DISTRIBUTOR AGREEMENT

THIS AGREEMENT is made this \_\_\_\_\_\_ day of \_\_\_\_\_\_, 19, by and between \_\_\_\_\_\_ [Name of Company], with its principal place of business located at \_\_\_\_\_\_ [Address] (the "Company") and \_\_\_\_\_\_ [Name of Distributor], \_\_\_\_\_\_ [Address] \_\_\_\_\_\_ (the "Distributor").

NOW, THEREFORE, in consideration of the promises hereinafter made by the parties hereto, it is agreed as follows:

# ARTICLE I

APPOINTMENT OF DISTRIBUTORSHIP

1. Distribution Right. The Company hereby appoints and grants Distributor the exclusive and non-assignable right to sell the equipment of the Company ("Equipment") listed in the then current "Price List" (Exhibit "A" attached hereto) [omitted]. The distribution right shall be limited to customers who have places of business in, and will initially use the Company's products in the geographic area set forth in Exhibit "B" attached hereto.

2. Prices. All prices stated are FOB the Company's offices in \_\_\_\_\_\_ [Address]. Prices do not include transportation costs which shall be borne by Distributor. Prices do not include federal, state or local taxes applicable to the products sold under this Agreement. An amount equal to the appropriate taxes will be added to the invoice by the Company where the Company has the legal obligation to collect such taxes. Distributor shall pay such amount to the Company unless Distributor provides Company with a valid tax exemption certificate authorized by the appropriate taxing authority.

3. Terms. Terms are net cash upon delivery, except where satisfactory credit is established in which case terms are net thirty (30) days from date of delivery. The Company reserves the right to revoke any credit extended at the Company's sole discretion. Distributor agrees to pay such invoices when due regardless of other scheduled deliveries. Invoices not paid within thirty (30) days of the invoice date will have one and onehalf percent (1-1/2%) per month finance charge assessed against the unpaid balance from the date of invoice until the date of payment.

4. Title to Equipment. The Company hereby reserves a purchase money security interest in each unit of Equipment sold or to be sold under this Agreement and in the proceeds thereof, if Distributor shall have sold or leased a unit(s) to another party prior to Distributor paying Company the purchase price for such Unit as set forth herein, in the amount of such unit's purchase price. These interests will be satisfied by payment in full. A copy of this Agreement may be filed with the appropriate uthorities at any time after the signature by the Company as a financing statement in order to perfect the Company's security interest. On the request of the Company, Distributor shall execute financing statement(s) and other instruments the Company shall desire to perfect a security interest in the Equipment for its purchase price. Title to the Equipment shall pass to Distributor upon receipt by the Company of payment in full for all amounts due for such units of Equipment.

5. Competitive Equipment. Distributor agrees not to represent or sell other products which are deemed to be competitive with the Company's Equipment unless agreed to by the Company by written notice.

# ARTICLE II

MARKETING AND SUPPORT

1. Sales. Distributor shall use its best efforts to promote the sale and distribution of the Equipment and to provide adequate support, which efforts shall include the following:

(a) Establishing and maintaining appropriate, attractive and accessible premises and facilities for the display and demonstration of Equipment;

(b) Provide an adequate, trained sales and technical staff to promote the sale and support of the Equipment;

(c) Undertake promotional campaigns and canvas prospective users to stimulate the sales of Equipment;

(d) Provide Company with forecasts every month of its probability requirements for the next six months for Equipment and accessories, such forecasts to be in such manner and on forms to be specified by Company and agreed to by Distributor.

2. Advertising. Company shall, upon request, assist the Distributor on all advertising, sales promotion, and public relations campaigns to be conducted, including providing Distributor with documentation of previous promotional campaigns conducted in connection with the Equipment, and shall provide necessary technical information and assistance.

3. Training. Company shall furnish training of Distributor's sales and technical representatives at various times and locations as shall be designated for this purpose by Company. Enrollment in training courses shall be limited to a reasonable number of persons who shall be sufficiently qualified to take the courses. Distributor shall pay the salaries and all travel and lodging expenses and subsistence of its representatives.

# ARTICLE III

DELIVERY

1. Purchase Orders. Distributor shall order Equipment by written notice to Company. Each order shall specify the number of units to be shipped, the type of units to be shipped (as identified by Company model number designations indicated in the Price List) including all optional features, the desired method of shipment and the installation site.