

## SALES AGENCY AGREEMENT

This SALES AGENCY AGREEMENT (this “Agreement”) is made as of \_\_\_\_\_, 2020 by and between by and between Napcity Americas LLC, a Florida company, with an address located at [Napcity.Address] (“Company”), and [Sales Agent], a [Country] company, with an address located at [Address] (“Agent”).

### WITNESSETH

WHEREAS, the Company is engaged in the manufacture and sale of certain Products (as such term is defined below); and

WHEREAS, the Company desires to further the sale of the Products in the Territory; and

WHEREAS, the Agent desires to assist the Company in the furtherance of the sale of the Products in the Territory.

NOW, THEREFORE, in consideration of the mutual covenants contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto (each a “Party” and, collectively, the “Parties”) agree as follows:

### I.

#### APPOINTMENT

1.1 The Company hereby appoints the Agent as its non-exclusive sales agent to solicit orders within the United States of America (and its territories and possessions) and Canada (the “Territory”) for all or any of the Company’s products listed on Schedule 1 hereto, as such schedule may be supplemented by time to time by the Parties (as so supplemented, the “Products”), and the Agent hereby accepts such appointment upon the terms and conditions set forth in this Agreement. This Agreement establishes between the Parties an independent contractor relationship, and all of the terms and conditions of this Agreement shall be interpreted in light of that relationship. There is no intention to create by this Agreement an employer-employee relationship, partnership, or joint venture.

1.2 The Company reserves the right to sell and deliver Products to any person or entity in the Territory and to appoint other sales representatives in the Territory for the Products.

## II.

### DUTIES AND SCOPE OF AUTHORITY

2.1 The Agent is (or prior to performing its duties in each such jurisdiction, will become) qualified to do business and in good standing in each jurisdiction located within the Territory and is and will remain in compliance with all applicable laws and regulations in the conduct of its business and, specifically, in its performance of its obligations hereunder (including by obtaining and maintaining any licenses, permits or other permissions from any governmental authority required to perform hereunder). The Agent shall use all reasonable means to promote effectively the sale of the Products in the Territory. These means (the “Services”) shall include but not be limited to:

(a) diligently soliciting orders and, subject to Section 2.2, negotiating the sale of the Products within the Territory to ultimate purchasers, as the Agent may deem desirable and in the best interests of the Company, and subject to the Company’s general bill of sale and terms and conditions;

(b) analyzing the credit standing of potential customers;

(c) visiting customers and potential customers on a regular basis;

(d) arranging for the interchange of customer experience or information; provided, that the Agent shall promptly notify the Company of any defects or complaints in respect of the Products and maintain records of the same;

(e) submitting and furnishing to customers and potential customers in the Territory all quotations and related materials upon the exact terms and conditions authorized by the Company;

(f) forwarding promptly to the Company for approval and acceptance any and all proposed orders obtained by the Agent; and

(g) participating by mutual agreement in any advertising program of the Company.

2.2 All quotations, offers and representations with respect to the sale of Products, including without limiting the generality of the foregoing, quotations, offers, proposed orders or representations with respect to price, discounts and terms of payment, must be approved in advance and in writing by the Company, such approval to be at the sole discretion of the Company. Agent will abide by the Company’s plans, policies and procedures concerning the marketing, distribution, sale and support of the Products, and will use the Company’s trademarks only to the extent authorized by Company. Agent acknowledges that Company has not granted it any authority to make changes to Company’s general bill of sale and terms and conditions of sale, grant any warranties in excess of those extended by Company or limit its liabilities or remedies less than Company limits its liabilities and remedies, make any representations or warranties on

behalf of the Company, incur obligations (expressed or implied), or in general enter into contracts on behalf of Company or bind Company in any transaction with customers, governmental agencies or third parties without explicit written consent of the Company. No provision of this Agreement shall be interpreted as obligating the Company to accept any offer or proposed order from the Agent or any other person in the Territory.

2.3 The Agent shall submit to the Company as evidence of the efforts being expended by the Agent under this Agreement, (i) a quarterly report of sales activities and market conditions, and (ii) a quarterly forecast of sales, in each instance in such form and having such scope as may be requested from time to time by the Company.

### III.

#### COMPENSATION

3.1 In consideration for the Services rendered and to be rendered by the Agent hereunder, the Company shall pay to the Agent the commission as set out in Schedule 1 (the "Fee"). No other amounts are payable or reimbursable to Agent hereunder. Agent is responsible for its own costs and expenses arising out of performance of the Services under this Agreement.

3.2 The Agent shall be paid the Fees within forty five (45) days of delivery of the Products and the Company receiving payment in full for each sale of Product. If any Product is returned or not accepted, Agent will refund to Company the applicable Fee, which the Company may take as a set-off against other Fees payable to Agent. The Agent agrees to accept exclusive liability for the payment of taxes or contributions for unemployment insurance or old age pensions or annuities or social security payments which are measured by the wages, salaries or other remuneration paid to the Agent (e.g. the Fee) or the employees of the the Agent, if any.

### IV.

#### INDEMNIFICATION

4.1 The Agent agrees to indemnify and hold harmless the Company against any loss, liability or expense, including the costs and expenses of investigating any claim of such liability, arising from or in connection with any acts or omissions of the Agent outside the scope of the Agent's authority as herein provided.

4.2 The Company agrees to indemnify and hold harmless the Agent against any loss, liability or expense, including the costs and expenses of investigating any claim of such liability, arising from or in connection with the performance by the Agent of its obligations under this Agreement, except to the extent such loss, damage, expense, suit, action, claim, liability or obligation resulted from the acts or omissions of the Agent outside the scope of the Agent's authority as herein provided, or the willful misfeasance, bad faith or breach of law by the Agent.

V.

TERM AND TERMINATION

5.1 Subject to earlier termination as provided below, the term of this Agreement will become effective as of the date first written above, and will remain in effect for one (1) year thereafter; provided, however, that this Agreement shall be automatically renewed for one or more additional one (1) year terms, unless a Party notifies the other Party in writing at least 60 days prior to the expiry of such initial or subsequent term of its intention not to renew.

5.2 This Agreement may be terminated by a Party: (a) upon thirty (30) days prior written notice to the other Party, computed from the date of receipt of such notice; (b) upon breach of this Agreement by the other Party; (c) if a Party becomes bankrupt or insolvent; (d) if an application is made to have the other Party declared bankrupt or insolvent; (e) if a receiver or trustee is appointed for the other Party of its property; or (f) if the other Party makes an assignment for the benefit of creditors. Upon termination or expiration of this Agreement, Agent will return to the Company all promotional material and other documents and samples which have been supplied to it by the Company and are in the Agent's possession or under its control.

VI.

GENERAL PROVISIONS

6.1 Confidentiality. Any terms and conditions of any sale hereunder shall be treated by the Agent as confidential information and shall not be disclosed to third parties without the prior written approval of the Company. The Agent shall keep confidential all methods, devices, industrial or manufacturing knowledge, customer lists, financial information and other information (collectively, the "Information") imparted to the Agent by the Company. Upon termination of this Agreement, the Agent shall return to the Company all Information, will not keep any copies of the Information, and will certify to the Company that the Agent has complied with this provision. Agent may, but is not required to, provide suggestions, comments, ideas, or know-how, in any form, to Company related to the Products and related services and materials (collectively, "Feedback"). Company may use, disclose, reproduce, license, distribute, and otherwise commercialize Feedback worldwide, for any purpose, in any medium now known or later developed, in perpetuity, without any obligation of any kind to Agent.

6.2 Non-Compete. During the term of this Agreement and one (1) year thereafter, the Agent shall not engage within the Territory in (i) the manufacture, sale or distribution (including sales agency activities) of products or services which compete with the Products or (ii) the solicitation of orders for any person or entity which competes with the Company.

6.3 Books/Records. The Agent shall keep accurate books of accounts, records and/or memoranda of all transactions carried out by the Agent hereunder and

shall make the same available to any representative of the Company for inspection and audit at all times during regular business hours.

6.4 Governing Law; Jurisdiction; Waiver of Jury Trial. (a) This Agreement shall be governed by and construed in accordance with the laws of the State of Florida, without regard to the conflicts of law principles of such state.

(b) With respect to any suit, action or proceeding relating to this Agreement (each, a "Proceeding"), each Party irrevocably (i) agrees and consents to be subject to the exclusive jurisdiction of the Federal and State courts seated in Miami-Dade county, Florida and (ii) waives any objection which it may have at any time to the laying of venue of any Proceeding brought in any such court, waives any claim that such Proceeding has been brought in an inconvenient forum and further waives the right to object, with respect to such Proceeding, that such court does not have any jurisdiction over such party. The foregoing consent to jurisdiction shall not constitute general consent to service of process in the State of Florida for any purpose except as provided above and shall not be deemed to confer rights on any person other than the respective parties to this Agreement. Each Party irrevocably agrees that service of any process, summons, notice or document by United States registered mail to such Party's address set forth above shall be effective service of process for any action, suit or proceeding with respect to any matters for which it has submitted to jurisdiction pursuant to this Section 6.4.

(c) EACH PARTY HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION AS BETWEEN THE PARTIES DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR DISPUTES RELATING HERETO. EACH PARTY (I) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF THE OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (II) ACKNOWLEDGES THAT IT AND THE OTHER PARTY HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 6.4. THE ENTIRE LIABILITY OF EACH PARTY UNDER, OR WITH RESPECT TO THE SUBJECT MATTER OF THIS AGREEMENT, SHALL NOT EXCEED THE AMOUNTS PAID TO COMPANY FROM SALES OF PRODUCTS MADE HEREUNDER IN THE SIX (6) MONTH PERIOD PRIOR TO THE DATE ON WHICH THE FIRST EVENT GIVING RISE TO THE LIABILITY OCCURRED.

(d) The Parties agree that the prevailing Party in any suit, action or proceeding relating to this Agreement shall be entitled to reimbursement of all costs of litigation, including reasonable attorneys' fees, from the non-prevailing Party. For purposes of this Section 6.4, each of the "prevailing party" and the "non-prevailing party" in any suit, action or proceeding shall be the party designated as such by the court or

other appropriate official presiding over such suit, action or proceeding, such determination to be made as a part of the judgment rendered thereby. Absent such determination, each Party shall bear its own expenses in any such suit, action or proceeding.

6.5 Insurance. Agent acknowledges and agrees that Agent is solely responsible for obtaining and maintaining all insurance necessary to provide the Services (including traveler's insurance and health insurance).

6.6 Assignment. The Agent may not assign this Agreement, in whole or in part, without the prior written consent of the Company.

6.7 Notices. All notices given under this Agreement shall be in writing and may be served personally upon the Party to whom directed or sent by registered airmail or by telephone facsimile transmission addressed to the Party to be notified at such Party's address as set forth below, or such other address as such Party may from time to time designate in writing, it being agreed that notice sent by (i) personal delivery shall be deemed to have been given when delivered to the intended recipient, (ii) telephone facsimile shall be deemed to have been delivered if receipt thereof is confirmed by a machine generated receipt, and (iii) registered mail shall be deemed to have been received seven (7) business days following deposit in the official mails:

If to the Agent:  
[insert contact information]  
Attention: [\_\_\_\_\_]   
Email: [\_\_\_\_\_]

If to the Company:  
  
[insert contact information]  
[Address]  
Attention: [\_\_\_\_\_]   
Email: [\_\_\_\_\_]

6.8 Agreement Inclusive. This Agreement constitutes the full, understanding between the Parties with reference to the subject matter hereof and no statements or agreement, oral or written, made prior to or at the signing hereof, shall vary or modify the written terms hereof; and no Party shall claim any amendment, modification or release from any provision hereof, unless such instrument is in writing signed by the other Party and specifically states that it is an amendment, modification or release, as the case may be, to this Agreement.

6.9 Severability. If any provision of this Agreement is held invalid, the remainder of this Agreement shall not be effected thereby. Any provision which in any way contravene any applicable law shall be deemed separable and not part of this Agreement to the applicable extent of such contravention.

6.10 Counterparts. This Agreement may be executed in any number of counterparts, including by facsimile, and each such counterpart shall constitute an original document and, taken together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

[Agent name]

By: \_\_\_\_\_

Name:

Title:

Napcity Americas LLC

By: \_\_\_\_\_

Name:

Title:



## Schedule 1

### PRODUCTS

- Napcab Model L
- Napcab Model XL
- Custom Napcabs and Other Private Space As A Service Offerings.

The Company may, at its sole discretion, withdraw or change any Product under this Agreement, including, without limitation any Product specifications.

### Commission

Commission will be calculated on each individual deal based on a sliding scale of volume and discounts.

Company will process customer payments directly and will use the below methodology to calculate commissions to remit to Agent upon acceptance of the Products by the customer and receiving payment in full for the closing of successful sale.

Napcity Model L MSRP - \$50,000 USD

1 Unit - Up to 10% off pre-authorized - \$45,000 USD per model L

2 – 10 Units - Up to 12.5% off Pre-Authorized - \$43,750 USD per model L

11-49 Units – Up to 15% off Pre-Authorized - \$42,500 USD per model L

50 + Units – Up to 20% off Pre-Authorized - \$40,000 USD per model L

Agent's commission will be calculated as a byproduct of the average price per unit of the deal resulting in a direct incentive to maintain premium pricing for optimal earnings for both the Company and the Agent.

The effective price and commission between the Company and the Agent will be determined by the following formula on each individual deal:

$(\text{Average Price Per Unit} * 10\%) \times \text{The Number of Units} = \text{Agent Commission.}$

For example, if distributor sells 10 units to a shopping mall operator at 10% off for an average price per unit of \$45,000, the customer would pay a total of \$450,000 USD. The Agent would have an effective commission of \$4,500 per unit or \$45,000