

## **Distribution Agreement**

This Agreement is made on the            day of            2023 between **YEOTA SDN BHD (Company Registration No. 202301038509 (1532431-W))** with its business address at **S17-D10 KIARA 163, JALAN KIARA, MONT KIARA, 50480 KUALA LUMPUR** (the "Supplier") and            (NRIC NO.            ) of            (the "Distributor").

### **1 Definitions**

- 1.1 The terms of supply of the Supplier listed in Schedule 1.

### **2 Grant and terms of distributorship**

- 2.1 The Supplier hereby grants the Distributor licence to distribute and sell the Products during the continuance of this Agreement.

### **3 Responsibilities**

- 3.1 The Distributor shall during the continuance of this Agreement diligently and faithfully serve the Supplier as its distributor and shall use its best endeavours to improve the goodwill of the Supplier and to further and increase the sale of the Products.
- 3.2 The Distributor will ensure that it conforms with all legislation rules regulations and statutory requirements existing from time to time in relation to the Products.
- 3.3 The Distributor undertakes during the continuance of this Agreement not to manufacture or sell in or import any goods competitive with the Products and not to be interested directly or indirectly in any such manufacture sale or importation.
- 3.4 The Distributor shall leave in position and not cover or erase any notices or other marks (including without limitation details of patents or notices that a trademark design or copyright relating to the Products is owned by the Supplier or a third party) which the Supplier may place on or affix to the Products.

#### **4 Enquiries**

- 4.1 The Supplier shall during the continuance of this Agreement refer all enquiries received by it for sale of the Products to the Distributor. The Distributor shall during the continuance of this Agreement refer to the Supplier all enquiries it receives for the Products for sale outside or export from the Territory.

#### **5 Extra-territorial activities**

- 5.1 During the continuance of this Agreement the Distributor shall not sell outside or export or assist in or be a party to the export of the Products unless the prior consent of the Supplier has been obtained

#### **6 Supply of the products**

- 6.1 The Distributor shall purchase all its requirements for the Products ready packaged from the Supplier.
- 6.2 The parties hereto agree that orders placed by the Distributor with the Supplier under cl. 6.1 or for any other items shall be on the cash term basis.
- 6.3 The Supplier reserves the right to improve or modify the Products without prior notice be notified to the Distributor in which event the Distributor may vary or cancel any orders placed for the Products prior to the receipt of such notification except to the extent that these orders can be met by the supply of Products which do not incorporate the improvement or modification notified hereunder. Variation or cancellation hereunder shall be effected by the Distributor notifying the Supplier thereof within fourteen days of receipt by the Distributor of the relevant notification of the relevant improvement or modification. The Distributor's rights of cancellation under this clause shall be its sole remedy in the event of any improvement or modification being made to a Product, and in particular, but without limitation, no compensation or damages for breach of contract shall be payable to the Distributor by reason of such improvement or modification].

#### **7 Advertising**

- 7.1 The costs of all advertising and sales promotion activities shall unless otherwise decided be borne by the Distributor.
- 7.2 All advertisements point of sale promotion merchandising and publicity material for the Products issued by the Distributor shall be subject before

issue to the prior approval of the Supplier.

- 7.3 All sales promotion activities carried on by the Distributor for the Products of whatever nature must receive the prior approval of the Supplier.

## **8 Merchandising**

- 8.1 The cost of all merchandising returns from customers relating to the Products shall (except in respect of Products which the Supplier is obliged to replace as defective in accordance with its warranty obligations under Schedule 1), be borne by the Distributor.

## **9 Sales and marketing policies**

- 9.1 The Distributor shall conform to the general sales and marketing policies of the Supplier and the Supplier reserves the right to issue directions from time to time to the Distributor to ensure such conformity.
- 9.2 Selling prices for the sale of the Products by the Distributor shall be established and revised from time to time by the Distributor.
- 9.3 The Distributor undertakes not to alter treat or otherwise deal with any of the Products (or their packaging) or to present any such Products for sale in a group package without in both cases obtaining the prior written consent of the Supplier.

## **10 Stocks of the products**

- 10.1 The Distributor shall supply such reports as to stock levels and movements as the Supplier may from time to time request.

## **11 Monthly reports**

- 11.1 The Distributor shall send to the Supplier by the thirtieth day following the end of each calendar month during the continuance of this Agreement a report of sales made of the Products in the Territory during that month together with such other marketing and other information in relation to the operation of the Agreement as the Supplier may reasonably require.

## **12 No joint venture or partnership**

- 12.1 Nothing in this Agreement shall create a partnership or joint venture between the parties hereto and save as expressly provided in this Agreement neither party shall enter into or have authority to enter into any engagement or make any representation or warranty on behalf of or pledge the credit of or otherwise bind or oblige the other party hereto.

### **13 Commencement and term of agreement**

- 13.1 This Agreement shall (subject to earlier termination as herein provided) commence upon the date of signature hereof and continue in force for One (1) year and thereafter shall continue unless and until terminated by not less than One (1) months' notice given by one party to the other.
- 13.2 The Distributor shall not be entitled to any compensation on the termination of this Agreement under cl. 14 or 15 for any cause whatsoever including but without limitation expiry by effluxion of time.

### **14 Termination**

- 14.1 Without prejudice to any right or remedy the Supplier may have against the Distributor for breach or non-performance of this Agreement the Supplier shall have the right summarily to terminate this Agreement:
- 14.2 On the Distributor committing a material breach of this Agreement other than a breach of cl. 3.3 providing the Distributor has been advised in writing of the breach and has not rectified it within twenty-one days of receipt of such advice.
- 14.3 If the Distributor shall have any distress or execution levied upon its goods or effects.
- 14.4 On the commencement of the winding up or bankruptcy of the Distributor or on the appointment of a receiver or administrator of the distributor's assets or on the Distributor ceasing to do business at any time for 30 consecutive days (other than for annual holidays).
- 14.5 On the Distributor for any reason of whatsoever nature being substantially prevented from performing or becoming unable to perform its obligations hereunder.
- 14.6 On the Distributor assigning or attempting to assign this Agreement without the prior written consent of the Supplier.
- 14.7 If control of the Distributor shall pass from the present shareholders or

owners or controllers to other persons whom the Supplier shall in its absolute discretion regard as unsuitable.

## **15 Effect of termination**

- 15.1 Upon termination of this Agreement from any cause whatsoever pursuant to cl. 14 or 15 [(or by reason of expiry by effluxion of time)] the Distributor shall at the request of the Supplier promptly return to the Supplier all documentation of any nature whatsoever in his possession or control relating to the Products or to the Supplier and to the activities of the Distributor in relation to the Products or the Supplier (other than correspondence between the Distributor and the Supplier which does not relate to technical matters).
- 15.2 Upon such termination the Distributor shall have no further rights to use the Trademark in any way whatsoever and in particular but without prejudice to the generality of the foregoing shall cease to use the Trademark on its letterheads packaging vehicle liveries or elsewhere and shall at the request of the Supplier sell any stocks of the Products not disposed of in packaging which bears neither the Trademark nor the name of the Supplier.
- 15.3 Upon such termination the Distributor shall (if legally possible) assign to the Supplier free of charge all permissions consents and licences (if any) relating to the marketing and or distribution and or sale of the Products and execute all documents and do all things necessary to ensure that the Supplier shall enjoy the benefit of the said permissions consents and licences after the said termination to the entire exclusion of the Distributor.

## **16 Confidentiality**

The Distributor shall keep strictly confidential not disclose to any third party and use only for the purposes of this Agreement all information relating to the Products (whether technical or commercial) and to the affairs and business of the Supplier and its subsidiary or associated companies, whether such information is disclosed to the Distributor by the Supplier or otherwise obtained by the Distributor as a result of its association with the Supplier.

## **17 Assignment**

- 17.1 This Agreement and the benefit of the rights granted to the Distributor by this Agreement shall be personal to the Distributor who shall not without the prior consent of the Supplier mortgage or charge the same to any third party nor subcontract nor assign the same nor part with any of its rights or obligations hereunder save that the foregoing shall not prevent the Distributor from

factoring or mortgaging or in any way creating a charge or security over Products the title in which shall have passed to it or over book-debts created by the sale of such Products.

## **18 Miscellaneous**

- 18.1 No waiver, alteration, variation or addition to this Agreement shall be effective unless made in writing on or after the date of signature of this Agreement by both parties and accepted by an authorised signatory of both parties.
- 18.2 The parties hereby agree that this Agreement and the provisions hereof shall be construed in accordance with the laws of Malaysia. Any proceedings arising out of or in connection with this Agreement may only be brought in a court of competent jurisdiction in Malaysia
- 18.3 All notices to or by the respective parties hereto shall be in writing and in the English language and shall be deemed to have been duly given when delivered by hand, posted by recorded delivery post or sent by facsimile to the party to which such notice is required to be given under this agreement addressed as follows:

The Supplier -	Address:	S17-D10 KIARA 163 JALAN KIARA, MONT KIARA 50480 Kuala Lumpur Malaysia
	Contact Person:	Ms. Cheryl Yeo Eik Shien
	Contact No:	(6016) 2224182
	Position:	CEO/MANAGING DIRECTOR

The Distributor -	Address:
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Contact Person:
Contact No:
Position:

or to such other address or facsimile number as the respective parties hereto may hereafter specify to the others in writing.

Notices delivered by hand or sent by facsimile shall be deemed received the first working day following such delivery or sending. Notices which have been posted as above shall be deemed received on the next working day following posting.

- 18.4 The headings in this Agreement shall not affect its interpretation.
- 18.5 Each of the parties shall pay the costs and expenses incurred by it in connection with this Agreement and the Company shall bear the stamp duty payable in respect of this Agreement.
- 18.6 The parties are not partners or joint venturers nor is the Company able to act as agent of the Supplier save as authorised by this Agreement.
- 18.7 Throughout this Agreement, whenever required by context, the use of the singular number shall be construed to include the plural, and the use of the plural the singular, and the use of any gender shall include all genders.
- 18.8 If any term or provision in this Agreement shall be held to be illegal or unenforceable, in whole or in part, under any enactment or rule of law, such term or provision or part shall to that extent be deemed not to form part of this Agreement but the validity and enforceability of the remainder of this Agreement shall not be affected.
- 18.9 The waiver or forbearance or failure of a party in insisting in any one or more instances upon the performance of any provisions of this Agreement shall not be construed as a waiver or relinquishment of that party's rights to future performance of such provision and the other party's obligations in respect of such future performance shall continue in full force and effect.

## **SCHEDULE 1**

### **Terms of Supply of Supplier**

1. The payment to the said supply of stocks ordered shall be in cash term or internet banking transfer to the supplier's bank account at least two (2) weeks after placing an order with the supplier;
2. The Distributor shall give one (1) month notice to place the order and payment terms are to be as per item (1) above stated;
3. Stocks that are ordered are not REFUNDABLE and there shall be no cancellation of any orders made.
4. Further Terms of Supply (if any) shall be revised after one (1) year from the commencement date and to be agreed by both parties.
5. The cost of all merchandising returns and replacement for customers relating to the defects of the Products which includes materials, ingredients, designs, packaging shall be borne by the Supplier during the warranty period which runs concurrently with the validity of this Agreement.



Signed the day and year first above written by the duly authorised representatives of the Supplier and the Distributor.

SIGNED by the Supplier )  
in the presence of:- )

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For and on behalf of the Supplier

SIGNED by the Distributor )  
in the presence of:- )

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For and on behalf of the Distributor

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