



EXCLUSIVE STATE / COUNTRY / TERRITORY DISTRIBUTORSHIP AGREEMENT

Whereas, This agreement is entered into on (CURRENT FISCAL YEAR) by and between M/S PARTY A, commercial registration number – 18-23XXX of 19XX, lawfully represented by its PARTY A KEYPERSON, here in after referred to as the M/s PARTY A Ltd and M/s PARTY B

Lawfully represented by its PARTY B, here in entitles M/s PARTY B, as the exclusive distributor in Middle East and Africa representing M/S PARTY B, as its distributor in STATE / COUNTRY / TERRITORY

1. The company is engaged in manufacturing of power measurement product, process control equipment, energy management system and power factor correction panels etc.,
2. The company proposed to appoint the Distributor in STATE / COUNTRY / TERRITORY for all the products manufactures by the company and the DISTRIBUTOR HAS ACCEPTED THE BUSINESS relationship as a Distributor for the said products on the following terms and conditions.

The Company and Distributor hereby agree upon the following:

1. Appointment

Company appoints Distributor and Distributor accept such appointment, as exclusive distributor of the Products and Services in Middle East and Africa subject to the terms and conditions described herein. The Company undertakes not to appoint anyone else in STATE / COUNTRY / TERRITORY to sell its products. Should the need arise to appoint another selling agent for the said products; it shall be with the prior written consent by the Distributor and the Company. The Company agrees to route all orders through the Distributor even it receives directly from customers in STATE / COUNTRY / TERRITORY .

2. Scope

Company sells Products to distributor for resale. Distributor purchase Products from Company, upon the terms and conditions set forth in this Agreement.

3. Territory

Distributor is authorized by Company to Stock, sell, advertise and promote the sale and use of the Products in STATE / COUNTRY / TERRITORY Additions of any geographical areas to the Territory are subject to the prior written consent of the Company.

4. Following products and services are agreeable between Company and Distributor

- I. Power Measurement Products
- II. Process Control Products
- III. Energy Management System
- IV. Power Factor Improvement Panels



5. Duration of the Agreement

The Company appoints the Distributor for an initial period of two years by this agreement. This Agreement renews automatically for every one year term after the first period of 2 years expires.

6. Company's Responsibilities

- I. Company sells products directly to Distributor for resale with all the necessary technical assistance and support.
- II. Use reasonable efforts to supply Products ordered by Distributor in the quantities and at the times requested.
- III. Company agrees not to sell the Products in the Territory, either directly or indirectly, without prior written approval from the Distributor
- IV. Company agrees, as long as this Agreement is in effect, to appoint no other Distributor's in the Territory for the distribution of the Products without Distributor's prior written approval and try to avoid internet sales by other Distributors in the Territory.
- V. Company shall forward immediately all enquiries and orders it receives for the purchasing and ordering of the Products in the territory to the Distributor for further treatment and handling.
- VI. Company shall depute the sales support engineers/ project engineers for product demonstration or any technical discussions to the territory for business promotional activities.
- VII. Company shall spend only the to and fro charges for deputing the sales support engineers/ project engineers if required.
- VIII. Company shall have the responsibility to all local transport & accommodations to facilitate with distributor while Client visiting to the manufacturing plant for inspection clause.
- IX. Company shall provide the necessary certifications for our products as per the International requirements and standards on client demand governed by local authorities with necessary time period for the submission.

7. Distributor's Responsibilities

During this Agreement, Distributor shall:

- I. Use best efforts to sell and promote the sale and use of Products in the Territory as per the project requirement created by the Distributor.
- II. Order and maintain an inventory of Products sufficient to anticipate and meet the normal needs of customers.
- III. The distributor will sell and purchase the Products from Company in its own name and on its own account. Distributor will be independent contractor of the Company as well as towards customer/prospects.



- IV. Distributor shall provide stock reporting with an inventory list of Products held by Distributor.
- V. Receive representatives of Company for inventory consultation and cooperation in connection with the sales promotion.
- VI. Provide point-of-sale(P.O.S) inventory and sales information in the scope and format required by Company to cooperate with Company in meeting the needs of users of the Products
- VII. Notify Company immediately after becoming aware of any pirating, infringement or misrepresentation of Products.
- VIII. Become informed on how Products are used in the Territory and promptly report to Company all accidents involving Products which result in personal injury or property damage.
- IX. Distributors shall arrange for the VISA, food and accommodations for the company sales support engineers/ project engineers if they are visiting the territory

8. Warranty

One year warranty is applicable on all products supplied by the company as standard sales. Whereas extended warranty is applicable with written permission from the company before finalizing the sales with end user. The company will repair/ replace the product during the warranty period for any manufacturing defects.

9. Prices and Transportation

- I. The prices given by the company are of ex works Chennai only.
- II. All charges like freight, insurance, clearance and forwarding are to be borne by the Distributor.
- III. The agreed payment term for supply of materials will be 75% within 45 days after the delivery of the material at distributor location. balance 25% will be paid after compilation and hand over the project.
- IV. Separate payment terms will be discussed for big orders or project wise.
- V. Delivery Schedule: Will be decided based on the order and quantity.

10. Reporting

- I. The Distributor undertakes to submit true and accurate monthly statements to the company with respect to the sale of the products.
- II. The company shall inform the distributor about the new products to be launched.
- III. The company shall inform the distributor well in advance on stoppage of production on any models which distributor has sold to their customers.
- IV. The distributor shall notify immediately after becoming aware of any pirating, infringement or misrepresentation of company products.



- V. The terms of this agreement may be varied, altered or modified through a separate letter in writing and signed by both parties.

11. Termination

- I. By the mutual written consent of the parties.
- II. There is a change in the control or management of the distributor's operation which is unacceptable to company.
- III. Distributor stops conducting business in the normal course or distributor breaches this agreement or acts in any manner deemed by company to be detrimental to the best interest of company.
- IV. Company deals with other agents in the Territory without the consent of distributor
- V. Company carries out internet sales through any sources without the confirmation from distributor
- VI. During the validity of this agreement, if either of the two parties is found to have violated the stipulations terms, the other party has the right to terminate this agreement after giving thirty (30) days' notice of termination in writing to the other party.
- VII. On the termination of this agreement for whatever reason, the distributor shall settle all the accounts at the earliest
- VIII. The company has to give all supports for the product sold in the Territory covers under warranty after the termination

12. Force Majeure

In the event of any dispute arising out of or in relation to or touching upon this agreement the same shall be decided by arbitration in accordance with the provisions of the Arbitration and Conciliation Act,1996. The Arbitration proceedings shall be conducted in English and held in India at Chennai.

13. Agreement

This Agreement consists of a total of 6 pages and NIL supplements. There is NIL correction in this agreement. All pages of the Agreement including each of the supplements have to be signed with initials by signatories and affix company seal.

In witness whereof both the parties thus agreed upon on () and is issued in three fold of which each Party declares to have received at least one original copy.

Each of the signatories declares herewith to attach his Party lawfully to this Agreement.