

THIS EXCLUSIVE DISTRIBUTORSHIP AGREEMENT IS MADE ON THE 3rd DAY OF Dec' 2018

BETWEEN:

- (1) **BIOMAX GREEN PTE LTD** (Company Registration No. 201108949W), a company incorporated in Singapore and having its registered address at 3 Kim Chuan Lane, #02-01, Goodland Group Building, Singapore 537069 ("**Principal**"); and
- (2) **SPRINGLEAF ENGINEERING PTE LTD** (Company Registration No. 201229604E), a company incorporated in Singapore and having its registered address at 421 Tagore Industrial Avenue, #01-28, Tagore 8, Singapore 787805 ("**Distributor**").

WHEREAS:

- A. The Principal is in the business of manufacturing goods listed under Annex A of this Agreement and the Distributor is in the business of the distribution of such goods. The Distributor has approached the Principal for the appointment as the distributor for the goods listed in Annex A. The Principal is desirous of appointing the Distributor for the sale of the same and the Distributor is willing to perform the duties as set out in this Agreement.
- B. The Principal and the Distributor are establishing a partnership for the exclusive distribution rights granted by the Principal to the Distributor to purchase and sell the goods listed under Annex A in China (collectively referred to as the "**Territories**"), for the validity of five (5) years from the execution of this Agreement.

IT IS HEREBY AGREED as follows:

1. DEFINITIONS

1.1 In this Agreement, unless the context otherwise requires, the following words and expressions shall have the following meanings:

"Agreed Targets" has the meaning prescribed to it in Clause 3.1 below.

"Intellectual Property" means materials, patent rights, know-how, trademarks, service marks, registered designs, copyrights, database rights, design rights, confidential information, applications for any of the above, and any similar right recognised from time to time in any jurisdiction, together with all rights of action in relation to the infringement of any of the above;

"Parties" means the Principal and the Distributor, and "Party" means any of them;

"Distributor Price" means the price quoted by the Principal in relation to the sale of the Principal Goods to the Distributor;

“Suggested Retail Price” means the price suggested by the Distributor in relation to the sale of the Principal Goods to other purchasers;

“Renewal Agreement” means a renewal agreement that is mutually agreed and entered into by both Parties hereto, pursuant to Clause 2.2 below;

“Restricted Business” means any business which involves the product categories and related services in relation to the manufacturing of machines and enzymes similar to the Principal Goods (Machines and BM1 enzyme listed in Annex A hereto), within the Territories unless otherwise consented by the Principal;

“USD” means the lawful currency of United States.

2. COMMENCEMENT AND TERM OF AGREEMENT

- 2.1. This agreement shall take effect on and from the date of this Agreement and shall continue for five (5) years, unless terminated earlier pursuant to Clause 9 below.
- 2.2. The Distributor has the right to renew this Agreement, subject to the Distributor’s fulfilment of the Agreed Targets in Clause 3.1 below. Upon the Distributor exercising its right to renew this Agreement, both Parties shall convene to discuss the terms of the Renewal Agreement and the terms of this Agreement, in particular the number of years, Territories and new revenue targets for the renewed exclusive agreement shall be reviewed and mutually agreed by the Parties hereto. Each Renewal Agreement will be considered void if either Party does not officially accept the renewal terms, in writing, one month after the issuance of the Renewal Agreement, and the Distributor’s right to renew shall lapse automatically. Signature of Renewal Agreement received by way of Facsimile, Mail or E-mail, shall be deemed to be an officially executed contract, an agreement enforceable and admissible for all purposes as may be necessary under the terms of this Agreement. The terms of the Renewal Agreement may be discussed at any time during the term of five (5) years, so long as the Distributor has fulfilled the Agreed Targets.
- 2.3. In the event that the Distributor fails to meet the Agreed Targets, the Principal has the rights to terminate the exclusivity rights of the Distributor.

3. SCOPE OF COLLABORATION

3.1. Agreed Targets

- 3.1.1. During the validity of five (5) years of the exclusive rights conferred by the Principal in accordance of this Agreement, the Distributor shall enter with its clients into relevant contracts whose cumulative effect

should be to achieve the following Agreed Targets, in each of the following Territories:-

- (a) Purchase orders with a minimum value of USD 10 Million for 2nd year;
- (b) Purchase orders with a minimum value of USD 50 Million for first 3 years;
- (c) Purchase orders with a minimum value of USD 25 Million for 4th year.
- (d) Purchase orders with a minimum value of USD 30 Million for 5th year.

3.1.2. The minimum order quantity for each purchase orders of the Machines shall be:

- (a) Sum of Units :10 units from selection:
1,000L, 2,000L and 4,000L
- (b) 22,000L: 1 unit
- (c) 80,000L: 1 unit

3.2. **Sale and Purchase of Machines**

3.2.1. The Distributor shall make the first purchase of a 1 ton Machine at a price of USD 75,000 from the Principal.

3.2.2. In relation to the sale and purchase of the Machines, the Distributor shall issue a purchase order to the Principal, as an acceptance of the Principal's quotation.

3.2.3. Within three (3) days from the execution of this Agreement, the Distributor shall place a deposit of S\$500,000 to offset the purchase of the Machines. The holding period for the deposit shall be six (6) months. The first US\$1m to be deducted 50% from above deposit and the next US\$1m sale is additional 50% deposit to be offset.

3.2.4. **Warranty**

- (a) The Principal shall provide the following limited warranty for all Machines purchased from the Principal:
 - i. 2 years warranty for the shaft, gear box and motor; and

ii. 1-year warranty for other parts of the Machine.

(b) At the Principal's sole and reasonable discretion, the Principal may send the required Machine parts to the Distributor and provide necessary instructions to the Distributor on how to make the necessary replacements.

3.2.5. Parties agree that the Distributor Price and Suggested Retail Price of the Principal's Machines to the Distributor shall be the price listed under Annex A.

3.2.6. Should there be any deviation from the Suggested Retail Price, the Distributor shall inform the Principal of the deviation.

3.2.7. The Distributor shall bear the cost for the accommodation and transportation and any other incidentals of all engineer(s) that is required to travel, as requested by the Distributor, necessary for the purposes of installation of the Machines and/or carrying out any services in relation to the Machines under Warranty as stated in Clause 3.2.4 above.

3.3. **Sale and Purchase of BM1**

3.3.1. The Principal shall sell the BM1 to the Distributor at USD 10.00 per kilogram.

3.3.2. In relation to the sale and purchase of the BM1, the Distributor shall place a minimum order of 1 ton per order.

3.3.3. The trade terms for the sale and purchase of BM1 shall be on a Cost, Insurance, Freight ("CIF") basis by a carrier selected by the Principal, subject to Clause 5.1.

3.3.4. When making an order of the BM1, the Distributor shall issue a purchase order to the Principal.

4. **TERMS OF PAYMENT**

4.1. **Machines**

The Distributor shall make payment of the above to the Principal by way of 30% down payment based on quotation acceptance, no later than 14 days after the invoice has been issued by the Principal and submitted to the Distributor. The balance of 40% shall be paid before 2 weeks before delivery and remaining 30% upon Bill of Lading date: 65 days; failing which the Principal reserves its rights to delay delivery until the payment of the remaining balance is made to the Principal.

4.2. BM1

The Distributor shall make full payment of the order, no later than 1 week upon confirmation by the Principal of the purchase order issued by the Distributor in Clause 3.3.4.

5. DELIVERY

5.1 The Principal shall deliver all Principal's Goods ordered by the Distributor to delivery location as specified by the Distributor in the relevant purchase order. The trade terms for this Agreement shall be on a CIF basis by a carrier selected by the Principal.

6. INTELLECTUAL PROPERTY RIGHTS

6.1. The Distributor shall, during the term of this Agreement, acknowledge, recognise, respect, protect and preserve all intellectual property rights of the Principal and its affiliated companies. Immediately upon the expiration or termination of this Agreement, the Distributor agrees to cease and desist from using the trademark or any of the intellectual property rights of the Principal.

6.2. The Distributor shall maintain confidentiality of all commercial and technical information and knowledge acquired from the Principal in the performance of this Agreement, unless this information and knowledge is generally available to the public without disclosure by the Principal. The Distributor shall ensure its employees who have access to this information be bound to respect this confidentiality clause where applicable. The obligations of the Distributor under this section shall survive the termination of this Agreement.

6.3. In particular, the Distributor shall not:

- 6.3.1. infringe any of the intellectual property rights of the Principal's Goods;
- 6.3.2. engage in any form of reverse engineer process of the Principal's Goods; or
- 6.3.3. reproduce or make any attempt to reproduce any part of the Principal's Goods (including any of its equipment, components or products),

without the written consent of the Principal.

6.4. Furthermore, the Distributor shall inform the Principal of any such actions of other third parties as listed in Clause 6.3 above if the Distributor becomes aware of the same.

- 6.5. The Distributor will indemnify the Principal and agrees to keep the Principal indemnified against all claims, costs (including legal costs on an indemnity basis), proceedings, demands, losses, damages, expenses or liability whatsoever arising directly or reasonably foreseeable as a result of any breach of this Clause 6.
- 6.6. Save as expressly provided for in this Agreement, the title and all patent, copyright, design right, trademarks, trade names and other intellectual property rights in or in relation to the Principal's Goods or the Principal and any material provided to the Distributor by the Principal shall remain the property of the Principal and shall not pass to the Distributor.

7. REPRESENTATIONS & WARRANTIES

- 7.1. Each Party to this Agreement hereby declares, warrants and represents to the other that:
- 7.1.1. The person signing this Agreement on its behalf has the relevant capacity and authority to execute the same in its name and on its behalf, and to bind it to all the provisions, duties and obligations in accordance with this Agreement;
- 7.1.2. All permissions and authorizations necessary or convenient for or in connection with the execution, validity, performance and enforceability of this Agreement have been obtained by each of them and such are in full force and effect;
- 7.1.3. This Agreement constitutes a legal, valid and binding obligation on the Parties enforceable against each of them; and
- 7.1.4. This Agreement shall immediately come into force on the date of execution and shall continue to be in force from such date.

8. TERMINATION

- 8.1. This Agreement shall terminate automatically and immediately upon the occurrence of any of the following events:
- 8.1.1. The Distributor cannot except another exclusivity from similar Biomax products' competitor;
- 8.1.2. Exclusivity cannot be transferable.

8.1.3. The Distributor has breached the terms of this Agreement, including but not limited to Clause 6.3 above, and notice in writing has been given by the Principal to the Distributor.

8.1.4. Outside the above exclusivity, distributor should seek Biomax's approval.

8.2. Such termination shall not affect the pre-existing rights and/or liabilities of the parties already accrued.

9. SEVERABILITY

9.1. Every part, term, provision of this Agreement is severable from all others and if any part, term or provision is held to be invalid or unenforceable, then such provision shall remain in effect to the extent permitted and all remaining provisions shall continue in full force and effect.

10. CONFIDENTIALITY

10.1. All discussions and information including technical, business or financial information released from each Party to the other shall be treated as confidential information and shall not be disclosed to any third parties, unless such information and knowledge is generally available to the public without disclosure by the Distributor.

10.2. The Distributor shall ensure its employees who have access to this information be bound to respect Clause 11.1 where applicable.

10.3. The obligations of the Distributor under this Clause 11 shall survive the termination of this Agreement.

11. CORRESPONDENCE AND NOTIFICATIONS

Except as otherwise expressly provided herein, all notices, requests, demands, directions and communications ("Notice") by one Party to the other shall be in English and sent by mail, e-mail or similar means of recorded communication or hand delivery, and shall be effective when hand delivered or, in the case of e-mail or similar means of recorded communication, when received. All such Notices shall be given to a Party at its address stated in this Agreement or in accordance with any unrevoked written direction from such Party to the other Party. Any other documents required to be delivered under this Agreement shall be in English.

12. RIGHTS OF THIRD PARTIES

- 12.1. No person other than the Parties hereto shall have any right to enforce this Agreement by virtue of the Contracts (Rights of Third Parties) Act (Chapter 53B) which is hereby excluded.

13. ASSIGNMENT

- 13.1. No Party may assign any rights under this Agreement without the prior written consent of the other Party to this Agreement.

14. GOVERNING LAW AND JURISDICTION

- 14.1. This Agreement shall be governed exclusively by, and construed in accordance with, the laws of Singapore.

15. DISPUTE RESOLUTION

- 15.1. The Parties agree that the courts of the Republic of Singapore shall have exclusive jurisdiction to deal with all or any dispute arising out of or in connection with this Agreement, including any question regarding the validity of this Agreement.

16. FINAL PROVISIONS

- 16.1. The English version of this Agreement is the authentic one. Should arise any discrepancy between the English version and the versions translated in any other languages, the English version shall prevail.
- 16.2. This Agreement may be executed in any number of counterparts by one or both Parties hereto and such counterparts, each of which when so executed and delivered, shall be deemed to be an original and all of which when taken together shall constitute one and the same instrument.
- 16.3. Signature of this Agreement received by way of Facsimile, Mail or E-mail, shall be deemed to be an executed contract, an agreement enforceable and admissible for all purposes as may be necessary under the terms of the Agreement.
- 16.4. This Agreement shall be temporarily held for three (3) months, and subject to the final Agreement to be drafted by a lawyer. Each party shall bear their own legal expenses.

IN WITNESS HEREOF, this Agreement is entered into on the day and year first above stated.

SIGNED:

For and on behalf of **BIOMAX GREEN PTE LTD**

By : "*Sim Eng Tong*"

Designation : CEO

In the presence of:

WITNESS

Name : "*Puah Chum Mok*"

Designation : CTO

SIGNED:

For and on behalf of **SPRINGLEAF ENGINEERING PTE LTD**

By : "*Vincent Lim*"

Designation : Managing Director

In the presence of:

WITNESS

Name : "*Michelle Neo San San*"

Designation : Business Manager

ANNEX A

Definition of Principal's Goods:

- (i) Rapid Thermophilic Digestion Machine ("**Machine**").

Specifications:

Capacity	Distributor Price	Suggested Retail Price
1,000L	43,650	
2,000L	68,000	
4,000L	125,000	
22,000L	675,000	
80,000L	2,000,000	

- (ii) Formulated bacterial enzymes mix ("**BM1**") for treating various organic wastes, including but not limited to farm manures and organic agricultural wastes.
- (iii) Any improved versions of the Machines and BM1 used in conjunction with treatment of wastes listed in item (i) and (ii).