**Agency Agreement**

Between

Beutlhauser Stanztec GmbH (hereinafter referred to as Party A)

- the Principal -

represented by the Managing Director Mr. Christoph Beutlhauser

and

Deutsche Nickel Asia (Shanghai) Trading Co., Ltd. (hereinafter referred to as Party B)

- the Contractor -

Represented by the Managing Director Mr. Christoph Arntz

**1. Preamble**

Party B undertakes to handle the activities as the representative of Party A in China. For that purpose the both parties conclude the following Agency Agreement.

**§ 1 The Subject of the Agreement**

Party A entrusts Party B with the task of performing sales representative activities in China. The services to be performed are defined in details in § 5.

**§ 2 Territory**

The territory of the service covers the territory of China.

**§ 3 Products**

The basis for Party B´s service is Party A’s product programme. Party A is permitted to change the programme and/or terminate the production of certain products, without Party B being able to assert any claims on that basis. Any changes shall be reported in writing timely.

**§ 4 Details of the Business Relationship**

Party B shall act for Party A only as a communication contact for existing customers, an adviser and an intermediary.  
Party B shall not have the authority to conclude legal transactions on behalf of Party A, furthermore Party B shall not have the right to invoice customers or collect due payments for or against Party A. However, Party B shall support Party A locally in the contract territory in the event of claims recovery against customers of Party A.  
Party B is not permitted to act in Party A’s name, such as market strategies, pricing, conclusions of orders, confirmations and the acceptance as well as handling of complaints shall be handled exclusively by Party A in writing.  
Party A shall have the right to refuse contract conclusions (orders) without this having any effect on the remuneration (§ 7).

**§ 5 Performances and Obligations of the Contractor (DNAT)**

* Caring for existing customers in China
* Passing on offers and order confirmations prepared by Party A to customers and following them up.
* Preparing work reports in English
* Joint visits to existing customers with employees of Party A as required and after arranging an appointment
* Supporting Party A as a representative in the event of complaints, but to the exclusion of any liability/product liability.

**§ 6 Performances and obligations of the Principal (BH)**

* Promptly submitting offers and processing orders in English
* Informing Party B of all business activities in the sales territory
* Providing copies of invoices, order confirmations and other sales documentation as information on the sales territory
* Ensuring punctual payment of the agreed commission
* Exempting Party B from all liability claims with respect to Party A's customers and third parties.

**§ 7 Remuneration**

The both parties agree for each finalised sale, **8% of** sales commission for the 1st year, 7% of sales commission for the 2nd year, the rest can be done in the same manner but not less than 5% based on the sales price is agreed, which shall be due for payment of the respective invoice by the end customer.

The remuneration includes all travel costs and expenses of Party B within China.

The commission shall be calculated by Party B as of the first business day of the month after the payment is done by the customer and shall be payable without any deductions. The costs of business trips to China for the purpose of visiting customers with Party B shall be borne by Party A itself for its employees.

**§ 8 Liability/Warranty**

Party B shall be exclusively liable for the representation of Party A in the meaning of § 5. Party A shall be exclusively liable with respect to the customers for the fulfilment of the delivery contracts in accordance with the contractual provisions and for the quality of the products.  
Party B shall be fully indemnified against liability claims of customers or third parties against Party A.

**§ 9 Confidentiality**

Both parties agree to maintain confidentiality with respect to third parties.

**§ 10 The Term of the Agreement**

This Agreement shall begin on 01.01.2017 and has a fixed term for 5 years. The notice period for termination is six months following notice of termination.

The right of extraordinary termination of the Agreement without notice for good cause remains unaffected for both parties. Good cause is deemed to include the opening of insolvency proceedings regarding a party's assets or refusal to open insolvency proceedings on grounds of a lack of assets.

If Party B is unable to fulfil its obligations as provided for in this Agreement, or if it becomes impossible for it to render its performances, Party A shall have a right of extraordinary termination. Party B shall also have a right of extraordinary termination if Party A fails to fulfil its obligations as provided for in this Agreement.

If good cause arises conferring a right of extraordinary termination of the Agreement, the relevant party must notify the other party of the reason in writing and demand that it eliminate the good cause. If the other party fails to fulfil this request within a reasonable time limit not exceeding six months, notice of extraordinary termination can be issued.

**§ 11 Place of Jurisdiction**

In the event of disputes stemming from this contractual relationship, as a rule an out-of-court and amicable solution shall be found. This Agreement is subject to Chinese law. The place of jurisdiction is the location of the Contractor’s registered office.

**§ 12 General Provisions**

Any amendments or additions to this Agreement and any additional arrangements of any kind must be agreed in writing, otherwise being ineffective. This also applies to any amendment to this requirement of written form itself.

**§ 13 Loyalty Clause**

The parties agree that the principles of commercial loyalty will apply to their cooperation. Should one or more provisions of this Agreement be ineffective or void, the effectiveness of the other provisions hereof shall not be affected. The void or ineffective provisions of this Agreement shall be replaced with an appropriate provision that corresponds to the meaning and purpose of those contractual provisions.

If the performance of this Agreement under the above terms and conditions turns out to involve unreasonable hardship for one or the other party, the parties shall come to an amicable agreement which takes into account the commercial purpose of this Agreement in accordance with the principles of reasonableness and fairness.

The following counterparts of this Agreement have been drawn up:

- 2 counterparts in English

- 2 counterparts in Chinese

The counterparts in English are legally binding for the parties.

Party A: Party B:

Date: