

DISTRIBUTOR AGREEMENT v2.23

ARTICLE I

APPOINTMENT OF DISTRIBUTORSHIP

- SEEED permits the company acting as **NONEXCLUSIVE** distributor of the SEEED products listed in the SEEED warehouse website (www.seeedstudio.com/warehouse/) on condition that the company agrees all the articles in this paper.
- SEEED reserve the right to directly or indirectly sell all products to other distributors and end customers.

ARTICLE II

DISTRIBUTOR'S RESPONSIBILITIES

Distributor should agree the following terms so that this distributorship will be effective.

- Actual retail price should be **NO LESS** than 70% of SEEED depot retail price of the same product.
- Minimum of Quarterly warehouse order is \$1000.
- Distributor should maintain sufficient sales force in order to adequately serve the Territory.
- Distributor should use its best efforts to boost the sale of the products and provide adequate support.
- Distributor should not assign or sublicense any of its right or duties under this Agreement to any third party without the permission of SEEED.

ARTICLE III

BUYER-SELLER RELATIONSHIP

The distributor and its employees should not be considered as agents or representatives of SEEED. Instead, the relationship between the distributor and SEEED under this Agreement intends to be that of buyer and seller.

ARTICLE IV

PRODUCT, PRICE AND DISCOUNT

Product

- The products available for distribution are listed in SEEED warehouse website (www.seeedstudio.com/warehouse/).
- SEEED reserve the right, in its sole discretion to add items or delete items from the product catalogue, and to modify or enhance any of the products or their features at any time, and to discontinue any of the products without notice.

Price

- All prices stated are FOB **Shenzhen**.
- Prices are **NOT** including transportation costs.
- Prices are **NOT** including import duties, government permit fees, license fees, customs

fees and other similar fees which can be varied across countries. Distributor should take full responsibility for all of them.

- SEEED reserve the right to modify the prices of products without notice.

Discount

- 30% gross profit rate in average for warehouse order.
- Grade bonus according to last quarter warehouse order is listed below.

Amount of quarterly purchase	Bonus
\$2000 - 3000	\$200
\$3000 - 4000	\$300
\$4000 - 5000	\$400
\$5000 - 6000	\$500
\$6000 - 8000	\$600
\$8000 - 10000	\$800
\$10000 - 15000	\$1000
\$15000 - 20000	\$1500
\$20000 above	\$2000

- Please note that the bonus coupon given is only valid for 6 months. The term of validity of coupon should be within the validity of distributor permit.

ARTICLE V PAYMENT

Payment Term

Payment Term is **Payment before Delivery**, except where satisfactory credit is established by which 30% prepayment has been received and the rest will be paid before delivery. SEEED reserve the right to revoke any credit extension in its sole discretion.

Payment Methods

- We accept both the **PayPal** and **Wire Transfer**.
- Wire Transfer can be accepted for order over \$500.
- For order over \$2000, Wire Transfer is preferred. In this circumstance, 3% extra discount will be applied for the subtotal (The subtotal considered is the total excluding the shipping cost, and will be calculated at checkout) as an incentive to pay by Wire Transfer.
- Please allow 3-5 business days for international wires to clear. A record of the transaction from your bank is not sufficient to release an order, but may help to shorten the delivery time.

ARTICLE VI SUPPORT

- SEEED shall, upon request, assist the distributor on advertising, sales promotion, and public relations campaigns, including providing distributor with the trademarks, trade

names, logos, instruction of the products, and necessary technical support and assistance.

- \$50 gift credit per month for samples in SEEED depot (only for those distributors who place over \$5000 warehouse order in last quarter).
- Dedicate stock for popular products.
- Monthly newsletter with latest info and upcoming products.
- Distributor page link: on condition that a distributor place quarterly over \$2000 warehouse order for two quarters in a row, and then submit a request to the warehouse manager. Then Seed will add the distributor's logo into the Distributor page.

ARTICLE VII DELIVERY

Purchase Orders

- www.seedstudio.com/warehouse/ is especially for wholesale, and distributor may enjoy further discount in there. Obviously, there is **MOQ** (minimal order quantity) on this website, and it should be 10 pieces normally. In addition, some products are only available in the depot so that they are not listed in warehouse.
- Additional request such as the desired shipping method should be specified in each order.

Delivery Time

- Delivery date can be varied. Basically, it depends on the payment status of the distributor.
- We delivery distributor's depot order within 3 working days.
- SEEED warehouse will indicate the delivery date of distributor's warehouse order.

Shipment

- All shipments of SEEED shall be made FOB **Shenzhen** and liability for loss or damage in transportation, or thereafter, shall pass to distributor upon our delivery of products to a common carrier for shipment.
- Distributor should bear all costs of transportation and insurance and should promptly reimburse SEEED if we prepay or somehow pay for such expenditure.
- Orders normally are shipped with UPS or DHL. We also provide the other express service you may prefer, such as TNT, FedEx, and EMS.
- No orders will be processing for delivery or pickup until payment has been cleared.
- No orders will be shipped freight collect, **NO EXCEPTIONS**. If you have an express account, we will gladly use it for the delivery expenses.
- We can **NOT** combine orders from depot and warehouse due to they are processing in a quite different way. However, either your depot orders or warehouse orders can be integrated.

ARTICLE VIII WARRANTY

Products Warranty

SEEED guarantees all products to be free from defects in material or workmanship under

normal use and service for a period of **ninety days** from the date of delivery. If any defect occurs within this scope of the warranty, please notify us immediately. We will send the replacements or refund the payment and afford the cost.

Misuse

Warranty will be invalidation if the products were not using or operating in a proper way. In this case, SEEED will not take responsible for it.

SEEED will not be responsible for any extra warranty which provided by a distributor to an end user.

ARTICLE IX

CONFIDENTIAL INFORMATION AND PRIVACY

Confidential Information

SEEED and the distributor should both keep the information, reports and records pertaining to this distributorship in confidential manner.

Privacy

- SEEED is committed to secure your privacy.
- SEEED will take reasonable technical and organizational precautions to prevent your personal information from loss and misuse. However, data transmission over the Internet is inherently insecure, and we cannot guarantee the security of data sent over the Internet.
- You are responsible for keeping your password and user details confidential. We will not ask you for password.

ARTICLE X

DURATION AND TERMINATION

Duration

This Agreement shall be effective for one year from the effective date of this Agreement, and will be automatically extended. There will be a written notice if the expiration date is about to change.

Termination

- This Agreement shall continue in effect from the effective date hereof until terminated by either party at will, with or without cause, upon notice in writing given by mail at any time.
- SEEED will review a Distributor at the end of every quarter. At that time, SEEED will verify that the distributor is satisfactorily upholding the obligations of ARTICLE II. If SEEED determines, in its sole and unfettered discretion, that a distributor is not fulfilling its obligations of ARTICLE II, or any other section in this Agreement, reasonable action may be taken, up to and including termination of the distributorship.
- \$1000 is the minimum amount of the quarterly warehouse order. A warning letter will be sent to those which distributors cannot reach this minimum. In addition, another warning

letter as an ultimatum will be sent if a distributor cannot achieve this minimum for 2 quarters in a row.

- If a distributor cannot provide a acceptable reason after receiving two warning letters, SEEED may consider your company either cannot, or do not want to maintain the distributorship with us for one reason or another, and you may be completely removed from SEEED's distributor list.

NOTE

Distributor policy might be adjusted accordingly and suggestions would be always welcomed.

