

MINI DEPOT DISTRIBUTION CENTER (M.D.C.)
MDC Business Agreement Preview

The Business Agreement Preview generally outlines in summary MDC's agreement covering obligations of VCHPI and MDC owner. It is non-legal by nature.

Upon approval of application, a VCHPI –MDC Contract will be executed detailing responsibilities of VCHPI to MDC/ MDC to VCHPI.

The Mini Depot Distribution Center (MDC) is an authorized products distribution center acting as Agent for Vital C Health Products Inc. (VCHPI) on the sale of its products. It will entitle the MDC benefits of VCHPI Business Packages based on the terms and conditions as outlined below:

VCHPI grants the distributorship for a period of **one year** subject to management approval for its renewal.

APPLICATION PROCEDURES

1. Duly accomplished Application Form with documentation requirements.
2. Application interview to be scheduled by Management either by telephone or personal upon receipt of the Application Form and documents required with the application.
3. Site inspection of propose location
 - a. VCHPI has specific requirements and regulations when it comes to selecting a site location.
4. Upon approval of location, MDC applicant to pay the down payment.
5. VCHPI to provide all construction SOP's for the MDC. During construction, VCHI compliance team may be open for consultation with the MDC contractor for any assistance.
6. Upon completion of the facility, full payment will be required.
7. VCHPI to provide all deliverables stated under the Management Responsibilities section.
8. One month prior opening, VCHPI to provide pre-opening training to MDC staff/employees of MDC operations, protocols and procedures. Terms and Conditions to be covered under the VHCPI- MDC Agreement.

MDC OWNER RESPONSIBILITIES

Investment

- Minimum of Pesos: Five (5) Million Pesos investment is required for a Mini Depot Center. All existing Exclusive Product Centers (EPC's) may upgrade to MDC subject to management approval base on EPC's previous business performance.
- Products will be delivered free of charge in any part of Luzon, Visayas and Mindanao.

Space Requirement

The MDC space requirement is a minimum of Fifty (50) sqm with the following specifications.

30 sqm	Training Room
10 sqm	Medical Screening Room
10 sqm	Office Display

- Management approval base on EPC's previous business performance.
- Products will be delivered free of charge in any part of Luzon, Visayas and Mindanao.
- VCHPI to provide the MDC standard architects perspective for the layout and design of the facility.
- Signboard to be provided by VCHPI.
- All construction cost will be for the account of MDC owner.

Payment

MDC owner will pay an initial down payment of Two (2) Million pesos upon application approval. The Balance of Three (3) Million pesos is payable upon completion of the facility.

Financial Condition

The Distributor represents and warrants that it is and at all times during the term of the agreement will remain in good financial condition, solvent and able to pay its bills when due.

VCHPI RESPONSIBILITIES

Products

- Initial inventory of Three (3) Million Pesos worth of Vital C Health Products. MDC has the option to choose the products.

Delivery

- For reorder, delivery will be free of charge for a minimum of One (1) Million Pesos products purchase.

Medical Support

Equipment

- One (1) set of Live Cell Analysis Machine which includes :
 - Live Cell Analysis Dark Field Microscope
 - TV monitor
 - Computer desk tap
 - Live Cell Analysis machine consumables for the first 100 test
 - Medical forms for the first 100 test

Training

- Live Cell Analysis two(2) days training for a maximum of four medical staff
- One (1) day product training of supplements' mechanism of action and clinical studies
- Medical standard operations procedures

IT Support

- Two (2) computer desk tap with POI (Point of Inventory) and RFID (Radio Frequency Identification) card reader

Marketing Support

- Two (2) Hundred Thousand Pesos worth of marketing collateral to be provided by VCHPI. These can be in the form of Posters, Promo Flyers, Sales Kit Folders and any other printed materials for sales and marketing use.
- Inauguration event support :
 - Host to grace the event
 - Publicity Campaign pre and post inauguration on local print and radio broadcast.
- Replicating Website

Training Support

- Weekly business and product training support for one month .

- Pre-opening operations system training (one month before opening)
- Post -opening training audit support,

Continuing Management Support

- Replicating website maintenance and update
- Bi-Monthly operations/ management consultation
- Business and product training
- Systems and controls management

MDC Products Discount Matrix

Repeat Sales	Seven (7) percent
Starter and Value pack	Eight (8) percent
Promo Prices	Ten (10) percent

Referral Incentive

- VCHPI will grant One(1) Hundred Thousand Pesos incentive for every materialize mini-depot referral