

30 July 2018

**DISTRIBUTOR AGREEMENT
GAUTENG**

Distributor Agreement for "commission only" sales between J Brill Importers and Distributors (Pty) Ltd (herein referred to as the "Company") and _____ (herein referred to as the "Distributor"). Also herein the "Customer" will be the buyer of the products and the entity making the payment if this is not the "Distributor".

This Agreement that is to commence on the 1st day of _____ 20__ between "the Company" and "the Distributor" of the other part whereby agrees to the following:

1. Validity and Commencement;

- 1.1. This Agreement is fully dependent on an Agreement signed between J Brill Importers and Distributors (Pty) Ltd and the above mentioned _____ based in Gauteng.
- 1.2. The rights granted in terms of this Agreement may not be sold, transferred, assigned or delegated in whole or in part. Nor shall the rights continue without the express consent of the Company if the Distributor changes. Further, should the Distributor be sequestrated, liquidated, declared insolvent or be placed under judicial management then the Company shall have the right at its discretion to elect at any time, to revoke the rights conferred upon the Distributor and to terminate this Agreement forthwith and the Distributor shall under these circumstances have no claim against the Company.
- 1.3. The Distributor may not cede or assign this agreement under any circumstances.
- 1.4. This Agreement may not be used as collateral or for the securing of loans and/or finance.
- 1.5. Subject to the provisions of above this Agreement shall commence and remain valid until cancelled by either party by giving the other party 3 (three) month's written notice of its intention to cancel.
- 1.6. The Distributor may not represent itself as an Agent of the Company and may only refer to itself as a third party distributor/sales agent totally dependent on commission from sales by the Distributor. Each party shall be regarded as a separate legal entity.
- 1.7. The Laws of South Africa shall govern this Agreement and the Distributor hereby submits to the jurisdiction of the South African courts accordingly. Should a dispute arise, the parties may by mutual consent refer such dispute to an arbitrator or to any other dispute resolution mechanism, including a South African court of law.

2. Obligations of the Distributor;

- 2.1. The Distributor must remain active in promoting sales, introducing products to potential customers and ensuring sales growth.
- 2.2. The Distributor must in addition ensure that they order at least sufficient quantities of product so as to comply with the minimum performance requirements as agreed on an annual basis when budgets are set for the term.
- 2.3. The minimum annual sales that the Distributor undertakes to achieve is ZAR _____ per year with an annual growth of 10% for a 5-year period (60 months) from the commencement of the agreement. This agreement can be re-negotiated but not more than 3 months prior to termination; terms of a new agreement may differ from this existing agreement.
- 2.4. The Companies pricelist does NOT include commission for the Distributor. The Distributor is at liberty to add a percentage to the Companies selling price in order to earn a commission. The difference between the amount paid by the customer and the Companies official pricelist price will be deemed as the Distributors commission. The commission will be paid in ZAR in South Africa.

3. Obligations of the Company;

- 3.1. Where commission is agreed;
 - 3.1.1. The Company undertakes to pay the Distributor commission on the pricelist price of the goods purchased; this does not include shipment, delivery costs, insurance or any other related cost in getting the product to the final destination.
 - 3.1.2. Commission will be paid within 10 working days after full payment has been received by the Company from the Distributor or the Customer. Commission will not be paid if any monies are outstanding or disputes arise regarding payments from the Distributor or the Customer.
- 3.2. The Company undertakes record all customers that were contacted by the Distributor and to refer all inquiries from that Company back to the Distributor.
- 3.3. The Company retains the right to terminate the agreement without notice should the sales as mentioned in Clause 2.3 not materialise after a reasonable time (12 months) or by invoking Clause 1.5.

4. General

- 4.1. None of the terms and conditions of this Agreement is capable of being waived, amended, added to or deleted, unless such waiver, amendment, addition or deletion is reduced to writing and is signed by the parties hereto.

For and on behalf of

J BRILL IMPORTERS AND DISTRIBUTORS (Pty) Ltd

Name: J.M. BRILL
Director

Witness:

Date:

For and on behalf of

“Company Name”

Name:

Witness:

Position:

Date:

NOTE ON VALIDITY: Please sign this page in full and initial all the other pages.