

DISTRIBUTOR AGREEMENT

THIS AGREEMENT is made and entered into by and between

U-Pack Engineering Co. ltd, a Chinese corporation, with its principal place of business N° 558# Tianhuan Road, Zip: 201708, (hereinafter also referred to as U-Pack or "Producer"),

and the company :

In accordance with the following facts and objectives:

- A. U-Pack manufactures and sells, among other things, packaging machines, hereinafter referred to as "Products".
- B. U-Pack wishes to appoint Distributor and Distributor wishes to accept the appointment as U-Pack's distributor for its Products in accordance with the terms and conditions of this Agreement.

THEREFORE, for valuable consideration, receipt of which is hereby acknowledged, the parties agree as follows:

1 DISTRIBUTORSHIP

1.1 Exclusive Appointment.

1.1.1 U-Pack appoints Distributor as the exclusive distributor for the sale of its Products in (see exhibit Territory) hereinafter referred to as "Territory".

1.1.2 During the continuance of this Agreement, U-Pack shall not sell or distribute its Products, within such Territory to any other person, firm, or corporation, nor appoint any such person or entity as distributor of the Products without the written consent of Distributor. If such violation is committed, the Distributor has the right to claim for commission of 30% of the sales value.

1.1.3 All customer inquiries in relation with products to be sold to the countries specified under "exhibit Territory" shall be redirected

2 TERM AND TERMINATION

2.1 Term.

2.1.1 Initial Term.

The initial term of this Agreement shall be for three (3) years from the effective date with a trial period of one (1) year.

2.1.2 Extended Term.

At the end of the initial term and each renewal term thereafter, this Agreement shall be automatically renewed for successive one year terms, unless either Distributor or Producer elects to terminate this Agreement as of the end of the

initial term or any renewal terms by providing at least six (6) months written notice of termination to the other party.

2.1.3 Trial period.

During the trial period this agreement may be terminated at any time upon written notice to the other party with a notice period of three (3) months.

2.1.4 Termination.

In case of termination of the agreement both parties agree to respect this agreement for any orders arisen from any valid quotations established before the reception of the notice of termination of this agreement.

3. SALES CONDITIONS

3.1 Title and Risk.

3.1.1 Taxes, customs duties, state fees, income taxes, withholding taxes of all kind and all other expenses, which shall be paid for in the Distributor's country, shall be borne by the Distributor, whereas all taxes, customs duties, state fees, income taxes, withholding taxes of all kind and other expenses related to this agreement and its execution in Producer's country, shall be borne by the producer.

3.2 Warranties.

U-Pack warrants that all goods, software, and other products sold by U-Pack under this Agreement, will be in a merchantable condition, and free from defects in design or manufacture for a period of twelve (12) months after they are received by Distributor. In the event of any breach of warranty, U-Pack will pay the reasonable cost necessary to replace or repair the defective part, item, or Product, and the cost of all labor necessary to complete any repair or replacement, together with costs of freight.

4 SALES PROMOTION/TRADE FAIRS

4.1 Sales Promotion.

4.1.1 Distributor shall exert its best efforts in promoting the sales of Products in the Territory. U-Pack shall provide all the requested documentation in English language.

4.1.2 U-Pack allows the distributor to use his brandname, with the specific requirement of colour, parts brand, operational language, etc. for the promotion and the sales of U-Pack machines.

4.1.3 For every purchase or project, there will be a separate sales contract, in which the technical specifications, delivery time, price and terms of payment, other special terms (if required) will be agreed and specified.

5 TRAINING

5.1 Training and Expenses.

Distributor may request reasonable assistance of U-Pack in the training of the personnel of the customers. If Distributor requests such reasonable assistance, U-Pack shall dispatch its personnel to the offices of Distributor in the Territory to assist Distributor.

6 INFORMATION

6.1 Product Information.

U-Pack shall furnish Distributor with copies of the operating, installation, and dismantling instructions with each Product. In addition, U-Pack shall give Distributor a repair manual (trouble shooting instructions) for each Product.

7 FINAL PROVISIONS

7.1 Trade Secrets

The parties agree to maintain discussions and proprietary information revealed pursuant to projects regarding this agreement in confidence, to disclose them only to persons within their respective organizations having a need to know, and to furnish assurances to the other party that such persons understand this duty on confidentiality.

7.2 Arbitration.

Any dispute, controversy or claim arising out of or in relation to this contract, including the validity, invalidity, breach or termination thereof, which could not be solved by negotiation of the parties shall be settled by arbitration in accordance with the Rules of International Arbitration of the SINGAPORE Chambers of Commerce (ICC) in force on the date when the Notice of Arbitration is submitted in accordance with these Rules. The number of arbitrators shall be three. The seat of the arbitration shall be in SINGAPORE, unless the parties agree on a city abroad. The arbitral proceedings shall be conducted in English language.

7.3 Invalidity and Severability.

Should any provision of this Agreement in whole or in part be or become invalid or inoperable, then the validity of the remaining provisions of this Agreement shall not be affected thereby.

7.4 Completeness of Instrument.

This Agreement contains all of the agreements, understandings, representations, conditions, warranties, or covenants made between the parties hereto. All modifications and amendments hereto must be in writing.

EXECUTED in Shanghai, China as of the dates set forth below.

PRODUCER

U-Pack Engineering Co. ltd

By:

Dated:

DISTRIBUTOR

By:

Dated: