Exclusive Distributor Agreement

This Exclusive Distributor Agreement (“Agreement”) is made on [Date], by and between:

Party A (Manufacturer):

PodNEX (Guangzhou) Co., Ltd.

Address: [Address]

Party B (Distributor):

Company Name: [Distributor Name]

Address: [Address]

1. DEFINITIONS

1.1 “Products” shall mean phone case printing vending machines, including all models, spare parts, consumables, software, and future upgraded products developed by Party A.

1.2 “Territory” shall mean the exclusive geographic area defined as:[Country / Region]

1.3 “Net Sales” shall mean total revenue generated from the sale or operation of the Products within the Territory.

1.4 “Confidential Information” shall include all technical, commercial, operational, and pricing information disclosed by either party.

2. APPOINTMENT

2.1 Party A hereby appoints Party B as its **exclusive distributor** for the Products within the Territory, subject to the terms and performance conditions set forth in this Agreement.

2.2 Party B accepts such appointment and agrees to actively promote, sell, and operate the Products within the Territory.

2.3 Exclusivity is **conditional and performance-based**, and may be adjusted, downgraded, or terminated in accordance with this Agreement.

3. EXCLUSIVITY STRUCTURE

3.1 The cooperation shall follow a staged structure:

(1) Trial Phase (Non-Exclusive)

- Initial order: 5–20 units
- Duration: up to 3 months
- Purpose: market validation and operational testing

(2) Conditional Exclusivity

Granted when Party B:

- Demonstrates successful deployment and operation
- Commits to minimum purchase targets
- Pays required security deposit

(3) Full Exclusivity

Granted when Party B:

- Operates at least 30 machines successfully
- Establishes local sales, service, and operational capability

4. TERRITORY PROTECTION

4.1 During the validity of this Agreement, Party A shall not appoint other distributors or sell directly within the Territory.

4.2 All inquiries, leads, and potential customers from the Territory shall be transferred to Party B.

4.3 Party B shall not sell, distribute, or promote the Products outside the Territory without written consent from Party A.

5. MINIMUM PURCHASE REQUIREMENTS

5.1 Party B agrees to purchase a minimum number of units:

Total Annual Target: [e.g., 100 units]

5.2 Quarterly targets:

- Q1: 10 units
- Q2: 20 units
- Q3: 30 units
- Q4: 40 units

5.3 If Party B fails to meet any quarterly target:

Party A shall have the right to:

- Downgrade exclusivity to non-exclusive status; or
- Reduce the Territory; or
- Terminate this Agreement

6. SECURITY DEPOSIT

6.1 Party B shall pay a **performance-based security deposit**:

USD $1,000 per committed unit

Example:

100 units = $100,000 deposit

6.2 Deposit utilization:

- For each unit ordered, USD $1,000 shall be deducted from the deposit

6.3 If targets are NOT achieved:

- Remaining deposit shall be non-refundable

6.4 If targets are achieved:

- Remaining deposit may be:

  Used as payment for future orders; or

  Refunded upon mutual agreement

7. PRICING AND PAYMENT

7.1 Unit price: USD $[XXXX] per unit

7.2 Payment terms:

- 100% payment before shipment
- Payment via T/T or other agreed methods

7.3 The security deposit shall not replace regular payment obligations unless otherwise agreed.

8. MARKET DEVELOPMENT OBLIGATIONS

Party B shall:

8.1 Actively develop the market within the Territory

8.2 Deploy machines in suitable commercial locations (e.g., malls, campuses, tourist areas)

8.3 Build local partnerships and sales channels

8.4 Conduct marketing activities including social media, events, and promotions

8.5 Maintain proper pricing strategy to protect brand positioning

9. REPORTING OBLIGATIONS

9.1 Party B shall provide monthly reports including:

- Number of machines installed

- Sales and operational data
- Market feedback
- Competitor analysis

9.2 Party A reserves the right to request additional reports if necessary.

10. TRAINING AND SUPPORT

Party A shall provide:

10.1 Installation and operation training

10.2 Marketing materials (photos, videos, templates, case studies)

10.3 Site selection guidance

10.4 Remote technical support

10.5 Ongoing business consultation

11. AFTER-SALES SERVICE

11.1 Party A shall provide:

- 3-year warranty (parts replacement only)
- Lifetime technical support

11.2 Spare parts shall be supplied at reasonable cost after warranty period.

12. BRAND AND INTELLECTUAL PROPERTY

12.1 All intellectual property rights belong to Party A.

12.2 Party B shall not:

- Copy, modify, or reverse engineer the Products
- Use the brand improperly
- Register similar trademarks

12.3 Party B shall follow Party A’s branding guidelines.

13. NON-CIRCUMVENTION

13.1 Party B shall not bypass Party A to source similar products from third parties.

13.2 Party B shall not introduce Party A’s technology or business model to competitors.

13.3 This clause remains valid for 2 years after termination.

14. CONFIDENTIALITY

14.1 Both parties agree to keep all confidential information strictly confidential.

14.2 This obligation remains valid for 3 years after termination.

15. TERMINATION AND DOWNGRADE

15.1 Party A may terminate or downgrade exclusivity if:

- Sales targets are not met
- No new machines are deployed within 90 days
- Party B breaches this Agreement
- Market is not actively developed

15.2 Termination shall not affect any outstanding payments or obligations.

16. FORCE MAJEURE

Neither party shall be liable for failure to perform due to events beyond reasonable control, including natural disasters, war, or government actions.

17. DISPUTE RESOLUTION

17.1 This Agreement shall be governed by international commercial practices.

17.2 Any dispute shall be resolved by arbitration in:

Singapore International Arbitration Centre (SIAC)

17.3 The arbitration decision shall be final and binding.

18. TERM

18.1 This Agreement shall remain valid for 12 months.

18.2 It may be renewed upon mutual agreement based on performance.

19. MISCELLANEOUS

19.1 This Agreement constitutes the entire agreement between both parties.

19.2 Any amendments must be made in writing and signed by both parties.

19.3 This Agreement is written in English and shall prevail in case of interpretation differences.

20. SIGNATURES

Party A (Manufacturer):

Signature: _____

Name: _____

Date: _____

Party B (Distributor):

Signature: _____

Name: _____

Date: _____