

# **DISTRIBUTORS AGREEMENT**

This agreement is made between the below two parties who are Principal and Distributor.

PRINCIPAL: L'abeille (PTY) LTD

Company Postal Address - POSTNET SUITE #058, PRIVATE BAG X60575, GREENACRES, PORT

ELIZABETH, SOUTH ARFICA, 6057

Company Address: COEGA'S RIVER, UITENHAGE DISTRICT, EASTERN CAPE, SOUTH AFRICA

6229

Company Registration Number: K2017241104

Import/Export Code: 21967532 VAT Number: 4490296540

DIST	RIBUTOR:	(COMPANY NAME)
Com	pany Postal Address:	
Com	pany Address:	
Com	pany Registration Number:	
Impo	rt/Export Code:	
VAT	Number:	
WHE	EREAS:	
A.	The Principal is a manufacturer i	n South Africa.
B.	The Distributor wishes to have the	ne right to buy and resell L'abeille products, under the brand
	"L'abeille".	
C.	As of	_(DATE) the Principal proposes granting to the Distributor
	this right to sell in	(TERRITORY) on the terms
	and conditions herein contained.	

#### PREAMBLE:

- I. PRINCIPAL is a company engaged in the development, production, storage, marketing and distribution of cosmetic products;
- II. The Distributor has the experience and means for the proper marketing, sale and distribution of cosmetic products in the territories under the applicable laws; and

- III. PRINCIPAL is willing to appoint an EXCLUSIVE/NON-EXCLUSIVE distributor of its products territory abovementioned and the Distributor, after having analysed and evaluated the situation and the market's expectations independently, is willing to carry out the distribution activities of PRINCIPAL's products in its own name and behalf; and
- **IV.** The Parties' representatives described above have the legal power to act on behalf of PRINCIPAL and the Distributor respectively.

Based on the above, and relying upon the accuracy and veracity of the above recitals, the Parties agree to enter into this distribution agreement (hereinafter, the "Agreement") that shall be subject to the following terms and conditions, which will regulate the foregoing:

# NOW IT IS HEREBY AGREED AS FOLLOWS:

#### 1. APPOINTMENT:

Subject to the provisions of this agreement, the Principal hereby appoints the Distributor to be a Stockist, and the Distributor agrees to act as such, to establish, promote and extend the sale of the Products and within the Territory.

## \* TERM AND SALES

This Agreement shall take effect on the Date hereof with an initial period of THREE YEARS from above Date and shall continue automatically from a three-to-three year period unless giving at least **90 days written consent** before the end of the contract.

Any termination of the agreement does not affect the goods delivery, performance and payment for orders accepted during its validity.

Distributor has the right to sell the Goods in the Territory as stated above.

# 2. ORDERS FOR AND SUPPLY OF PRODUCTS:

The Distributor's orders for the Products shall be sent to the Principal at the address set out in clause 12 below or to such other address as may subsequently be notified by the Principal, and the Principal shall sell the Products to the Distributor in accordance with those orders at the prices which prevail at the date the order is processed, the Distributor reserving the right to alter such prices with 30 days' notice from time to time. Minimum order volume expected to total USD30 000/ZAR500 000 per year, with an increase of 10% annually for successful contract renewal after the THREE YEAR period. Reasonable negotiation is given if this cannot be achieved, with written consent of any deviation from such, given by the Principal.

The Principal undertakes to use its best endeavours to fulfil the Distributor's orders for the Products with all reasonable despatch within 60 DAYS from receipt of advance payment but shall not be liable in any way for any loss of trade or profit which the Distributor may sustain in the event of the non-or late delivery of consignments of any of the Products due to lack of stock, manufacturing or transport problems, contractual disputes, strikes, riots, lock-outs, trade disputes, acts of God, acts of restraints of any government, the imposition of restrictions on exportation, or from any other cause whatsoever.

The Distributor may be supplied with a recommended retail price list but acknowledges that he / she / it is not bound thereby in any way and may sell at such price as the Distributor may determine, without being less than the Principal's website pricing (including VAT). The Distributor shall, however, keep the Principal advised of all pricing changes from time to time.

Orders can be done by email (labeillesouthafrica@icloud.com) or by WhatsApp +27828706811.

## 3. SHIPPING AND DELIVERY TERMS:

Each order is checked before leaving the Principal's premises. It is the Distributor's responsibility to check the order upon receipt thereof. Discrepancies brought to the Principal's attention after 24 hours of delivery cannot be verified. Delivery of the Products shall take place by placement of the Products under Ex Works Incoterms® 2010.

## 4. PAYMENT:

Advance payment of full invoice value is due before order preparation and shipping. No banking fees are for the Principal's account, and are added to the following invoice if not covered by the Distributor in full.

The purchase price shall be due and payable as per the following:

- All orders are payable prior to shipping at full invoice value supplied, in USD.
- Transfers are subject to bank charges, and will be added to your account and following invoice if not fully covered by the Distributor in full.

#### 5. AMENDMENTS/CANCELLATION OF PURCHASE ORDERS:

No amendments or cancelations will be allowed after an advance payment for any order placed has been received.

#### 6. PRINCIPAL BANKING DETAILS:

L'ABEILLE (PTY) LTD

BANK: FIRST NATIONAL BANK

BRANCH CODE: 260655 ACC NO: 62713718023 SWIFT CODE: FIRNZAJJ

REFERENCE: COMPANY NAME & INVOICE NO. E-mail POP to: labeillesouthafrica@icloud.com

#### 7. DUTIES OF DISTRIBUTOR:

The Distributor hereby agrees that it shall at all times during the continuance in force of this agreement observe and perform the terms and conditions set out in this agreement and in particular that it shall:

At all times use its best endeavours to promote and extend sales of the Products to customers and

potential customers;

Ensure that correct product use information is supplied at time of sale to any purchaser.

Not either directly or indirectly sell or re-sell any of the Products outside their Territory, whether via the Internet or otherwise, or to any pharmacy, health or retail store or to any person whom the Distributor knows is intending, or, owing to the quantity of such person's order or otherwise, may reasonably be suspected of intending, to resell the Products outside their Territory, whether via the Internet or otherwise;

In all correspondence and other dealings relating directly or indirectly to the sale or other disposition of the Products clearly indicate that it is acting as an official stockist of the Products;

Not have any right to incur or purport to incur any liability on behalf of the Principal, nor in any way pledge or purport to pledge the Principal's credit, nor accept any order nor make any contract purporting to be binding upon the Principal unless the Principal shall under the signature of a director first in writing have authorised same and approved all the terms and conditions thereof;

As soon as reasonably possible after becoming aware thereof, bring to the Principal's attention any improper or wrongful use of the manufacturer's patents, trademarks, emblems, designs, models or other similar industrial or commercial monopoly rights, such as unauthorised use of the manufacturer's name in any electronic mail address or website address, or the like, or those of the manufacturer's associates, and in this regard the following provisions shall be applicable:

In this agreement "Intellectual Property" means and includes but is not limited to confidential information, know-how, copyright, registered patents and registered designs, get-up, trade dress, registered and unregistered trademarks of the Products, as created by the manufacturers from time to time.

The Distributor acknowledges that the Intellectual Property is and shall at all times remain the exclusive property of the manufacturers. In this agreement, for the sake of convenience, "the manufacturer" means the manufacturer.

The Distributor furthermore acknowledges the title of the manufacturer and the validity of any registration pertaining to the Intellectual Property in the appropriate register(s) and shall not do any act or thing which might give cause to invalidate or expunge any such registrations from such register(s).

Except as expressly provided in this agreement or in any subsequent written agreement, the Distributor shall not, during the currency of this agreement, or at any time after the termination of this agreement, use the Intellectual Property, in particular the trade marks, or any other trade names or trademarks which are so similar to the manufacturer's trade names or trademarks as to be likely to cause deception or confusion.

The Distributor shall render all possible assistance to the manufacturer in the protection of the Intellectual Property, including but not limited to bringing to the manufacturer's attention any improper or wrongful use or infringement thereof.

Upon the termination of this Distributor Agreement for any reason the Distributor shall forthwith cease using the Intellectual Property. The Distributor shall furthermore not retain and shall not use any trading style, company name, trade name, trade mark, domain name, business or telephone directory entries or get-up which contains, or so nearly resembles, the trademarks or get-up or other components of the manufacturer's Intellectual Property as to be likely to cause deception or confusion.

Promptly bring to the notice of the Principal any information received by the Distributor which is likely to be of interest, use or benefit to the Principal in relation to the marketing of the Products;

Not cede or assign or purport to cede or assign this agreement or any rights or obligations thereunder without the prior consent in writing of the Principal;

In purchasing the Products, be bound by the manufacturer's conditions of sale as notified by the Principal from time to time, and will not make any promises, representations, warranties or guarantees with reference to the Products except as are consistent with those conditions or as are expressly authorised by the Principal in writing;

Not alter, obscure, remove, conceal or otherwise interfere with any markings or name plates or other indications of the source or origin or manner of use of the Products which may be placed thereon by the manufacturer;

Ensure that, as a condition precedent to its continued appointment as a Distributor, its professional staff shall familiarise themselves with the products, their use and ingredients, via the study of a training manual, supplied in printable format, by the Principal.

The Distributor will be fully responsible for the operations of any parties or sub-distributors with whom he contracts for the promotion of the Products in his Territory.

The Distributor will ensure that it conforms to all legislation, rules, regulations and statutory requirements in relation to the Products existing in their Territory.

## 8. PROVISION OF PROMOTIONAL AND SCIENTIFIC LITERATURE:

The Principal agrees to supply to the Distributor whether free of charge or at the Distributor's cost such sales leaflets and other advertising and promotional material, including photographs, ("material") as the Principal may consider reasonable from time to time.

Such material shall remain the property of the Principal, as the case may be, and may not be lent to any person or (in compliance with the law of copyright) copied or disseminated or dealt with otherwise than in accordance with the Principal's directions from time to time.

The Distributor acknowledges that the copyright in the material is and shall at all times remain the exclusive property of L'ABEILLE.

The Distributor, may use such material as is supplied as a means of promoting the sale and use of the said products and shall use such material, subject to the following limitations:

The right of use so granted is non-exclusive to the Distributor. It is personal to the Distributor and is not divisible, transferable or assignable;

The material may be exhibited or displayed only in or on the Distributor's website, in e-mail newsletters to the Distributor's clients and in social media updates in media such as Facebook and Twitter, and always in connection only with the marketing or promotion of the Principal's products, and for no other purpose.

In using the L'ABEILLE material, the Distributor shall always acknowledge the proprietorship of L'ABEILLE by displaying in close and clear proximity to the material the words L'ABEILLE (Pty) Limited.

The Distributor shall obtain the Principal's prior written approval of any advertising material which the Distributor proposes to use in relation to the Products and which has not been provided by the Principal in terms of 6. Without affecting the generality of the Distributor's obligations in terms of this clause, it is expressly agreed that the Distributor shall obtain the prior written approval of the Marketing Division of

L'ABEILLE (routed via the Principal) of any material or information pertaining to the Products which the Distributor intends to use in its (or any other) worldwide website or in any other advertising medium. The Principal may in its discretion also supply the Distributor at cost price with scientific research material in the form of photographs, videos, computer discs, graphics and the like, as produced and owned by L'ABEILLE. The ownership of such material, including the copyright therein, shall continue to vest in L'ABEILLE.

## 9. RESERVED RIGHTS OF PRINCIPAL

The Principal reserves the following rights, notwithstanding anything to the contrary herein contained, viz. the right:

In its discretion to decline to accept any order from the Distributor and, by so declining, the Principal shall not incur any obligation to the Distributor;

To vary the Products in packaging or ingredients or either by withdrawing a Product/Products in the event either of the manufacturer ceasing to manufacture that Product/Products, or for any other good cause, or by addition of Products of the manufacturer.

If complaints should reach the manufacturer in respect of the conduct of the Distributor, more particularly the Distributor's failure to honour the letter and the spirit of its obligations in terms of this agreement, the Principal shall have the right in its sole discretion to rescind the Distributor's appointment as an authorised Distributor of the Products;

To appoint an independent auditor at its own cost for the purpose of investigating any complaint pursuant to 7 above (including a complaint by a consumer), and to this end such auditor shall be entitled to inspect the Distributor 's books of account and other records, including those which pertain to any transaction(s) which the Principal or the manufacturer has reason to believe may involve or be connected to Internet- or overseas-dealings.

It is incumbent on the Distributor to advise the Principal of any change of email address or contact cell phone telephone number.

#### 10. RETURN OF PRINCIPAL'S PROPERTY AND DISPOSAL OF STOCK

Upon the termination of this agreement from any cause, or at the request of the Principal at any time prior to such termination, the Distributor shall promptly return to the Principal or otherwise dispose of as the Principal may instruct, any samples, instruction books, technical pamphlets, catalogues,

advertising material, specifications and other materials sent to the Distributor pursuant to this agreement (other than correspondence between the Principal and the Distributor) and which the Distributor may have in its possession or under its control.

The Distributor shall further immediately cease any further use of any photographs and shall immediately hand over to the Principal all printed material carrying or featuring any photographs and advertising material and the like which the Distributor obtained from or was authorised to use.

## 11. BREACH:

If either party ("the defaulting party") shall:

be placed in liquidation or sequestration, whether provisional or final; or commit an act of insolvency; or enter into a compromise with its creditors, as a body, or the majority in number and amount thereof; or be in breach of any of the terms of this agreement and if the breach is capable of remedy, fails to remedy the breach within a period of 14 (fourteen) days after the receipt of written notice from any other party calling upon it so to do: provided that, if the breach is one which in the circumstances prevailing is not reasonably capable of being remedied within the said period of 14 (fourteen) days, then the defaulting party shall be allowed such additional period to remedy the breach as is reasonably required therefore; or if the breach is not capable of being remedied, it goes to the root of this agreement or has been committed persistently despite written warnings from the other party; the other party shall be entitled to terminate this agreement without prejudice to any claim of any nature whatsoever it may have against the defaulting party arising out of this agreement or the breach thereof.

9.

12. DOMICILIUM OF EACH PARTY

The Principal chooses as its official address for the service upon it of all documents, notices and orders

and for all other purposes arising out of or in connection with this agreement the following,

namely

**POSTNET SUITE #058** 

PRIVATE BAG X60575

GREENACRES, PORT ELIZABETH

**SOUTH AFRICA** 

6057

Phone: +27 82 8706811 E-mail: labeillesouthafrica@icloud.com

The Distributor chooses as its official address for the service upon it of all documents and notices

including shipping documents and for all other purposes arising out of or in connection with this

agreement the details supplied on page 1. of this Agreement.

Either party may from time to time by written notice to the other party vary or alter its official address,

provided that such variation or alteration shall become effective only 14 (fourteen) days after service of

the notice in question.

Any notice to either party shall be addressed to it at its official address and be sent either by prepaid

registered post, by telex or facsimile or e-mail or be delivered by hand. In the case of any notice:-

sent by prepaid registered post, it shall be deemed to have been received, unless the contrary is proved,

on the 5<sup>th</sup> business day after posting;

delivered by hand, it shall be deemed to have been received, unless the contrary is proved, on the date

of delivery, provided such date is a business day or otherwise on the next following business day;

13. GENERAL

No waiver by a party of any its rights arising from any breach, failure or default in performance by the

other party, and no failure, refusal or neglect by a party to exercise any right hereunder or to insist upon

strict compliance with or performance of the other party's obligations under this agreement, shall

constitute a waiver of the provisions of this agreement, and a party may at any time require strict

compliance with the provisions of this agreement.

This agreement constitutes the entire agreement between the parties who acknowledge that there are no other oral or written understandings or agreements between them relating to the subject matter of this agreement. No amendment, consensual cancellation or other modification of this agreement shall be valid or binding on a party hereto unless reduced to writing and executed by both parties hereto.

The Distributor acknowledges that the Principal has entered into an agreement with L'ABEILLE and that all the terms and conditions that may apply to the Principal and which affects the rights conferred herein shall at all times also apply hereto.

#### 14. SCHEDULE

#### "PRODUCTS"

- \* Cosmetic products within the L'ABEILLE range of products manufactured by or for L'ABEILLE (Pty) Limited, subject to the provisions of this agreement.
- \* All other products in respect of which the Principal has distributorship rights in relation to his / her Territory as defined in the Distributorship Agreement.

Principal shall guarantee the quality of goods.

Principal guarantees that that unopened life of the goods shall be at least 24 months before dispatch of the order.

Any new product launched shall be notified by Principal to the Distributor within reasonable time before launch.

Any product discontinued shall be notified by Principal to the Distributor in reasonable advance.

The Principal shall use his best endeavours to ensure that the Products are safe when the Products leave the factory to the Distributor, but cannot be held liable for changes during transport, from incorrect storage or use.

## "TERRITORY OR PRINCIPAL"

Southern Africa

# 15. AGREEMENT AND ASSIGNMENT

This Agreement shall enter into force on the date hereof and shall remain in force for 3 years.

The Agreement shall not be extended automatically. If any Party wishes to extend or renegotiate the Agreement, it shall inform the other Party at least 3 months in advance prior to the termination of the Agreement.

This Agreement constitutes the entire understanding between the parties. No amendment to or assignment of this Agreement will be effective unless it is agreed in written consent and signed by both parties. If any clause be determined invalid or unenforceable at law such clause will be severed from the remaining clauses. The remaining clauses will continue to be valid. Any notice to be served under this Agreement will be sent to the above address of the parties.

## 16. TERMINATION

In addition to the provisions for termination, this Agreement may be terminated by notice in writing by either party:

- a. if the other party is in breach of any term or condition of this Agreement
   and fails to remedy such breach not later than 90 days of receiving such notice or
- b. forth with in the case of a fundamental breach going to the root of the Agreement or in the case of the bankruptcy or insolvency of either party.

#### **Termination with cause**

In addition to any other cause provided for in the applicable law or in this Agreement, PRINCIPAL shall be entitled to terminate this Agreement automatically and at any time, without granting any type of compensation to the Distributor, if the Distributor fails to fulfil or breaches any material condition or obligation referred to in this Agreement.

For the avoidance of doubt, the breach of any material condition or obligation shall include, among others, the following activities:

- the active promotion, distribution, commercialisation or sale of Products (either directly or indirectly) outside the Territory;
- b) the active promotion, distribution, commercialisation or sale of Products (either directly or indirectly) to parties different than the Clients;
- c) the disclosure of Confidential Information;
- d) not buying the Products exclusively from PRINCIPAL:
- e) not devoting all its efforts to promote PRINCIPAL and its Products within the Territory and not to sell as many Products as possible within the Territory, despite manufacturing, marketing, storing, promoting, selling, commercialising or distributing products that could compete or that actually compete either directly or indirectly with the Products;
- f) any activity carried out by the Distributor that, according to PRINCIPAL, undermines the trust that it initially had when entering into this Agreement; and
- g) any activity carried out by the Distributor that, according to PRINCIPAL, prejudices PRINCIPAL's image or reputation or the image or reputation of any of the Products or Trademarks.

If the Distributor does not remedy any of the breaches described below within a 30 days-period after receiving PRINCIPAL's notice, these breaches shall amount to a material or essential breach of this Agreement and shall therefore entitle PRINCIPAL to terminate the Agreement automatically at any time and without granting any type of compensation to the Distributor:

- h) the loss of the technical and professional skills required to perform this Agreement;
- i) the improper use of the trademarks, trade names or PRINCIPAL's signs;
- j) the breach of the duties regarding the presentation and distribution of the Products;
- k) the breach of its information obligations (including, reporting, visits, meetings, etc.), and
- I) the non-payment of any of the invoices issued by PRINCIPALS pursuant to this Agreement.

In addition, PRINCIPAL may freely and immediately terminate this Agreement at any time and without having to compensate the Distributor, if:

- m) The Distributor is declared insolvent, in bankruptcy or in suspension of payments by a Court or begins its liquidation because of an arrangement with its creditors agreed in the course of a Court procedure of reorganization or if the Distributor or any third party starts any legal proceedings for obtaining such declarations;
- n) A competitor of PRINCIPAL acquires, directly or indirectly, any interest or voting capacity in the
   Distributor's share-capital or management bodies;
- o) PRINCIPAL or the Distributor cease for any reason in its business or main line of activity.

The termination of the Agreement shall be without prejudice to the Distributor's obligation to compensate PRINCIPAL for any damages that the breaches described in this clause may have caused. PRINCIPAL does not waive its right to claim any damages arising out of additional breaches that have not been mentioned in the communication by which PRINCIPAL decides to terminate the Agreement with the Distributor.

## Jurisdiction

Any dispute arising out of or in connection with this Agreement shall be submitted to the exclusive jurisdiction of the Courts of the city of Port Elizabeth, South Africa, waiving the Parties any other venue that may be applicable.

As an exception, PRINCIPAL will also be entitled to enforce any right under this Agreement against the Distributor, as well as to request any preliminary injunction or injunctive relieve, before the Courts of the domicile of the Distributor.

IN WITNESS OF THIS AGREEMENT, the Parties execute this Agreement in two (2) counterparts to a sole effect, including the Annex 1, at the place and on the date first written above.

SIGNED AND SEALED for and on behalf of the Principal:	SIGNED AND SEALED for and on behalf of the Distributor:
PRINCIPAL - Karen Potgieter L'ABEILLE (PTY) LTD	DISTRIBUTOR SIGNATURE
DATE:	NAME (PRINTED)_
	DATE



# KAREN POTGIETER DIRECTOR

t: +27 82 870 6811
e: info@labeille.co.za
w: www.labeille.co.za

1 0 @labeillesouthafrica



## Annex 1

## The Products<sup>1</sup>

**GEL CLEANSER 100ML** 

PURIFY + CLEANSE (OIL TO MILK) 50ML

**HYFRA-TONIC 50ML** 

**RESURFACING DROP 30ML** 

**HYALURON-3 HYDRATION SERUM 30ML** 

**GLOW DROPS 25ML** 

PHYTO-A 25ML

**ANTIOXIDANT-C 25ML** 

**YOUTH BOOST L OIGHT CREAM 30ML** 

PEPTIDE RESTORE RICH CREAM 30ML

<sup>&</sup>lt;sup>1</sup> The list of Products shall be updated from time to time whenever PRINCIPAL develops any new products.