

Distributorship Agreement

This agreement made and entered into day of _____ by and between SIGNARIES BUSINESS PRIVATE LIMITED, a corporation duly organized and existing under the laws of INDIA with its principal place of business at Varanasi, INDIA (hereinafter called Seller)

and

.Mr. -----, Whereas Clause

WHEREAS, Seller is desirous of selling the products stipulated in article 4 hereof to the territory stipulated in Article 3 hereof and WHEREAS , Distributor is desirous of importing from Seller and selling the said products in the said territory; NOW, THEREFORE, in consideration of the promises and the mutual covenants to be faithfully performed herein contained, IT IS HEREBY AGREED AND UNDERSTOOD AS FOLLOWS:

Article 1. Appointment

During the effective period of this agreement, Seller hereby appoints Distributor as its

exclusive distributor and Distributor accepts and assumes such appointment.

Article 2. Privity

The relationship hereby established between Seller and Distributor during the effective period of this Agreement, shall be solely that of Seller and Distributor has no authority to assume or create any obligation in the name of or of any kind on behalf of Seller.

Article 3. Territory

The territory covered under this Agreement shall be expressly combined to entire territory of INDIA. (hereinafter called territory).

Article 4. Products

The products covered under this agreement shall be expressly to DELIVERY TO THE CUSTOMER (hereinafter called Products).

Article 5. Prices

As applicable from time to time and conveyed by the Seller to the Distributor in writing & Distributor giving its consent in writing to the Seller.

Article 6. Technical Improvement and Patent Application

During the term of this Agreement, Seller shall furnish to Distributor any technical improvements and inventions relating to the Products made by Seller without any delay and free of charge. As Seller has right to apply for the issuance of patents thereon, Distributor agrees to make reasonable efforts to obtain such protection in India. During the term of this Agreement, Distributor agrees to furnish to Seller all technical improvement and inventions related to the Products required by Distributor without any delay and free of charge in consideration of services in Article 6-1 above.

Article 7. After Sale Service

Seller will provide full service to Distributor after the shipping date. Whenever Seller has received a complaint as to the service from distributor, Seller shall immediately make investigation and take a proper action.

Article 8. Exclusive Right

In consideration of the exclusive right herein granted, Distributor shall not purchase, import, sell, distribute or otherwise deal in any products competitive with or similar to Products in Territory, and Seller shall not offer, sell or export Products to Territory through other channel than Distributor during the effective period of this Agreement. The Seller shall not provide assist, supply directly or indirectly to the technical details of the products to anyone in the Territory.

Article 9. Minimum Purchase

Distributor shall purchase at least Rs.15000/- (Rupees Fifteen Thousand only) of product during one (1) month (30 days) during the effective period of this Agreement and its extension thereof, if any.

Article 10. Individual Contract

Each individual contract under this Agreement shall be subject to this Agreement but such contract shall be concluded and carried out by Seller's sale note or confirmation which shall set

forth the terms, conditions, rights and obligations of the parties hereto arising from or in relation to or in connection with such contract except those stipulated in this Agreement.

Article 11. Payment

Payment by either irrevocable letter of credit or remittance by telegraphic transfer through bank. Letter of credit: Within 7 days after the receipt of Seller's confirmation of order, Distributor shall cause irrevocable confirmed Letter of Credit(s) available by Seller's sight draft to be established with a prime bank satisfactory to Seller. Remittance by Telegraphic Transfer. Payment shall be received by Seller 7 days prior to shipment effect.

Article 12. Information and Report

Both Seller and Distributor shall periodically and/or on the request of either party furnish information and market reports to each other to promote the sale of Products as much as possible. Distributor shall give Seller such reports as inventory, market conditions and other activities of Distributor.

Article 13. Sales Promotion

Distributor shall diligently and adequately advertise and promote the sale of Products throughout Territory. Seller shall furnish with or without charge to Distributor reasonable quantity of advertising literatures, catalogues, leaflets, folders etc.

Representatives of Seller may periodically visit Distributor and advise Distributor in methods and means best suited to promote the sale of Products throughout Territory.

Article 14. Industrial Property Rights

Distributor may use the trade-mark(s) of Seller during the effective period of this Agreement only in connection with the sales of Products, provided that even after the termination of this Agreement Distributor may use the trade-mark(s) in connection with the sale of Products held by it in stock at the time of termination. Distributor shall also acknowledge that any and all patents, trademarks, copyrights and other industrial property rights used or embodied in Products shall remain to be sole properties of Seller, and shall not dispute them in any way

.Article 15. Duration

This Agreement shall become effective on the day appearing at the first above written upon the signing of both Seller and Distributor and shall remain effective for a period of one year. At least three (3) months before the expiration of the term, Seller and Distributor shall consult with each other for renewal of this Agreement.

Article 16. Prohibition of sale outside Territory

Unless prior notice and approved by Seller, Distributor shall not sell or export, nor cause any other person, firm or corporation in Territory to sell or export Products outside Territory during the effective period of this Agreement.

Article 17. Assignment

Neither party shall assign and/or transfer this Agreement in whole or in part to any individual, firm or corporation without the prior written consent of the other party.

Article 18. Observance of Secrecy

Both Seller and Distributor shall keep in strict confidence from any third party(s) and all important matters as to the business affairs and transactions covered by this Agreement.

Article 19 .Notice

All notice which may or shall be given under this agreement shall be made by registered airmail or cable to the address mentioned below or to such address as are notified in writing by the parties hereto. If either party has changed its address, a written notice thereof shall be given to the other party. All notices shall also be deemed to have been given on the day when deposited in post.

Article 20. Assembling

To secure regular supplies in the territory, if both the parties agree, the seller shall provide all parts of the product to assemble the product in the territory. If the Seller wish to establish its manufacturing unit in the territory, the Distributor shall be given preference to establish such unit.

Article 21. Governing Law & Arbitration

This Agreement shall be governed and interpreted by the laws of India. In case that any dispute or controversy arises out of or in relation to this Agreement between both parties shall be settled amicably but, in case of failure, these disputes or controversies shall be finally settled in VARANASI by arbitration in accordance with National Commercial Arbitration Association where the award shall be final binding upon the parties hereto.

Article 22. Entire Agreement

This Agreement constitutes the entire and only agreement between the parties hereto and supersedes all previous negotiations, agreements, commitments relating to the sale of Products and shall not be released, discharged, changed or modified in any manner, except by instruments signed by duly authorized officer or representative of each of the parties hereto. IN WITNESS WHEREOF, the parties hereto have caused this Agreement in English and duplicate to be executed by their respective duly authorized officer or representative as of the day first above written

SIGNARIES BUSINESS Pvt Ltd.

[SELLER] LTD.

[DISTRIBUTOR]

WITNESSTH