

**INTERNATIONAL EXCLUSIVE DISTRIBUTION AGREEMENT BETWEEN  
COMPLETE-PHARMA CO., LTD.  
AND  
XXXXXXXXXXXXXXXXXX CO., LTD.**

This **INTERNATIONAL EXCLUSIVE DISTRIBUTION AGREEMENT** (the “Agreement”) is made and entered into as of May 20, 2010, by and between **COMPLETE-PHARMA CO., LTD.**, an Thai corporation having its offices and factory at 68/58 Moo 5 Kingkaew Rd. Soi 40/2, T. Rachateva, A. Bangplee, Samutprakan 10540, THAILAND (“Principal”), and **XXXXXXXXXXXXXXXXXX CO., LTD.**, an \_\_\_\_\_ corporation having its offices in \_\_\_\_\_ (the “Distributor”).

**WITNESSETH:**

**WHEREAS**, Principal produces wide range of food supplement products under COMPLETE brand at own GMP-certified factory;

**WHEREAS**, Distributor desires an exclusive right to distribute such products in \_\_\_\_\_;

**NOW, THEREFORE**, in consideration of the mutual covenants and conditions herein contained, and intending to be legally bound hereby, the parties mutually agree as follows:

**1. PRODUCTS AND TERRITORY.**

**(a) Appointment.** Subject to the terms and conditions of this Agreement, Principal hereby appoints Distributor on an exclusive basis as its sole distributor in the Territory (as defined below) for the sale of the products listed in Exhibit A (the “Products”) during the term of this Agreement.

**(b) Territory.** Principal is appointing Distributor hereunder with respect to the resale of Products to any purchasers whose principal place of business is located in \_\_\_\_\_ (the “Territory”).

**(c) Activities outside the Territory.** Distributor shall refrain from establishing or maintaining any branch, warehouse or distribution facility for the Products outside of the Territory. Distributor shall not engage in any advertising or promotional activities relating to the Products directed primarily to customers outside the Territory. Distributor shall not solicit orders from any prospective purchaser with its principal place of business located outside the Territory.

**(d) Requests from outside the Territory.** If Distributor receives any order from a prospective purchaser whose principal place of business is located outside the Territory, Distributor shall immediately refer that order to Principal. Distributor shall not accept any such orders. Distributor may not deliver or tender (or cause to be delivered or tendered) any Product outside of the Territory.

**(e) Expansion of Products.** Principal reserves the right, in its sole discretion, at any time upon 60 days’ prior written notice to Distributor, to expand or reduce in any manner the Products which are covered by this Agreement.

**(f) Expansion of Territory.** Principal reserves the right, in its sole discretion, at any time upon 90 days’ prior written notice to Distributor, to expand or reduce in any manner the Territory, as defined in this Agreement.

**(g) Change of Control of Distributor.** In the event of a Change of Control of Distributor, Principal shall have the right to appoint an additional distributor for the Territory, and the distributorship granted to Distributor in Section 1(a) shall automatically convert from an exclusive appointment to a co-exclusive appointment.

For the purpose of this Section 1(g), “Change of Control of Distributor” shall mean

**(i)** any consolidation or merger of Distributor with or into any other corporation or other entity or person, or any other corporate reorganization, in which the capital stock of Distributor immediately prior to such consolidation, merger or reorganization, represents less than fifty percent (50%) of the voting power of the surviving entity (or, if the surviving entity is a wholly owned subsidiary, its parent) immediately after such consolidation, merger or reorganization; or

**(ii)** any transaction or series of related transactions to which Distributor is a party in which more than fifty percent (50%) of Distributor’s voting power is transferred to a third party; or

**(iii)** the consummation of a sale of all or substantially all of the assets of Distributor in any transaction or series of related transactions, other than a sale of all or substantially all of the assets of Distributor to an entity, more than fifty percent (50%) of the combined voting power of the voting securities of which are owned by shareholders of Distributor in substantially the same proportions as their ownership of Distributor immediately prior to such sale.

## **2. PRICES AND PAYMENT.**

**(a) Ordering.** Distributor shall order Products from Principal by submitting a written purchase order identifying the Products ordered, requested delivery date(s) and any export/import information required to enable Principal to fill the order. All orders for Products are subject to acceptance by Principal. Principal shall have no liability to Distributor with respect to purchase orders which are not accepted; provided, however, that Principal will not unreasonably reject any purchase order for Products that meets the requirements of this Section 2(a) and that does not request any modifications or additions to the Products.

**(b) Pricing by Principal.** If a purchase order is accepted in accordance with Section 2(a) above, the prices for Products covered by such purchase order shall be in U.S. dollars in accordance with the Product and Price List set forth in Exhibit A. Principal may from time to time amend Exhibit A to change those prices, such change being effective immediately upon Distributor’s receipt of notice thereof; provided, however, that no price change shall affect purchase orders offered by Distributor and accepted by Principal prior to the date such price change becomes effective.

**(c) Pricing by Distributor.** Distributor shall be free to establish its own pricing for Products sold. Distributor shall notify Principal of its pricing, as in effect from time to time.

**(d) Limitations.** The ultimate shipment of orders to Distributor shall be subject to the right and ability of Principal to make such sales and obtain required licenses and permits, under all decrees, statutes, rules and regulations of the government of the kingdom of Thailand and agencies thereof presently in effect or which may be in effect hereafter.

**(e) Distributor representations.** Distributor hereby agrees:

**(i)** to assist Principal in obtaining any required licenses or permits or complying with any other regulatory requirements in the Territory by providing all reasonably requested support, including but not limited to supplying such documentation or information as may be requested by Principal;

(ii) to comply with such decrees, statutes, rules and regulations of the government of the \_\_\_\_\_ and agencies thereof;

(iii) to maintain the necessary records to comply with such decrees, statutes, rules and regulations;

(iv) to not re-export any Products except in compliance with special instructions received from Principal.

**(f) Packing and shipment.** Unless Distributor requests otherwise, all Products ordered by Distributor shall be packed for shipment and storage in accordance with Principal's standard commercial practices. It is Distributor's obligation to notify Principal of any special packaging requirements (which shall be at Distributor's expense). Risk of loss and damage to a Product shall pass to Distributor upon the delivery of such Product to the common carrier designated by Distributor FCA (Incoterms 2000). All claims for non-conforming shipments must be made in writing to Principal within 7 working days of the passing of risk of loss and damage, as described above. Any claims not made within such period shall be deemed waived and released.

**(g) Payments.** All amounts due and payable with respect to a Product delivered by Principal in accordance with the preceding subsection shall be paid in full within 7 working days after date of invoice covering such Product. All such amounts shall be paid in U.S dollars by wire transfer, to such bank or account as Principal may from time to time designate in writing. No part of any amount payable to Principal hereunder may be reduced due to any counterclaim, set-off, adjustment or other right which Distributor might have against Principal, any other party or otherwise.

**(h) Purchase order discrepancy.** In the event of any discrepancy between any purchase order accepted by Principal and this Agreement, the terms of this Agreement shall govern.

**(i) Principle ordering terms.** Products shall be purchased and sold hereunder on the terms and conditions specified in Principal's principle ordering terms, as set forth in Exhibit B. Principal shall have the right to modify such terms and conditions, on at least 60 days' prior written notice to Distributor. In the event of any discrepancy between such terms and conditions and this Agreement, the terms of this Agreement shall govern.

### 3. OTHER OBLIGATIONS OF DISTRIBUTOR.

**(a) Facilities and resources.** Distributor shall employ competent and experienced personnel, provide appropriate facilities and resources so as to render prompt and adequate assistance to the users of the Products in the Territory, and so as to comply with all of Distributor's obligations under this Agreement. Distributor shall provide adequate and appropriate training to its staff concerning the Products.

**(b) Promotional Materials.** Distributor shall use sales and technical information data provided by Principal. Distributor may alter such materials or develop any other materials in connection with the marketing and distribution of Products (including but not limited to product brochures and sales aids), subject to Principal's review and written approval prior to any use of such materials.

**(c) Customer Service.** Distributor shall provide customer service (including, but not limited to, taking orders, responding to customer inquiries, fulfilling requests for quotes on Product pricing, and forwarding Product complaints to Principal as legally required) on a timely basis and shall provide such assistance and information to customers as is reasonably requested by Principal.

**(d) No debarred or disqualified persons.** Distributor warrants that it shall not employ, contract with, or retain any person directly or indirectly to perform services under this Agreement if such person is

**(i)** debarred by either the U.S. Food and Drug Administration under 21 U.S.C. § 335(a) or any equivalent law or regulation in the Territory, or

**(ii)** disqualified as described in 21 C.F.R. § 812.119, or any equivalent law or regulation in the Territory. In the event that Distributor becomes aware of the debarment or disqualification of any person providing services to Distributor which relate to services being provided under this Agreement, Distributor agrees to notify Principal immediately.

**(e) Translations.** Distributor shall translate, at its own expense, all user manuals, and advertising and marketing information into the languages of its customers and provide Principal with advance copies of all such materials for approval by Principal. Principal shall own such translations and related intellectual property rights, but Distributor has exclusive right to use such translations during the term of this Agreement in connection with its activities pursuant to this Agreement.

#### **4. PRINCIPAL'S OBLIGATIONS.**

**(a) Assistance.** Principal shall provide Distributor with such marketing and technical assistance and free Product samples as Principal may in its discretion consider necessary to assist with the promotion of the Products.

**(b) Training.** Principal shall provide product launch training to Distributor's personnel in connection with the marketing, sale, and support of the Products.

#### **5. RELATIONSHIP OF THE PARTIES.**

**(a) Independent contractor.** Distributor shall be considered to be an independent contractor. The relationship shall not be construed to be that of employer and employee, nor to constitute a partnership, joint venture or agency of any kind.

**(b) Expenses.** Distributor agrees to pay, and shall solely bear, all of its incurred expenses in connection with this Agreement, including without limitation all travel, lodging and entertainment expenses.

**(c) Distributor not to enter contracts that bind Principal.** Distributor shall have no right to enter into any contracts or commitments in the name of, or on behalf of, Principal, or to bind Principal in any respect whatsoever.

**(d) No obligations to third parties.** In addition, Distributor shall not obligate or purport to obligate Principal by issuing or making any affirmations, representations, warranties or guaranties with respect to the Products to any third party.

#### **6. BEST EFFORTS.**

**(a) Distributor to use best efforts.** Distributor agrees, for the term of and subject to the provisions of the term of this Agreement, to use its best efforts to promote and market the Products to the maximum number of customers in the Territory. Distributor and Principal shall mutually agree in writing on the sales promotion activities and performance objectives to be met by Distributor for Principal's fiscal year. Distributor shall provide Principal with an annual analysis of the market, including market size, market share data, and competitive activities. Such information shall be provided to enable Principal in

developing the global marketing and business plans for the mutual advantage of Distributor and Principal. Upon signing this Agreement, Distributor and Principal will jointly establish Distributor's performance objectives for Principal's fiscal year. The establishment of performance objectives will be repeated annually. The established performance objectives will become a part of this Agreement, and will be attached hereto as Exhibit C.

**(b) Failure to use best efforts.** Failure to meet any minimum established performance objectives shall constitute a material breach of this Agreement for the purposes of Article 14.

## 7. REPORTING.

**(a) Customer reports.** Distributor shall provide Principal with written quarterly reports, which shall include customer call reports, business trends, sales forecasts for the significant customers in the Territory, market forecasts and other reports requested by Principal.

**(b) Adverse Event Reporting.** Distributor shall notify Principal immediately of

**(i)** all adverse comments or complaints by Distributor's customers regarding the Products, including comments regarding the Products' quality, stability, contamination, potency, condition, packaging, or any other attributes or defects, and

**(ii)** all adverse events and adverse reactions that may be attributable to a customer's use of the Products, whether or not Distributor can confirm that the event is actually associated with the Product, and whether or not Distributor can confirm that the event was due to improper dosing or other negligence on the part of the physician or patient. Distributor shall provide Principal with information regarding the reporting requirements in the Territory.

**(c) Alleged Defects.** In the event of an actual or alleged defect of a Product, Distributor or its representatives or agents shall not make any statement as to the cause, prior to receiving Principal's written analysis of such defect, and shall thereafter make no statements contrary to or inconsistent with the results of such analysis.

**(d) Product Recall.** If either Party believes that a recall of any Products in the Territory is desirable or required by law in the Territory or elsewhere, it shall immediately notify the other Party. The Parties shall then discuss reasonably and in good faith whether such recall is appropriate or required and the manner in which such recall should be handled.

**(e) Remedial Actions.** It is Principal's exclusive right to issue recalls, safety alerts, advisory notices or similar remedial actions with respect to the Products. In the event of such remedial action, Distributor will support and fully co-operate with Principal to comply with applicable laws and regulations, and Distributor will notify its customers and, upon Principal's request, retrieve identified Products.

## 8. FIELD ASSISTANCE.

Principal shall provide, in its discretion, appropriate field assistance to Distributor and Distributor's customers.

## 9. TRADEMARKS, SERVICE MARKS AND OTHER INTELLECTUAL PROPERTY.

**(a) Intellectual Property.** Distributor may use Principal's trade names, trademarks, service marks that are designated by Principal for each Product (the "Principal Intellectual Property") on an exclusive

basis in the Territory, only for the duration of this Agreement and solely in connection with selling, marketing and distributing the Products in accordance with this Agreement. Distributor shall, upon Principal's request, cooperate with Principal in any action necessary or desirable to register with the appropriate governmental agencies any Principal trademark used or proposed to be used hereunder, and to protect any Principal trademark proposed to be used. Distributor shall not at any time do or permit any act to be done which may in any way impair the rights of Principal in the Principal Intellectual Property or the value of the Principal Intellectual Property.

**(b) Quality Control.** In order to comply with Principal's quality control standards, Distributor shall:

**(i)** use the Principal Intellectual Property in compliance with all relevant laws and regulations;

**(ii)** accord Principal the right to inspect during normal business hours, without prior advance notice, Distributor's facilities used in connection with efforts to store or sell the Products in order to confirm that Distributor's use of such Principal Intellectual Property is in compliance with this provision; and

**(iii)** not modify any of the Principal Intellectual Property in any way and not use any of the Principal Intellectual Property on or in connection with any goods or services other than the Products.

**(c) Inventions.** Any inventions made, developed, conceived, or reduced to practice by Distributor that relate to the Products (including any associated delivery systems), and any intellectual property relating thereto, shall be owned solely by Principal. Distributor hereby assigns and transfers to Principal all right, title, and interest in and to such inventions and related intellectual property and agrees to take all further acts reasonably required to evidence such assignment and transfer to Principal, all at Principal's expense. Principal hereby grants to Distributor an exclusive, royalty-free, nontransferable, nonsublicenseable license to such improvements made by Distributor for uses other than in the Products and associated delivery systems.

**(d) Notice of Intellectual Property Infringement.** Distributor shall promptly notify Principal in writing of any patent or copyright infringement or unauthorized use of Principal trade secrets or trademarks in the Territory of which Distributor becomes aware. Principal shall have the exclusive right in its sole discretion to institute any proceedings against such third party in its name and on its behalf. Distributor shall cooperate fully with Principal in any legal action taken by Principal against such third parties, provided that Principal shall pay all expenses of such action and all damage relating to damage suffered personally by Principal which may be awarded or agreed upon in settlement of such action shall accrue to Principal.

## **10. COVENANT NOT TO COMPETE.**

During the term of this Agreement, Distributor shall not market directly or indirectly in the Territory any products which may compete with Principal's products. In the event the Distributor breaches the terms of this Section 10, Distributor's appointment as exclusive distributor of Products under Section 1(a) will convert to an appointment as a non-exclusive distributor of Products, which remedy shall not be exclusive of, and shall be in addition to, any other remedies available to Principal at law or in equity with respect to such breach.

## **11. LIMITED WARRANTY.**

**(a) Representations by Principal.** As to all ingredients of the Products manufactured by Principal, Principal warrants that, at the time of shipment, Product supplied by Principal hereunder

(i) shall meet the Product specifications agreed to in writing by the parties,

(ii) shall not be adulterated or misbranded within the meaning of the FDA regulations or other applicable laws that are equivalent thereto in the Territory,

(iii) shall be manufactured in accordance with Good Manufacturing Practices (GMP) as defined in the World Health Organization Guidelines; provided, however, that Principal shall not be liable for any of the foregoing with respect to any product labeling or package inserts to be provided or used by Distributor, or any translation thereof, or for any noncompliance with the foregoing due to the handling or packaging of Product by Distributor.

**(b) Limitations.** Under no circumstances shall the warranties set forth in Section 11(a) apply to any Product which has been used with unapproved ingredients or to any Product which has been customized or modified, damaged, reused, or misused. In the event that the warranties set forth in Section 11(a) are breached and Principal is responsible for such breach, Principal will replace the defective product at no cost to Distributor.

THE PROVISIONS OF THE FOREGOING WARRANTIES ARE IN LIEU OF AN OTHER WARRANTY, WHETHER EXPRESS OR IMPLIED, WRITTEN OR ORAL (INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE). PRINCIPAL'S LIABILITY ARISING OUT OF THE MANUFACTURE, SALE OR SUPPLY OF THE PRODUCTS UNDER THIS AGREEMENT OR THE USE OR DISPOSITION OF PRODUCTS BY DISTRIBUTOR OR ITS CUSTOMER, WHETHER BASED UPON WARRANTY, CONTRACT, TORT OR OTHERWISE, SHALL NOT EXCEED THE ACTUAL PURCHASE PRICE PAID BY DISTRIBUTOR FOR THE PRODUCTS. IN NO EVENT SHALL PRINCIPAL BE LIABLE TO DISTRIBUTOR OR ANY OTHER PERSON OR ENTITY FOR SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES (INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS, LOSS OF DATA OR LOSS OF USE DAMAGES) ARISING OUT OF THE MANUFACTURE, SALE OR SUPPLY OF THE PRODUCTS, EVEN IF PRINCIPAL HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR LOSSES.

## **12. REPRESENTATIONS BY DISTRIBUTOR; DISTRIBUTOR COVENANTS.**

(a) Distributor hereby represents and warrants to Principal that, as of the Effective Date:

(i) it is qualified and permitted to enter into this Agreement and that the terms of this Agreement do not conflict with and are not inconsistent with any other of its contractual obligations.

(ii) it is validly existing and in good standing as a corporation under the laws of \_\_\_\_\_, and has all necessary corporate power to perform its obligations under this Agreement and its financial resources are sufficient to enable it to perform all of its obligations under this Agreement

(iii) it has not at any time in the past three (3) years been involved, and is not currently involved, in any litigation or disciplinary action relating to the sale of food supplements of medicinal drugs before a regulatory authority or under the laws of any country, and to its knowledge no such proceedings are anticipated to commence during the term of this Agreement;

(iv) it has sufficient personnel and capacity to perform its obligations under this Agreement; and

(v) it owns or controls sufficient rights for it to perform its obligations under this Agreement.

(b) Distributor hereby covenants that Distributor

(i) shall store the Products in accordance with the storage specifications that Principal will provide in writing, and in accordance with all applicable laws, rules and regulations in the Territory,

(ii) shall distribute and ship the Products within the Territory in accordance with Principal's packaging, shipping and distribution specifications for the Products that Principal will provide in writing, and in accordance with all laws, rules and regulations in the Territory,

(iii) shall not sell any Product with an expired shelf life, and shall dispose of any such expired Product in the manner required by Principal, and in accordance with all laws, rules and regulations in the Territory,

(iv) shall not adulterate or misbrand Products, or engage in any activity that could or does render Products adulterated or misbranded, and

(v) shall maintain all necessary records for compliance with all laws, rules and regulations in the Territory.

### 13. INDEMNIFICATION IN FAVOR OF PRINCIPAL.

**(a) Indemnification.** Distributor shall indemnify, protect and save Principal, its Affiliates (as defined below) and all officers, directors, employees and agents thereof (hereinafter referred to as "Indemnitees") harmless from all claims, demands, suits or actions (including attorneys' fees incurred in connection therewith) which may be asserted against Principal for any kind of damages, including without limitation damage or injury to property or persons and incidental and consequential damages, which may be sustained by any third party or any of the Indemnitees arising out of or incident to the conduct of Distributor's operations under this Agreement. For the purpose of this Agreement, "Affiliate" shall mean, with respect to a party, any company, natural person, partnership or other business entity that controls, is controlled by, or is under common control with such party, where the term "controls" denotes the ownership, directly or indirectly, of more than fifty percent (50%) of the voting securities or other ownership interest of an entity, or the possession, directly or indirectly, of the power to direct the management or policies of an entity, whether through the ownership of voting securities, by contract, or otherwise (with correlative definitions for the terms "controlled by" and "common control").

**(b) Insurance.** During the term of this Agreement and for two (2) years thereafter, Distributor shall maintain an insurance policy issued by a reputable insurance company, naming Principal as an additional insured, which policy shall insure against any and all claims, liabilities, costs or expenses resulting from or caused by (or claimed to be resulting from or caused by) any use or operation of any products sold by Distributor.

### 14. TERMINATION.

**(a) Term.** The term of this Agreement shall begin on the later of:

(i) the date upon which Principal executes this Agreement and

(ii) the date upon which Distributor executes this Agreement (the later of such dates being referred to as the "Effective Date"). Unless terminated earlier pursuant to the terms of this Section, the term of this Agreement shall be two (2) years following the Effective Date, renewable for additional one (1) year terms on the mutual written agreement of the Parties. Approximately three (3) months prior to the expiration of this Agreement, the parties will discuss the possible extension or renewal of this Agreement, which will be based on a mutually acceptable performance objective.

**(b) Termination.** Principal may terminate this Agreement at any time upon ninety (90) days written notice to Distributor.

**(c) Termination for material breach.** Upon the occurrence of a material breach or default as to any obligation hereunder by either party and the failure of the breaching party to cure such material breach or default within thirty (30) days after receiving written notice thereof from the non-breaching party, this Agreement may be terminated by the non-breaching party by giving written notice of termination to the breaching party, such termination being immediately effective upon the giving of such notice of termination. Material breach includes, but is not limited to,

**(i)** breach by Distributor of the provisions set forth in Article 1 above;

**(ii)** impairment by Distributor of Principal's rights in the Principal Intellectual Property, in violation of Article 9 above; and

**(iii)** breach by Distributor of the Foreign Corrupt Practices Act,

**(iv)** failure of Distributor to make any payments timely and in accordance with this Agreement,

**(v)** failure to establish and maintain sales team to adequately and effectively sell the Products within the Territory,

**(vi)** failure to use best efforts or order minimum quantities in accordance with Section 6(a) and Exhibit C,

**(vii)** engaging in any act that is detrimental to Principal, the Products, or Principal's reputation, or

**(viii)** any breach of any covenant, representation or warranty in this Agreement, including but not limited to Sections 2(e), 3(a), 5(b), 5(d) and Article 12.

**(d) Change of Control of Distributor.** In the event of a Change of Control of the Distributor, Principal may terminate this Agreement by giving written notice of termination to Distributor, such termination being immediately effective upon the giving of such notice of termination.

**(e) Bankruptcy.** Upon the filing of a petition in bankruptcy, insolvency or reorganization against or by either party, or either party becoming subject to a composition for creditors, whether by law or agreement, or either party going into receivership or otherwise becoming insolvent (the "Insolvent Party"), this Agreement may be terminated by the other party by giving written notice of termination to the Insolvent Party, such termination immediately effective upon the giving of such notice of termination.

**(f) No compensation.** In the event of a termination pursuant to any of subsections (b), (c), (d), or (e) above or upon expiration of this Agreement pursuant to subsection (a) above, Principal shall not have any obligation to Distributor, or to any employee of Distributor, for compensation or for damages of any kind, whether on account of the loss by Distributor or such employee of present or prospective sales, investments, compensation or goodwill. Distributor, for itself and on behalf of each of its employees, hereby waives any rights which may be granted to it or them under the laws and regulations of the Territory or otherwise which are not granted to it or them by this Agreement. Distributor hereby indemnifies and holds Principal harmless from and against any and all claims, costs, damages and liabilities whatsoever asserted by any employee, agent or representative of Distributor under any applicable termination, labor, social security or other similar laws or regulations.

**(g) Payments owed on termination.** Termination of this Agreement shall not affect the obligation of Distributor to pay Principal all amounts owing or to become owing as a result of Products tendered or delivered to Distributor on or before the date of such termination, as well as interest thereon to the extent any such amounts are paid after the date they became or will become due pursuant to this Agreement.

**(h) Surviving provisions.** Notwithstanding anything else in this Agreement to the contrary, the parties agree that Sections 2(e), 2(f), 3(b) and Articles 7 (as to Products sold during the term), 9, 13, 14, 15, 19, 20, 22, 24, 26, 27, 30, and 31 shall survive the termination or expiration of this Agreement, as the case may be, to the extent required thereby for the full observation and performance by any or all of the parties hereto.

## **15. SELL-OFF PERIOD; REPURCHASE OF INVENTORY.**

**(a) Sell-Off Period.** Upon termination or expiration of this Agreement other than by Principal pursuant to Section 14(c) or Section 14(d), Distributor shall have the right to sell off its remaining inventory of Products on a non-exclusive basis for 6 months after such termination or expiration or for so long as such inventory exists, whichever is shorter; provided, however, that Distributor shall comply with all terms and conditions of this Agreement, including those that restrict reselling activities, in effect immediately prior to termination or expiration. Distributor's rights under this Section 15(a) are expressly subject to Principal's option to repurchase Distributor's inventory of Products, as set forth in Section 15(b).

**(b) Option to repurchase.** Upon either termination or expiration of this Agreement, as the case may be, Principal shall have the option to repurchase Distributor's inventory of Products, which option must be exercised in writing within 30 (thirty) days after such termination or expiration. If Principal so exercises such option, Principal shall repurchase Distributor's inventory of Products that are saleable and in the original packages and unaltered from their original form and design, subject to Principal's inspection, test, and acceptance.

**(c) Repurchase price.** Any such repurchase of Distributor's inventory of Products shall be at net cost. Repurchased inventory shall be shipped by Distributor freight prepaid, according to Principal's instructions. Principal shall pay Distributor for such repurchased Products within 30 (thirty) days after Principal receives those Products in one of its facilities.

## **16. PUBLICITY.**

Distributor agrees that any publicity or advertising which shall be released by it in which Principal is identified in connection with the Products shall be in accordance with the terms of this Agreement and with any information or data which Principal has furnished in connection with this Agreement. Copies of all such publicity and advertising shall be forwarded promptly to Principal.

## **17. MODIFICATION.**

No modification or change may be made in this Agreement except by written instrument duly signed by Distributor and by a duly authorized representative of Principal.

## **18. ASSIGNMENT.**

Distributor may not assign all or any part of its rights and obligations under this Agreement to anyone without the prior written consent of the Principal. Principal may assign its rights and obligations under this Agreement to

(a) any of its Affiliates,

(b) any person or entity to whom Principal licenses or otherwise transfers the right to manufacture Product (subject to appropriate written notice to Distributor to facilitate any necessary change in Government Approvals), or

(c) any person or entity with which Principal is merged or by which it is acquired or which purchases all or substantially all of its assets; provided that any such assignee agrees to abide and perform all Principal's obligations and duties under this Agreement. Principal shall notify Distributor of any such assignment. Any prohibited assignment shall be null and void.

**19. NOTICE.**

All notices given under this Agreement shall be in writing and shall be addressed to the parties at their respective addresses set forth below:

IF TO DISTRIBUTOR:

**COMPLETE-PHARMA CO., LTD.**

68/58 Moo 5 Kingkaew Rd. Soi 40/2, T. Rachateva, A. Bangplee, Samutprakan 10540, THAILAND

Fax +66-2 7388069

E-mail: complete-pharma@hotmail.com

Attention: Sales Manager

IF TO PRINCIPAL:

**XXXXXXXXXXXXXXXXXX CO., LTD.**

XX

Fax +xxx xxxxxxxx

E-mail: xxxxxxxx@xxxxxxxx

Attention: Purchases Manager

Either party may change its address or its e-mail or fax number for purposes of this Agreement by giving the other party written notice of its new address, e-mail or fax number. Any such notice if given or made by registered or recorded delivery international air mail letter shall be deemed to have been received on the earlier of the date actually received and the date 7 (seven) days after the same was posted (and in providing such it shall be sufficient to prove that the envelope containing the same was properly addressed and posted as aforesaid) and if given or made by telecopy transmission shall be deemed to have been received at the time of dispatch, unless such date of deemed receipt is not a Business Day, in which case the date of deemed receipt shall be the next such succeeding Business Day.

**20. WAIVER.**

None of the conditions or provisions of this Agreement shall be held to have been waived by any act or knowledge on the part of either party, except by an instrument in writing signed by a duly authorized officer or representative of the parties. Further, the waiver by either party of any right hereunder or the failure to enforce at any time any of the provisions of this Agreement, or any rights with respect thereto, shall not be deemed to be a waiver of any other rights hereunder or any breach or failure of performance of the other party.

**21. VALIDITY.**

Distributor warrants that this Agreement is lawful and may be performed in accordance with its terms under all laws in force in India and all of the countries comprising the Territory at the time of execution of this Agreement. Principal and Distributor covenant and warrant that they will each advise the other of any changes in the respective laws of which they become aware which might or will impair the validity of all or any part of this Agreement.

## **22. CONSTRUCTION OF AGREEMENT AND RESOLUTION OF DISPUTES.**

This Agreement shall be interpreted in accordance with the commonly understood meaning of the English words and phrases hereof in the United States of America, and its performance of the parties hereto shall be construed and governed according to the laws of the Kingdom of Thailand, without regard to conflicts of law principles that would provide for application of the law of a jurisdiction outside the Kingdom of Thailand. The Parties agree that the United Nations Convention on Contracts for the International Sale of Goods (CISG) does not apply to this Agreement.

**(a) Right to judicial proceedings.** Each party shall have the right to institute judicial proceedings against the other party or anyone acting by, through or under such other party, in order to enforce the instituting party's rights hereunder through reformation of contract, specific performance, injunction or similar equitable relief.

**(b) Jurisdiction.** The parties irrevocably submit to the jurisdiction of the state and courts of the Kingdom of Thailand; provided, however, that nothing herein shall preclude either party from instituting proceedings against the other party or anyone acting by, through or under the other party in any place which may have jurisdiction for the purpose of protecting and enforcing such party's rights either hereunder or pursuant to any other agreements, documents, instruments or otherwise.

**(c) Service by mail.** In the alternative, service of process may be made by postage prepaid registered or recorded delivery air-mail letter transmitted by either party to the other party at the address for notices set forth above for such other party with a duplicate copy sent by postage prepaid registered or recorded delivery air mail letter to the agent appointed by such other party hereunder.

**(d) Waiver of objection.** Each party hereby irrevocably waives any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding relating to this Agreement in the Kingdom of Thailand and further irrevocably waives any claim that the Kingdom of Thailand is not a convenient forum for any such suit, action or proceeding.

## **23. PRINCIPAL OFFICE IN THE TERRITORY.**

Principal may from time to time maintain an office at one or more locations in or near the Territory. Personnel associated with such office or offices shall be authorized to and may, from time to time, act on behalf of Principal and shall be entitled to exercise all of the rights of Principal under this Agreement. Such personnel shall be entitled to all information with respect to all matters relevant to Distributor's performance under the Agreement, and Distributor shall at all times cooperate with such personnel with respect to all such matters.

## **24. CONFIDENTIALITY MAINTAINED.**

**(a) Proprietary Information.** Distributor agrees that Principal has a proprietary interest in any information provided to Distributor by Principal, whether in connection with this Agreement or otherwise, whether in written or oral form, which is

(i) a trade secret, confidential or proprietary information, and

(ii) not publicly known (the “Proprietary Information”).

Distributor shall disclose the Proprietary Information only to those of its agents and employees to whom it is necessary in order properly to carry out their duties as limited by the terms and conditions hereof. Both during and after the term of this Agreement, all disclosures by Distributor to its agents and employees shall be held in strict confidence by such agents and employees. During and after the term of this Agreement, Distributor, its agents and employees shall not use the Proprietary Information for any purpose other than in connection with Distributor’s sale and distribution of the Products in the Territory pursuant to this Agreement. Distributor shall, at its expense, return to Principal the Proprietary Information as soon as practicable after the termination or expiration of this Agreement. All such Proprietary Information shall remain the exclusive property of Principal during the term of this Agreement and thereafter. This Section 24(a) shall also apply to any consultants or subcontractors that Distributor may engage in connection with its obligations under this Agreement.

**(b) Permitted disclosure.** Notwithstanding anything contained in this Agreement to the contrary, Distributor shall not be liable for a disclosure of the Proprietary Information of Principal, solely to the extent that the information so disclosed:

(i) was in the public domain at the time of disclosure without breach of this Agreement; or

(ii) was known to or contained in the records of Distributor from a source other than Principal at the time of disclosure by Principal to Distributor and can be so demonstrated by competent written records; or

(iii) was independently developed and is so demonstrated promptly upon receipt of the documentation and technology by Distributor; or

(iv) becomes known to Distributor, without any restrictions on further disclosure, from a source other than Principal without breach of this Agreement by Distributor and can be so demonstrated by competent written records.

## **25. ENTIRE AGREEMENT.**

This Agreement, including all Exhibits and appendices hereto, supersedes and cancels any previous agreements or understandings, whether oral, written or implied, heretofore in effect and sets forth the entire agreement between Principal and Distributor with respect to the subject matter hereof.

## **26. NO RIGHTS BY IMPLICATION.**

No rights or licenses with respect to the Products or the Principal Intellectual Property are granted or deemed granted hereunder or in connection herewith, other than those rights expressly granted in this Agreement.

## **27. RESPONSIBILITY FOR TAXES.**

Taxes on Territory, now or hereafter imposed with respect to the transactions contemplated hereunder (with the exception of income taxes or other taxes imposed upon Principal and measured by the gross or net income of Principal) shall be the responsibility of Distributor, and if paid or required to be paid by Principal, the amount thereof shall be added to and become a part of the amounts payable by Distributor hereunder.

## **28. MODIFICATION OF PRODUCTS.**

Distributor may not customize, modify or have customized or modified any Product unless it obtains the prior written consent of Principal, which consent may be withheld in the sole discretion of Principal. Any unauthorized customizing or modification of any Product by Distributor or any third party shall relieve Principal from any obligation it would otherwise have had with respect to such Product under the warranties described herein.

## **29. FORCE MAJEURE.**

**(a) No liability for damages.** Neither Principal nor Distributor shall be liable in damages, or shall be subject to termination of this Agreement by the other party, for any delay or default in performing any obligation hereunder if that delay or default is due to any cause beyond the reasonable control and without fault or negligence of that party; provided that, in order to excuse its delay or default hereunder, a party shall notify the other of the occurrence or the cause, specifying the nature and particulars thereof and the expected duration thereof; and provided, further, that within fifteen (15) calendar days after the termination of such occurrence or cause, such party shall give notice to the other party specifying the date of termination thereof. All obligations of both parties shall return to being in full force and effect upon the termination of such occurrence or cause (including without limitation any payments which became due and payable hereunder prior to the termination of such occurrence or cause).

**(b) Cause beyond reasonable control.** For the purposes of this Section, a “cause beyond the reasonable control” of a party shall include, without limiting the generality of the phrase, any act of God, act of any government or other authority or statutory undertaking, industrial dispute, fire, explosion, accident, power failure, flood, riot or war (declared or undeclared).

## **30. COMPLIANCE WITH LAWS.**

Each of Distributor and Principal covenants that all of its activities under or pursuant to this Agreement shall comply with all applicable laws, rules and regulations. In particular, but without limitation, Distributor shall be responsible for obtaining all licenses, permits and approvals which are necessary or advisable for sales of the Products in the Territory and for the performance of its duties hereunder.

## **31. SEVERABILITY.**

If any provision of this Agreement is declared invalid or unenforceable by a court having competent jurisdiction, it is mutually agreed that this Agreement shall endure except for the part declared invalid or unenforceable by order of such court. The parties shall consult and use their best efforts to agree upon a valid and enforceable provision which shall be a reasonable substitute for such invalid or unenforceable provision in light of the intent of this Agreement.

## **32. COUNTERPARTS.**

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

## **33. PERFORMANCE BY AFFILIATES.**

The Parties recognize that Principal may perform some or all of its obligations, or exercise some or all of its rights, under this Agreement through one or more of its Affiliates. Any reference to Principal in this

Agreement shall be deemed to include any such Affiliates of Principal so engaged by Principal as it deems appropriate in light of the particular facts and circumstances.

**IN WITNESS WHEREOF**, the parties hereto have signed this Agreement.

DISTRIBUTOR: XXXXXXXXXXXXXXXXXXXX CO., LTD.

By: /s/ XXXXXXXXXXXX

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Name: XXXXXXXXXXXX  
Title: XXXXXXXXXXXX

PRINCIPAL: COMPLETE-PHARMA CO., LTD.

By: /s/ XXXXXXXXXXXX

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Name: XXXXXXXXXXXX  
Title: Managing Director