**Exclusive Distribution Agreement**

This Agreement is made on ……… of ……… by and between …………….. A company duly organized and existing under the laws of the People’s Republic of China (hereinafter referred to as the supplier). Represented by Mr. ………………., as one party

And

………………………… duly organized and existing under the laws of the Islamic Republic of Iran (hereinafter referred to as the distributor) represented by …... the ……………….. as the other party.

Whereas

The supplier agrees to appoint ……………. As the exclusive distributor for the product of……………..supplied by the supplier in the Islamic Republic of Iran on the following terms and conditions.

1. For all the ……….. Offered or produced by the supplier and all the ……….. sold by the distributor in the Islamic Republic of Iran .

The supplier agrees not to sell or export directly or indirectly …………. to the territory of Iranian market;

1. The distributor agrees to purchase Chinese ………. From the supplier with the agreed quantity and price;
2. The distributor agrees not to sell the supplier's …… out of the Iranian market without the supplier's agreement;
3. Terms of payment: The supplier agrees to accept the following terms of payment according to the request of the clients.
4. L/c at sight
5. L/c at sight 180 days
6. L/c at sight 360 days
7. The supplier undertakes to pay to ………. The difference between the L/c value and the purchase price of the goods agreed between ………….. And supplier to ………..'s account with in two weeks after cashing the L/c , or draft received from ……………'s clients.
8. Any inquiry received by the supplier from buyers located in or selling to the Iranian market shall be passed to the distributor and the distributor should feedback the result in time;
9. The supplier undertakes to produce the ………. according to the specification presented by the buyer at the time of placing the order or 45(forty-five) days prior to execution of the the order and the quality of the goods produced by the supplier should be guaranteed as per the specifications.
10. The supplier undertakes to deliver the gods on time according to the time schedule stated in the Performa Invoice.
11. The supplier undertakes to pack the goods in 25 kg bags and 40 x 25 bags into one /MT new UV proof strong jumbo bag which can last for six month under direct sunshine, to be reinforced with 3 straps around horizontally and 2 straps vertically for lifting by crane. the sample should be approved by the distributor;
12. The supplier undertakes to print shipping marks according to requirement of buyer , which shall be advised to the supplier by the distributor.
13. The supplier undertakes to legalize the health certificate by the consulate of the Islamic Republic of Iran in China and other documents specified in the L/C by CCPIT and accept all the charges;
14. The supplier undertakes to make arrangement for the commodity inspection to be

carried out by a reputable inspection bureau approved by the Central Bank of Iran for quality, quantity/weight and packing as per the Performa invoice before shipment: the inspection fee shall be borne by the supplier.

1. All the banking charges inside the Islamic Republic of Iran are for the account of the

buyer , all banking charges inside China are for the account of supplier.

1. Claims concerning quality, quantity/weight and packing shall be made within 90 (say ninety) days upon arrival of the goods at the destination. The goods must be kept intact for inspection and must not be used or resold partly or wholly until the inspection has been completed by a well known international inspection authority agreed by both parties.
2. After receipt and acceptance of the L/C by the supplier , should the supplier fail to perform and supply the goods on time, the supplier undertakes top pay 5%( five percent) of the total value of the L/C to the buyer for the compensation of loss and damage;
3. Bank guarantee: The supplier agrees to issue a bank guarantee (bid bond) equivalent to 5% of the total value of the L/c in favor of ………. Before establishing the L/c . This bank guarantee is for the good performance of the supplier in accordance with the terms and condition stated in the sale contract.

Should the supplier fail to perform accordingly after the receipt of the L/C ….. Shall cash the bank guarantee.

1. During the validity of and after the termination of this agreement, both parties shall at all times keep this agreement confidential, and shall not disclose any information to any other person or the third party and shall not use any restricted information for any purpose other than the performance of their respective obligation under this agreement.
2. All the responsibilities and obligations of the two parties stipulated in this agreement shall be applied to the future supplementary, amendments and /or new contracts in respective of this agreement.
3. Any dispute arising from the execution of or in connection with this agreement should be resolved amicably between the two parties. In case no settlement can be reached, the case shall be submitted for arbitration to the China Council for the Promotion of International Trade of the Province Sub –Council (CCPIT) or to the Chamber of Commerce, Industries and Mines (ICCIM) or to the Arbitration Center of Iran Chamber of Commerce and Industries and Mines (ACIC) and the arbitral award is final and binding upon both parties. Arbitration fee shall be borne by the losing party.

IN WITNESS THEROF, this agreement is signed by

The supplier The distributor

Mr. Mr.

Director Director

Legal Address Legal Address