the auditors the auditor's independence.

Based on the reviews and discussions referred to above, we recommend to the Board of Directors that the financial statements referred to above be included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2004 for filing with the Securities and Exchange Commission.

On July 8, 2004, the Company dismissed PricewaterhouseCoopers LLP ("PwC") as its independent registered public accounting firm. On the same date, the Company engaged Amper, Politziner & Mattia, P.C. ("APM") as independent accountants. The dismissal of PwC and engagement of APM were approved by the Audit Committee of the Company.

The reports of PwC on the Company's financial statements for the 2003 and 2002 fiscal years did not contain an adverse opinion or a disclaimer of opinion and were not qualified or modified as to uncertainty, audit scope or accounting principle, except for the 2003 fiscal year opinion, which contained a reference for a restatement of the 2002 consolidated financial statements to revise the accounting for certain warrants. During the two most recent fiscal years and through July 8, 2004, there were no disagreements with PwC on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which disagreements, if not resolved to the satisfaction of PwC, would have caused them to make reference to the subject matter of any such disagreement in connection with its reports on the financial statements for such years. During the two most recent fiscal years and through July 8, 2004, there were no reportable events (as defined in Item 304(a)(1)(v) of Regulation S-K).

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The Company provided PwC with a copy of the foregoing disclosures and requested that PwC review such disclosures and furnish it with a letter addressed to the Securities and Exchange Commission stating whether it agrees with such statements or the respects in which it does not agree. A copy of this letter was attached as an exhibit to the Current Report on Form 8-K filed on July 15, 2004.

#### AUDIT COMMITTEE

Rounseville W. Schaum, Chairman  
 Jacqueline F. Lewis  
 Stephen W. Wouch

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#### REPORT ON EXECUTIVE COMPENSATION

##### General -----

The Compensation Committee reviews and, along with other outside directors, approves the salary and other compensation of officers and key employees of the Company. The Compensation Committee also administers the Company's 1997 Stock

Option Plan and recommends the terms of grants of stock options and the persons to whom such options shall be granted in accordance with such plan, which are subject to approval by the full Board of Directors.

#### Compensation Philosophy

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In reaching decisions regarding executive compensation, the Compensation Committee balances the total compensation package for each executive with sales and profits attained as well as achievement of annual and long-term goals. Competitive levels of compensation are necessary in attracting, rewarding, motivating, and retaining qualified management. The Compensation Committee also believes that the potential for equity ownership by management is beneficial in aligning management's and stockholders' interests in the enhancement of stockholder value. Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code"), places a limit of \$1,000,000 on the amount of compensation that may be deducted by the Company in any year with respect to certain of the Company's highest paid executives. Certain performance-based compensation that has been approved by stockholders is not subject to the deduction limit. If necessary, the Company may attempt to qualify certain compensation paid to executive officers for deductibility under the Code, including Section 162(m). However, the Company may from time to time pay compensation to its executive officers that may not be deductible.

#### Compensation Program

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The Company has a comprehensive compensation program, which consists of cash compensation, both fixed and variable, and equity-based compensation. Overall compensation is predicated on industry and peer group comparisons and on performance judgments as to past and expected future contributions of the individual executive officer. Specific compensation for each executive is designed to fairly remunerate that employee of the Company for the effective exercise of their responsibilities, their management of the business functions for which they are responsible, their extended period of service to the Company and their dedication and diligence in carrying out their responsibilities for the Company.

The fixed aspect is intended to meet the requirements of the employment contracts in effect for all of the Company's officers. See "Executive Compensation - Employment Agreements." Employment agreements are in place to insure the Company of consistency of leadership and the retention of qualified executives and to foster a spirit of employment security, which thereby encourages decisions that will benefit long-term stockholders. Variable compensation is based upon the Compensation Committee adopting and approving sales and profit goals annually to be attained for the ensuing year.

Equity-based compensation is through options periodically granted under the 1997 Stock Option Plan. These grants are designed to directly reward and create a proprietary interest, among the executive officers and other employees, in the Company, which will be an incentive for these employees to work to maximize the long-term total return to stockholders.

#### Compensation of the Chief Executive Officer

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Mr. Quigley's compensation was \$1,644,397 in 2004. Mr. Quigley's compensation is based upon the factors described in the compensation program section paragraphs above and as set forth in his employment contract.

#### COMPENSATION COMMITTEE

Rounseville W. Schaum, Chairman  
Jacqueline F. Lewis  
Stephen W. Wouch

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#### PERFORMANCE GRAPH

The following graph reflects a five-year comparison, calculated on a dividend reinvested basis, of the cumulative total stockholder return on the Common Stock of the Company, a "peer group" index classified as drug related products by CoreData, Inc. ("Coredata Group Index") and the NASDAQ Market Index. The comparisons utilize an investment of \$100 on December 31, 1999 for the Company and the comparative indices, which then measure the values for each group at December 31 of each year presented. There can be no assurance that the Company's stock performance will continue with the same or similar trends depicted in the following performance graph.

[OBJECT OMITTED]

	1999	2000	2001	2002	2003	2004
THE QUIGLEY CORPORATION	100.00	51.01	144.31	345.09	667.59	528.80
COREDATA GROUP INDEX	100.00	86.40	126.30	126.54	233.88	257.74
NASDAQ MARKET INDEX	100.00	62.85	50.10	34.95	52.55	56.97

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PROPOSAL 2. APPROVAL TO INCREASE THE TOTAL STOCK SUBJECT TO THE 1997 STOCK OPTION PLAN

At the Annual Meeting of Stockholders held on May 8, 1998, the 1997 Stock Option Plan was approved by a majority of the shares qualified to vote.

At the Annual Meeting of Stockholders held on May 4, 2001, an increase of the total Common Stock subject of the 1997 Stock Option Plan to a maximum limit of 3,000,000 shares of Common Stock was approved by a majority of the shares qualified to vote.

On December 15, 2004, the Board of Directors unanimously approved, for submission to a vote of stockholders, a proposal to authorize the increase of total stock subject to the 1997 Stock Option Plan from its current maximum limit of 3,000,000 shares to a maximum limit of 4,500,000 shares of Common Stock and to make certain changes, including technical changes required under the tax laws (hereinafter the 1997 Stock Option Plan as it is proposed to be amended shall be referred to as the 1997 Plan). The 1997 Plan, assuming the proposal is approved in June 2005, is set forth as Appendix B to this proxy statement. The following discussion of the 1997 Plan is qualified in its entirety by reference to Appendix B.

The purpose of the 1997 Plan is to provide additional incentive to the officers, directors, and employees of the Company who are primarily responsible for the management and growth of the Company in order to strengthen their desire to remain in the employ or retention of the Company and to stimulate their efforts on behalf of the Company and to retain and attract to the employ of the Company persons of competence. The 1997 Plan provides for the grant of both "incentive stock options" and "nonqualified stock options." Any employees shall be eligible to receive incentive stock options or nonqualified stock options. Directors of the Company who are not employees shall be eligible to receive nonqualified stock options.

Administration  
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The Plan shall be administered by the Compensation Committee (the "Committee"). Replacements to the Committee shall be appointed by the Board of Directors. The members shall serve at the pleasure of the Board of Directors.

Notwithstanding the foregoing, with respect to any options granted to directors and "officers" (as such term is defined in Rule 16a-1 of the Securities and Exchange Commission ("Rule 16a-1")) of the Company, the Plan shall be administered by the entire Board of Directors unless the Committee at the time of grant, award or other acquisition of Options under the Plan to any such person consists of two or more directors of the Company that are "Non-Employee Directors" (as such term is defined in Rule 16b-3 of the Securities and Exchange Commission ("Rule 16b-3"), if and as Rule 16b-3 is then in effect). In addition, any options granted to the Company's Chief Executive Officer or to any of the Company's other four most highly compensated officers that are intended to qualify as performance-based compensation under Section 162 (m) of the Code may only be granted by a Committee consisting of two or more directors of the Company that are "Outside Directors" (as such term is defined in Section 162 (m) of the Code).

Common Stock Subject to the 1997 Plan  
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The 1997 Plan currently authorizes the issuance of a maximum of 3,000,000 shares of Common Stock, which maximum amount the Board of Directors proposes to increase to 4,500,000. On December 15, 2004, the Board of Directors unanimously approved for submission to a vote of stockholders a proposal to authorize the increase of total stock subject to the 1997 Plan from its current maximum limit of 3,000,000 shares to a maximum limit of 4,500,000 shares of Common Stock.

The maximum number of shares that may be subject to options granted under the 1997 Plan to any individual in any calendar year may not exceed 500,000, and the method of counting such shares shall conform to any requirements applicable to "performance-based" compensation under Section 162 (m) of the Code. If any option under the 1997 Plan shall expire or terminate for any reason, without having been exercised in full, the unpurchased shares subject thereto shall again be available for the purposes of the 1997 Plan.

Exercise Price and Terms

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The option price per share applicable to options granted under the 1997 Plan shall be determined by the Committee, but (i) an incentive stock option shall not be less than 100% of the fair market value per share of Common Stock on the date such option is granted and (ii) a non-qualified stock option shall not be less than 100% of the fair market value on the date such option is granted. If an option granted to the Company's Chief Executive Officer or to any of the Company's other four most highly compensated officers is intended to qualify as "performance-based" compensation under Section 162 (m) of the Code, the exercise price of such option shall not be less than 100% of the fair market value on the date such option is granted. The Committee shall fix the term of each option, provided that the maximum length of the term of each option granted under the 1997 Plan shall be ten years.

Tax Treatment of Incentive Stock Options

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In general, no taxable income for Federal income tax purposes will be recognized by an option holder upon receipt or exercise of an incentive stock option, and the Company will not then be entitled to any tax deduction. Assuming that the option holder does not dispose of the option shares before the expiration of (i) two years from the date of grant, and (ii) one year after the transfer of the option shares (the "required holding periods"), upon disposition, the option holder will recognize capital gain equal to the difference between the sale price on disposition and the exercise price.

If, however, the option holder disposes of his option shares prior to the expiration of the required holding periods, the option holder will recognize ordinary income for Federal income tax purposes in the year of disposition equal to the excess of the fair market value of the shares at date of exercise over the exercise price, or if less, the excess of the sale price upon disposition and the exercise price. Any additional gain on such disqualifying disposition will be treated as capital gain. In addition, if such a disqualifying disposition is made by the option holder, the Company will be entitled to a deduction equal to the amount of ordinary income recognized by the option holder provided such amount constitutes an ordinary and reasonable expense of the Company.

Tax Treatment of Nonqualified Stock Options

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No taxable income will be recognized by an option holder upon receipt of a non-statutory stock option, and the Company will not be entitled to a tax deduction for such grant.

Upon the exercise of a nonqualified stock option, the option holder will include in taxable income for Federal income tax purposes the excess in value on the date of exercise of the shares acquired upon exercise of the nonqualified stock option over the exercise price. Upon a subsequent sale of the shares, the option holder will derive capital gain or loss, upon the subsequent appreciation or depreciation in the value of the shares.

The Company generally will be entitled to a corresponding deduction at the time that the participant is required to include the value of the shares in his income.

NEW PLAN BENEFITS

Benefits under the 1997 Plan to the Named Executive Officers and the Company's other executive officers, non-employee directors and other employees are not currently determinable because all grants under the 1997 Plan are discretionary. The following table sets forth certain information as to options to purchase shares of Common Stock under the 1997 Plan that the Named Executive Officers, other executive officers, non-employee directors and other employees received in the fiscal year ended December 31, 2004. All grants under the 1997 Plan have been and will be made in consideration of services rendered or to be rendered to the Company or any of its subsidiaries by the recipients.



NEW PLAN BENEFITS  
1997 STOCK OPTION PLAN

NAME AND POSITION

NUMBER OF UNITS

Guy J. Quigley, Chairman of the Board, President, Chief Executive Officer	50,000
Charles A. Phillips, Executive Vice President, Chief Operating Officer	45,000
George J. Longo, Vice President, Chief Financial Officer	40,000
Executive Group	80,000
Non-Executive Director Group	80,000
Non-Executive Employee Group	205,000

Required Vote

The affirmative vote of the holders of a majority of the shares of Common Stock present, in person or by Proxy, is required to approve the increase of the total shares of Common Stock subject to the 1997 Plan by 1,500,000 shares to 4,500,000 shares. Abstentions will have the effect of a vote against this proposal, while broker non-votes will have no effect on the outcome of this proposal.

Recommendation of the Board of Directors

The Board of Directors of the Company recommends a vote "FOR" the approval of the increase of the total shares of Common Stock subject to the 1997 Plan by 1,500,000 shares to 4,500,000 shares.

PROPOSAL 3. RATIFICATION OF APPOINTMENT OF INDEPENDENT AUDITORS

The Board of Directors has appointed Amper, Politziner & Mattia P.C. as the Company's independent public auditor for the fiscal year ending December 31, 2005. Although the selection of auditors does not require ratification, the Board of Directors has directed that the appointment of Amper, Politziner & Mattia P.C. be submitted to stockholders for ratification due to the significance of their appointment to the Company. A representative of Amper, Politziner & Mattia P.C. is expected to be present at the Meeting. Such representative will have an opportunity to make a statement if so desired and will be available to respond to appropriate questions from stockholders.

Required Vote

The affirmative vote of the holders of a majority of the shares of Common Stock present, in person or by Proxy is required for ratification of the appointment of Amper, Politziner & Mattia P.C. as independent auditors of the Company. Abstentions will have the effect of a vote against this proposal, while broker non-votes will have no effect on the outcome of this proposal.

Recommendation of the Board of Directors

The Board of Directors of the Company recommends a vote "FOR" the ratification of the appointment of Amper, Politziner & Mattia P.C. as the Company's independent auditors for the year ending December 31, 2005.

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STOCKHOLDER PROPOSALS

Proposals of stockholders intended for inclusion in the Proxy Statement to be furnished to all stockholders entitled to vote at the next Annual Meeting of Stockholders of the Company must be submitted by Certified Mail - Return Receipt Requested and be received at the Company's principal executive offices not later than December 2, 2005.

EXPENSES AND SOLICITATION

All expenses in connection with this solicitation will be borne by the Company. In addition to the use of the mail, proxy solicitation may be made by telephone, telegraph and personal interview by officers, directors and employees of the Company. The Company will, upon request, reimburse brokerage houses and persons holding shares in the names of their nominees for their reasonable expenses in sending soliciting material to their principals.

OTHER BUSINESS

The Board of Directors knows of no business that will be presented for consideration at the Meeting other than those items stated above. If any other business should come before the Meeting, votes may be cast, pursuant to proxies, in respect to any such business in the best judgment of the person or persons acting under the proxies.

Dated: May 23, 2005

THE QUIGLEY CORPORATION

By: /s/ Charles A. Phillips

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CHARLES A. PHILLIPS, Secretary

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APPENDIX A

THE QUIGLEY CORPORATION  
AUDIT COMMITTEE CHARTER

The Audit Committee is appointed by the Board to assist the Board in monitoring (1) the integrity of the financial statements, policies and the internal financial controls of the Company, (2) the compliance by the Company with legal and regulatory requirements, (3) the independence and performance of the Company's external auditors, and (4) any other items as required by the full Board of Directors

The members of the Audit Committee shall, or within a reasonable period of joining the Committee, meet the independence, number of members, and experience requirements of NASD and NASDAQ Stock Market, Inc. The members of the Audit Committee shall be recommended and appointed by the entire Board until such time that the Company has a Nominating Committee who will then make such recommendations. The Members of the Committee shall serve at the pleasure of the Board with no fixed term of service.

The Audit Committee shall have the authority to recommend special legal, accounting or other consultants to advise the Committee. The Audit Committee may request any officer or employee of the Company or the Company's outside counsel or independent auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

The Audit Committee shall make periodic reports to the Board.

The Audit Committee shall:

1. Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
2. Review the annual audited financial statements with management, including major issues regarding accounting and auditing principles and practices as well as the adequacy of internal financial controls that could significantly affect the Company's financial statements.
3. Discuss with management and the independent auditor the significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements.
4. Review with management and the independent auditor the Company's quarterly financial statements prior to filing Form 10-Q.
5. Meet periodically in person or via telephone with management to review the Company's major financial risk exposures or other issues and the steps management has taken to monitor and control such exposures.
6. Review major changes to the Company's accounting principles and practices as suggested by the independent auditor or management.
7. Recommend to the Board the appointment of the independent auditor, which firm is ultimately accountable to the Audit Committee and the Board.
8. Review the estimated annual audit fee and major components of such fees with the independent auditor.
9. Receive periodic reports, or at least annually, from the independent auditor regarding the auditor's independence, discuss such reports with the auditor, and if so determined by the Audit Committee, recommend that the Board take appropriate action to satisfy itself of the independence of the auditor.
10. Evaluate together with the Board the performance of the independent

auditor and, if so determined by the Audit Committee, recommend that the Board replace the independent auditor.

11. Meet with the independent auditor to review the planning and staffing of the audit.
  
12. Obtain from the independent auditor assurance that it has informed the Company's management and Audit Committee concerning any information indicating any acts which may have occurred that could have a material effect on the Company's financial statements.
  
13. Discuss with management and the independent auditor any condition, which comes to their attention indicating that the Company's subsidiaries and affiliated entities, domestic and foreign, are not conforming to applicable legal requirements of the Company's Acceptable Code of Conduct.
  
14. Discuss with the independent auditor the matters required to be discussed by Statement on Auditing Standards No. 61 relating to the conduct of the audit and quarterly reviews.
  
15. Review with the independent auditor any problems or difficulties the auditor may have encountered and any management letter provided by the auditor and the Company's response to that letter. Such review should include, among other things, any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to required information.
  
16. Prepare the report required by the rules of the Securities and Exchange Commission to be included in the Company's annual proxy statement.
  
17. Advise the Board with respect to the Company's policies and procedures regarding compliance with applicable laws and regulations and with the Company's Acceptable Code of Conduct.
  
18. Review with the Company's general counsel legal matters that may have a material impact on the financial statements, the Company's compliance policies and any material reports or inquiries received from regulators or governmental agencies.
  
19. Meet a least annually with the chief financial officer and the independent auditor in separate executive sessions.
  
20. Maintain minutes of formal Audit Committee meetings (not separate executive sessions) and report findings to the full Board of Directors.

While the Audit Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Company's financial statements are complete and materially accurate and are in accordance with generally accepted accounting principles. This is the responsibility of management and the independent auditor. Nor is it the duty of the Audit Committee to conduct investigations, to resolve disagreements, if any, between management and the independent auditor or to assure compliance with laws and regulations and the Company's Acceptable Code of Conduct.

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## APPENDIX B

1997 STOCK OPTION PLAN  
OF  
THE QUIGLEY CORPORATION  
(as amended on May 2001, July 2002 and June 2005)

### 1. PURPOSE OF THE PLAN.

This 1997 Stock Option Plan (the "Plan") is intended as an incentive, to retain in the employ or as directors, of The Quigley Corporation (the "Company") and any Subsidiary of the Company (within the meaning of Section 424(f) of the Internal Revenue Code of 1986, as amended (the "Code")), persons of training, experience and ability, to attract new employees, and directors whose services are considered valuable, to encourage the sense of proprietorship and to stimulate the active interest of such persons in the development and financial success of the Company and its Subsidiaries.

It is further intended that certain options granted pursuant to the Plan shall constitute incentive stock options within the meaning of Section 422 of the Code ("Incentive Options") while certain other options granted pursuant to the Plan shall be nonqualified stock options ("Nonqualified Options"). Incentive Options and the Nonqualified Options are hereinafter referred to collectively as "Options."

The Company intends that the Plan meet the requirements of Rule 16b-3 ("Rule 16b-3") promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act") and that transactions of the type specified in subparagraphs (c) to (f) inclusive of Rule 16b-3 by officers and directors of the Company pursuant to the Plan will be exempt from the operation of Section 16(b) of the Exchange Act. In all cases, the terms, provisions, conditions and limitations of the Plan shall be construed and interpreted consistent with the Company's intent as stated in this Section 1.

## 2. ADMINISTRATION OF THE PLAN.

The Plan shall be administered by a committee initially consisting of Mr. Guy J. Quigley, and Mr. Charles A. Phillips (the "Committee"). Replacements on the Committee shall be appointed by the Board of Directors of the Company (the "Board"). The members of the Committee shall serve at the pleasure of the Board. Notwithstanding the foregoing, with respect to any Options granted to directors and "officers" (as such term is defined in Rule 16a-1 of the Securities and Exchange Commission ("Rule 16a-1"), if and as Rule 16b-3 is then in effect) of the Company, the Plan shall be administered by the entire Board, unless the Committee at the time of grant, award or other acquisition under the Plan of Options to any such person consists of two or more directors of the Company that are "Non-Employee Directors" (as such term is defined in Rule 16b-3 of the Securities and Exchange Commission ("Rule 16b-3"), if and as Rule 16b-3 is then in effect).

The Committee, subject to Section 3 hereof, shall have full power and authority to designate recipients of Options, to determine the terms and conditions of respective Option agreements (which need not be identical) and to interpret the provisions and supervise the administration of the Plan. Subject to Section 7 hereof, the Committee shall have the authority, without limitation, to designate which Options granted under the Plan shall be Incentive Options and which shall be Nonqualified Options. To the extent any Option does not qualify as an Incentive Option, it shall constitute a separate Nonqualified Option.

Subject to the provisions of the Plan, the Committee shall interpret the Plan and all Options granted under the Plan shall make such rules as it deems necessary for the proper administration of the Plan, make all other determinations necessary or advisable for the administration of the Plan and correct any defects or supply any omission or reconcile any inconsistency in the Plan or in any Options granted under the Plan in the manner and to the extent that the Committee deems desirable to carry the Plan or any Options into effect. The act or determination of a majority of the Committee shall be deemed to be the act or determination of the Committee and any decision reduced to writing and signed by all of the members of the Committee shall be fully effective as if it had been made by a majority at a meeting duly held. Subject to the provisions of the Plan, any action taken or determination made by the Committee pursuant to this and the other paragraphs of the Plan shall be conclusive on all parties.

In the event that for any reason the Committee is unable to act or if the Committee at the time of any grant, award or other acquisition under the Plan of Options or Stock as hereinafter defined does not consist of two or more Non-Employee Directors, or if there shall be no such Committee, then the Plan shall be administered by the Board and any such grant, award or other acquisition may be approved or ratified in any other manner contemplated by subparagraph (d) of Rule 16b-3.

Notwithstanding anything herein to the contrary, any options granted to the Company's Chief Executive Officer or to any of the Company's other four most highly compensation officers that are intended to qualify as performance-based compensation under Section 162(m) of the Code may only be granted by a Committee consisting of two or more directors of the Company that are "Outside Directors" (as such term is defined in Section 162(m) of the Code).

## 3. DESIGNATION OF OPTIONEES.

The persons eligible for participation in the Plan as recipients of Options ("Optionees") shall include full-time and part-time employees, officers and directors of the Company or any Subsidiary; provided that Incentive Options may only be granted to employees of the Company and the Subsidiaries. In selecting Optionees, and in determining the number of shares to be covered by each Option granted to Optionees, the Committee may consider the office or position held by the Optionee, the Optionee's degree of responsibility for and

contribution to the growth and success of the Company or any Subsidiary, the Optionee's length of service, promotions, potential and any other facts to which the Committee may consider relevant. Subject to the next sentence, an employee who has been granted an Option hereunder may be granted an additional Option or Options, if the Committee shall so determine.

#### 4. STOCK RESERVED FOR THE PLAN.

Subject to adjustment as provided in Section 7 hereof, a total of four million five hundred thousand (4,500,000) shares of common stock, \$.0005 par value ("Stock"), of the Company shall be subject to the Plan. The shares of Stock subject to the Plan shall consist of unissued shares or previously issued shares reacquired and held by the Company or any Subsidiary of the Company, and such amount of shares of Stock shall be and is hereby reserved for such purpose. Any of such shares of Stock which may remain unsold and which are not subject to outstanding Options at the termination of the Plan shall cease to be reserved for the purpose of the Plan, but until termination of the Plan the Company shall at all times reserve a sufficient number of shares of Stock to meet the requirements of the Plan. Should any Option expire or be canceled prior to its exercise in full or should the number of shares of Stock to be delivered upon the exercise in full of any Option be reduced for any reason, the shares of Stock theretofore subject to such Option may again be subject to an Option under the Plan.

Notwithstanding the foregoing, with respect to any options that are intended to qualify as performance-based compensation under Section 162(m) of the Code, the maximum number of shares of stock that may be subject to options granted under the Plan to any individual in any calendar year shall not exceed 500,000, and the method of counting such shares shall conform to any requirements applicable to performance-based compensation under Section 162(m) of the Code.

#### 5. TERMS AND CONDITIONS OF OPTIONS.

Options granted under the Plan shall be subject to the following conditions and shall contain such additional terms and conditions, not inconsistent with the terms of the Plan, as the Committee shall deem desirable:

(a) OPTION PRICE. The purchase price of each share of Stock purchasable under an Option shall be determined by the Committee at the time of grant but shall not be less than 100% of the Fair Market Value (as defined below) of such share of Stock on the date the Option is granted in the case of an Incentive Option and not less than 100% of the fair market value of such share of Stock on the date the Option is granted in the case of a non-Incentive Option; PROVIDED, HOWEVER, that with respect to an Incentive Option, in the case of an Optionee who, at the time such Option is granted, owns (within the meaning of Section 424(d) of the Code) more than 10% of the total combined voting power of all classes of stock of the Company or of any Subsidiary, then the purchase price per share of stock shall be at least 110% of the Fair Market Value per share of Stock at the time of grant, provided, however, that if an option granted to the Company's Chief Executive Officer or to any of the Company's other four most highly compensation officers is intended to qualify as performance-based compensation under Section 162(m) of the Code, the exercise price of such Option shall not be less than 100% of the Fair Market Value of such share of Stock on the date the Option is granted. The purchase price of each share of Stock purchasable under a Nonqualified Option shall not be less than 100% of the Fair Market Value of such share of Stock on the date the Option is granted. The exercise price for each incentive stock option shall be subject to adjustment as provided in Section 7 below. The fair market value ("Fair Market Value") means (i) the closing price of publicly traded shares of Stock on the national securities exchange on which shares of Stock are listed (if the shares of Stock are so listed) or on the Nasdaq National Market (if the shares of stock are regularly quoted on the

Nasdaq National Market) on the grant date, or, (ii) if not so listed or regularly quoted, the mean between the closing bid and asked prices of publicly traded shares of Stock in the over-the-counter market on the grant date, or, (iii) if such bid and asked prices shall not be available, as reported by any nationally recognized quotation service selected by the Company, or (iv) as determined by the Committee in a manner consistent with the provisions of the Code. Anything in this Section 5(a) to the contrary notwithstanding, in no event shall the purchase price of a share of Stock be less than the minimum price permitted under the rules and policies of the

securities exchange or automated quotation system on which the shares of Stock are listed.

(b) OPTION TERM. The term of each Option shall be fixed by the Committee, but no Option shall be exercisable more than ten years after the date such Option is granted; provided, however, that in the case of an Optionee who, at the time such Option is granted, owns more than 10% of the total combined voting power of all classes of stock of the Company or any Subsidiary, then such Incentive Stock Option shall not be exercisable with respect to any of the shares subject to such Incentive Stock Option later than the date which is five years after the date of grant.

(c) EXERCISABILITY. Subject to paragraph (j) of this Section 5, Options shall be exercisable at such time or times and subject to such terms and conditions as shall be determined by the Committee at or after grant.

(d) METHOD OF EXERCISE. Options may be exercised in whole or in part at any time during the option period, by giving written notice to the Company specifying the number of shares to be purchased, accompanied by payment in full of the purchase price, in cash, by check or such other instrument as may be acceptable to the Committee, including a cashless exercise. As determined by the Committee, in its sole discretion, at or after grant, payment in full or in part may also be made in the form of Stock owned by the Optionee (based on the Fair Market Value of the Stock owned by the Optionee (based on the Fair Market Value of the Stock on the trading day before the Option is exercised); provided, however, that if such Stock was issued pursuant to the exercise of an Incentive Option under the Plan, the holding requirements for such Stock under the Code shall first have been satisfied. An Optionee shall have the rights to dividends or other rights of a shareholder with respect to shares subject to the Option after the Optionee (i) has given written notice of exercise and (ii) has paid in full for such shares and becomes a shareholder of record.

(e) TRANSFERABILITY OF OPTIONS. No Option granted hereunder shall be transferable otherwise than by (i) will, (ii) the laws of descent and distribution or (iii) pursuant to a qualified domestic relations order as defined by the Internal Revenue Code or Title 1 of the Employee Retirement Income Security Act of 1986, as amended, or the rules and regulations promulgated thereunder; provided however, that to the extent the option agreement provisions do not disqualify such option for exemption under Rule 16b-3 under the Act of 1934, as amended, Nonqualified Options may be transferable during an Optionee's lifetime to immediate family members of an optionee, partnerships in which the only partners are members of the Optionee's immediate family, and trusts established solely for the benefit of such immediate family members with the prior written consent of the Committee.

(f) TERMINATION BY DEATH. Unless otherwise determined by the Committee at grant, if any Optionee's employment with the Company or any Subsidiary terminates by reason of death, the Option may thereafter be immediately exercised, to the extent then exercisable (or on such accelerated basis as the Committee shall determine at or after grant), by the legal representative of the estate or by the legatee or the Optionee under the will of the Optionee, for a period of one year from the date of such death or until the expiration of the stated term of such Option as provided under the Plan, whichever period is shorter.

(g) TERMINATION BY REASON OF DISABILITY. Unless otherwise determined by the Committee at grant, if any Optionee's employment with the Company or any Subsidiary terminates by reason of total and permanent disability as determined under the Company's long term disability policy ("Disability"), any Option held by such Optionee may thereafter be exercised, to the extent it was exercisable at the time of termination due to Disability (or on such accelerated basis as the Committee shall determine at or after grant), but may not be exercised after one year from the date of such termination of employment or the expiration of the stated term of such Option, whichever period is shorter; provided, however, that, if the Optionee dies within such one-year period, any unexercised Option held by such Optionee shall thereafter be exercisable to the extent to which it was exercisable at the time of death for a period of one year from the date of such death or for the stated term of such Option, whichever period is shorter.

(h) OTHER TERMINATION. Unless otherwise determined by the Committee at grant, if any Optionee's employment with the Company or any Subsidiary terminates for any reason other than death, or disability, any Option held by such Optionee may thereafter be exercised to the extent it was exercisable at the time of such termination of employment (or on such accelerated basis as the Committee shall determine at or after grant), but may not be exercised after one year from the date of such termination of employment or the expiration of the stated term of such Option, whichever period is shorter. Notwithstanding the foregoing, if any Optionee's employment with the Company or any Subsidiary terminates for Cause, such Option may not be exercised on or after the date of such termination of employment. "Cause" shall mean a felony conviction or the failure of an Optionee to contest prosecution for a felony or, an Optionee's material dishonesty, or material theft by an Optionee from the Company or its Subsidiaries. The transfer of an Optionee from the employ of the Company to a Subsidiary, or vice versa, or from one Subsidiary to another, shall not be deemed to constitute a termination of employment for purposes of the Plan.

(i) LIMIT ON VALUE OF INCENTIVE OPTION. The aggregate Fair Market Value, determined as of the date the Option is granted, of the Stock for which Incentive Options are exercisable for the first time by any Optionee during any calendar year under the Plan (and/or any other stock option plans of the Company or any Subsidiary) shall not exceed \$100,000.

(j) DISPOSITION OF INCENTIVE OPTION SHARES. The stock option agreement evidencing any Incentive Options granted under this Plan shall provide that if the Optionee makes a disposition, within the meaning of Section 424(c) of the Code and regulations promulgated thereunder, of any share or shares of Stock issued to him pursuant to his exercise of an Incentive Option granted under the Plan within the two-year period commencing on the day after the date of the grant of such Incentive Option or within a one-year period commencing on the day after the date of transfer of the share or shares to him pursuant to the exercise of such Incentive option, he shall, within ten days of such disposition, notify the Company thereof and immediately deliver to the Company any amount of federal income tax withholding required by law.

#### 6. TERM OF PLAN.

No Option shall be granted pursuant to the Plan on or after December 2, 2007, but Options granted may extend beyond that date.

#### 7. CAPITAL CHANGE OF THE COMPANY.

In the event of any merger, reorganization or consolidation of the Company with one or more corporations as a result of which the Company is not the surviving corporation, or upon a sale of substantially all of the property or more than 80% of the then-outstanding shares of Stock of the Company to another corporation, all Options granted under the Plan shall immediately vest. In the event of a stock dividend or recapitalization, a change in corporate structure affecting the Stock in a manner other than as set forth in the first sentence of this Section 7 or in the event of a merger, reorganization or consolidation where the Optionee has not held the Option for at least six months, the Committee shall make an appropriate and equitable adjustment in the number and kind of shares reserved for issuance under the Plan and in the number and option price of shares subject to outstanding Options granted under the Plan, to the end that after such event each Optionee's proportionate interest shall be maintained as immediately before the occurrence of such event. The adjustments described above will be made only to the extent consistent with continued qualification of the Option under Section 422 of the Code (in the case of Incentive Options) or as provided in Section 162 (m) and 409A of the Code.

#### 8. PROPORTIONATE ADJUSTMENTS.

If the outstanding shares of Stock are increased, decreased, changed into or exchanged into a different number or kind of shares of Stock or securities of the Company through reorganization, recapitalization, reclassification, stock dividend, stock split, reverse stock split or other similar transaction, an appropriate and proportionate adjustment shall be made to the maximum number and kind of shares of Stock as to which Options may be granted under this Plan. A corresponding adjustment changing the number or kind of shares of Stock allocated to unexercised Options or portions thereof, which shall have been granted prior to any such change, shall likewise be made. Any such adjustment in the outstanding Options shall be made without change in the purchase price applicable to the unexercised portion of the Option with a corresponding adjustment in the exercise price of the shares of Stock covered by the Option. Notwithstanding the foregoing, there shall be no adjustment for the issuance of shares of Stock on conversion of notes, preferred stock or exercise of warrants or shares of Stock issued by the Board for such consideration as the Board deems appropriate. The adjustments described above will be made only to the extent consistent with continued qualification of the Option under Section

9. TAXES.

The Company may make such provisions as it may deem appropriate, consistent with applicable law, in connection with any Options granted under the Plan with respect to the withholding of any taxes or any other tax matters.

10. EFFECTIVE DATE OF PLAN.

The Plan shall be effective on December 2, 1997 (the date that it was approved by the Board), provided, however, that the Plan shall subsequently be approved by majority vote of the Company's shareholders not later than December 1, 1998.

11. AMENDMENT AND TERMINATION.

The Board may amend, suspend, or terminate the Plan, except that no amendment shall be made which would impair the right of any Optionee under any Option theretofore granted without his consent, and except that no amendment shall be made which, without the approval of the shareholders, would:

(a) materially increase the number of shares which may be issued under the Plan, except as is provided in Sections 7 and 8;

(b) materially increase the benefits accruing to the Optionees under the Plan;

(c) materially modify the requirements as to eligibility for participation in the Plan;

(d) decrease the exercise price of an Incentive Option to less than 100% of the Fair Market Value on the date of grant thereof or the exercise price of a Nonqualified option to less than 100% of the Fair Market Value on the date of grant thereof; or

(e) extend the Option term provided for in Section 5(b).

The Committee may also substitute new Options for previously granted Options, including options granted under other plans applicable to the participant and previously granted Options having higher option prices, upon such terms as the Committee may deem appropriate.

Except to the extent expressly required or permitted by the Plan, no amendment of the Plan or an Option will, without the approval of the stockholders of the Company, effectuate a change for which stockholder approval is required in order for the Plan or Option to continue to qualify for the award of incentive stock options under Section 422 of the Code or for the award of performance-based compensation under Section 162(m) of the Code.

It is the intention of the Board that the Plan comply strictly with the provisions of Section 409A of the Code and Treasury Regulations and other Internal Revenue Service guidance promulgated thereunder (the "Section 409A Rules") and the Committee shall exercise its discretion in granting Options hereunder (and the terms of such Options) accordingly. The Plan and any grant of an Option hereunder may be amended from time to time (without, in the case of an Option, the consent of the Optionee) as may be necessary or appropriate to comply with the Section 409A Rules.

12. GOVERNMENT REGULATIONS.

The Plan, and the granting and exercise of Options hereunder, and the obligation of the Company to sell and deliver shares under such Options, shall be subject to all applicable laws, rules and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.

13. GENERAL PROVISIONS.

(a) CERTIFICATES. All certificates for shares of Stock delivered under the Plan shall be subject to such stock transfer orders and other restrictions as the Committee may deem advisable under the rules, regulations, and other requirements of the Securities and Exchange Commission, any stock exchange upon which the Stock is then listed, and any applicable Federal or state securities law, and the Committee may cause a legend or legends to be placed on any such certificates to make appropriate reference to such restrictions.



(b) EMPLOYMENT MATTERS. The adoption of the Plan shall not confer upon any Optionee of the Company or any Subsidiary, any right to continued employment (or, in case the Optionee is also a director,

continued retention as a director) with the Company or a Subsidiary, as the case may be, nor shall it interfere in any way with the right of the Company or any Subsidiary to terminate the employment of any of its employees at any time.

(c) LIMITATION OF LIABILITY. No member of the Board or the Committee, or any officer or employee of the Company acting on behalf of the Board or the Committee, shall be personally liable for any action, determination, or interpretation taken or made in good faith with respect to the Plan, and all members of the Board of the Committee and each and any officer or employee of the Company acting on their behalf shall, to the extent permitted by law, be fully indemnified and protected by the Company in respect of any such action, determination or interpretation.

(d) REGISTRATION OF STOCK. Notwithstanding any other provision in the Plan, no Option may be exercised unless and until the Stock to be issued upon the exercise thereof has been registered under the Securities Act and applicable state securities laws, or are, in the opinion of counsel to the Company, exempt from such registration. The Company shall not be under any obligation to register under applicable federal or state securities laws any Stock to be issued upon the exercise of any Option granted hereunder, or to comply with an appropriate exemption from registration under such laws in order to permit the exercise of an Option and the issuance and sale of the Stock subject to such Option, however, the Company may in its sole discretion register such Stock at such time as the Company shall determine. If the Company chooses to comply with such an exemption from registration, the Stock issued under the Plan may, at the direction of the Committee, bear an appropriate restrictive legend restricting the transfer or pledge of the Stock represented thereby, and the Committee may also give appropriate stop-transfer instructions to the transfer agent to the Company.

THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS OF THE QUIGLEY CORPORATION

PROXY -- ANNUAL MEETING OF STOCKHOLDERS  
JUNE 28, 2005

The undersigned, a stockholder of The Quigley Corporation, a Nevada corporation (the "Company"), does hereby appoint Guy J. Quigley and Charles A. Phillips and each of them, the true and lawful attorneys and proxies with full power of substitution, for and in the name, place and stead of the undersigned, to vote all of the shares of Common Stock of the Company which the undersigned would be entitled to vote if personally present at the Annual Meeting of Stockholders of the Company to be held at the Doylestown Country Club, Green Street, P.O. Box 417, Doylestown, Pennsylvania 18901, on Tuesday, June 28, 2005, at 4:00 P.M., local time, or at any adjournments or postponements thereof (the "Meeting").

THE UNDERSIGNED HEREBY INSTRUCTS SAID PROXIES OR THEIR SUBSTITUTES: PLEASE SIGN, DATE AND RETURN PROMPTLY IN THE ENCLOSED ENVELOPE. PLEASE MARK YOUR VOTE IN BLUE OR BLACK INK AS SHOWN HERE /X/.

1. ELECTION OF DIRECTORS. The Election of the following directors to serve until the next annual meeting of stockholders and until their successors have been duly elected and qualified.

NOMINEES:

/ /	FOR ALL NOMINEES	0	GUY J. QUIGLEY
		0	CHARLES A. PHILIPS
/ /	WITHHOLD AUTHORITY	0	GEORGE J. LONGO
	FOR ALL NOMINEES	0	JACQUELINE F. LEWIS
		0	ROUNSEVELLE W. SCHAUM
/ /	FOR ALL EXCEPT	0	STEPHEN W. WOUCH
	(SEE INSTRUCTION BELOW)	0	TERRENCE O. TORMEY

INSTRUCTION: TO WITHHOLD AUTHORITY TO VOTE FOR ANY INDIVIDUAL NOMINEE(S), MARK "FOR ALL EXCEPT" AND FILL IN THE CIRCLE NEXT TO EACH NOMINEE YOU WISH TO WITHHOLD, AS SHOWN HERE. o

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|----|--|------------|----------------|----------------|
| 2. | PROPOSAL TO INCREASE THE TOTAL NUMBER OF SHARES OF COMMON STOCK SUBJECT TO THE 1997 STOCK OPTION PLAN BY 1,500,000 SHARES TO 4,500,000 SHARES.                         | FOR<br>/ / | AGAINST<br>/ / | ABSTAIN<br>/ / |
| 3. | RATIFICATION OF APPOINTMENT OF AMPER, POLITZINER & MATTIA, P.C. AS FOR AGAINST ABSTAIN THE COMPANY'S INDEPENDENT PUBLIC AUDITORS FOR THE YEAR ENDING DECEMBER 31 2005. | FOR<br>/ / | AGAINST<br>/ / | ABSTAIN<br>/ / |

THIS PROXY WILL BE VOTED IN ACCORDANCE WITH ANY DIRECTIONS HEREINBEFORE GIVEN. UNLESS OTHERWISE SPECIFIED, THIS PROXY WILL BE VOTED TO ELECT THE DIRECTORS, TO INCREASE THE TOTAL NUMBER OF SHARES OF COMMON STOCK SUBJECT TO THE 1997 STOCK OPTION PLAN BY 1,500,000 SHARES TO 4,500,000 SHARES AND TO RATIFY THE APPOINTMENT OF AMPER, POLITZINER & MATTIA, P.C. AS THE COMPANY'S INDEPENDENT PUBLIC AUDITORS AND IN ACCORDANCE WITH THE DISCRETION OF THE PROXY OR PROXIES WITH RESPECT TO ANY OTHER BUSINESS TRANSACTED AT THE MEETING.

The undersigned hereby revokes any proxy or proxies heretofore given and acknowledges receipt of a copy of the Notice of Annual Meeting and Proxy Statement, both dated May 23, 2005, and a copy of the Company's Annual Report to Stockholders for the fiscal year ended December 31, 2004.

TO CHANGE YOUR ADDRESS ON YOUR ACCOUNT, PLEASE CHECK THE BOX AT RIGHT AND INDICATE YOUR NEW ADDRESS IN THE ADDRESS SPACE ABOVE. / /  
PLEASE NOTE THAT CHANGES TO THE REGISTERED NAME(S) ON THE ACCOUNT MAY NOT BE SUBMITTED VIA THIS METHOD.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_ Signature: \_\_\_\_\_ Date: \_\_\_\_\_

NOTE: Please sign exactly as your name or names appears on this Proxy. When shares are held jointly, each holder should sign. When signing as executor, administrator, attorney, trustee or guardian, please give full titles as such. If the signer is a corporation, please sign full corporate name by duly authorized officer, giving full title as such. If signer is a partnership, please sign full partnership name by a duly authorized person.