

DISTRIBUTOR AGREEMENT v3.2

ARTICLE I

APPOINTMENT OF DISTRIBUTORSHIP

- SEEED permits the company acting as **NONEXCLUSIVE** distributor of the SEEED products listed in the SEEED official website (www.seeedstudio.com) 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 retail price of the same product.
- Minimum of per wholesale order is \$500; Minimum of Quarterly wholesale 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

- Some products may only have a retail price, but they still are available to purchase by distributors, such as:
 1. Newly released beta version products;
 2. Collaborated Products;
 3. Externally-Sourced Products;
- 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 wholesale prices stated are FOB **Shenzhen**.
- Wholesale Prices are **NOT** including transportation costs.
- Wholesale 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 wholesale order. (Some products are listed with different discounts, please subject to the prices listed in the website www.seeedstudio.com.)
- Grade bonus according to last quarter wholesale order is listed below:

Amount of quarterly purchase	Bonus
\$2,000 - 3,000	\$200
\$3,001 - 4,000	\$300
\$4,001 - 5,000	\$400
\$5,001 - 6,000	\$500
\$6,001 - 8,000	\$600
\$8,001 - 10,000	\$800
\$10,001 - 15,000	\$1,000
\$15,001 - 20,000	\$1,500
\$20,001 above	
Each additional \$5,000 based on \$20,000	Each additional \$500 based on \$2,000

*The bonus policy was implemented from January 1st, 2013, it is calculated based on the total amount of your last quarter orders *

For example:

If Distributor A's quarterly purchase = \$23,000, then his bonus = \$2,000

If Distributor B's quarterly purchase = \$27,000, then his bonus = \$2,500

If Distributor C's quarterly purchase = \$52,000, then his bonus = \$5,000

- 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 **DELIVERY**

Payment Term

Payment Term is **Payment 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.
- Dedicate stock for popular products.
- Regularly newsletter with latest info and upcoming products.
- Distributor page link: SEEED will add the distributor's logo and related website link into the Distributor page after your application approved and initiate wholesale order done.

ARTICLE VII

DELIVERY

Purchase Orders

- www.seeedstudio.com distributor channel is especially for wholesale order, and distributor may enjoy further discount in there. Obviously, there is **MOA** (minimal order amount) on this channel, **minimum of per wholesale order is \$500, and minimum of quarterly wholesale order is \$1000**. 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.
- SEEED normally process a wholesale order within 3 working days.
- SEEED system will indicate the delivery date of distributor's wholesale 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, Fedex or DHL. We also provide the other express service you may prefer, such as TNT, 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.

ARTICLE VIII WARRANTY

Products Warranty

SEED 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, SEED will not take responsible for it.
- SEED 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

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

Privacy

- SEED is committed to secure your privacy.
- SEED 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.
- SEED will review a Distributor at the end of every quarter. At that time, SEED will verify that the distributor is satisfactorily upholding the obligations of ARTICLE II . If SEED determines, in its sole and unfettered discretion, that a distributor is not fulfilling its obligations of ARTICLE II , or any other sections in this Agreement, reasonable action may be taken, up to and including termination of the distributorship.
- \$1000 is the minimum amount of the quarterly wholesale 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 an 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.

