

# GLORY STAR GROUP VALUE ADDED RESELLER AGREEMENT

**GLORYSTAR registered address:** Flat D, 5/F., Excelsior Bldg., 364 Nathan Road, Kowloon, Hong Kong SAR.

**Reseller Name:**

**Registered Address:**

This Agreement is between GLORY STAR GROUP LIMITED., by and through (“GLORYSTAR”) and the reseller named above (“Reseller”). GLORYSTAR hereby appoints Reseller as an authorized reseller of products within the Territory (stated in Exhibit A) and Reseller hereby accepts such appointment.

## 1. Reseller’s RESPONSIBILITIES

- 1.1. Reseller shall use its best efforts to market, promote and solicit sales of Products in the Territory (stated in Exhibit A) and also provide installation and technical support of the Products.
- 1.2. Reseller shall achieve the annual sales volumes for the relevant rate set forth by GLORYSTAR. On each anniversary of the EFFECTIVE DATE, GLORYSTAR shall review RESELLER’s annual sales volume for the previous year and may adjust Reseller’s rate for the current year (increase or decrease). Or terminate this agreement.
- 1.3. Reseller will develop an annual marketing or sales plan. The plan will include specific Products, markets, promotion plans for the Products, scheduled sales activity, projected support requirements and projected annual sales volume and revenue forecasts, by year. If requested by GLORYSTAR, Reseller will provide a rolling three (3) months forecast in the format indicated by GLORYSTAR.
- 1.4. Reseller shall conduct all business in its own name and as an independent contractor and independent reseller. No employment, agency or similar arrangement is in fact created or is intended to be created between GLORYSTAR and Reseller. Reseller has no right or power to act for or on behalf of GLORYSTAR, nor to bind GLORYSTAR in any respect, to pledge its credit, to accept any service of process upon it, nor to receive any notices of any nature, on behalf of GLORYSTAR.
- 1.5. Reseller cannot resell another supplier’s products providing the same products as Glory Star.
- 1.6. All Products will include Glory Star’s brand name/logo and marks on packaging and products.

## 2. GLORYSTAR OBLIGATIONS

- 2.1. GLORYSTAR will advise Reseller of the release date of any Major Release or new Products.
- 2.2. GLORYSTAR will offer sales and technical support training and assistance (Reseller will be responsible for their employee attendance at a GLORYSTAR training session) at GLORYSTAR office.
- 2.3. GLORYSTAR will provide marketing and technical information relating to the Products including brochure, data sheets and white papers.
- 2.4. Glory Star will provide reseller with reseller’s price list
- 2.5. Glory Star will provide training on repairing the products.

## 3. Relationships

- 3.1. Reseller has no authority to make any commitment on behalf of GLORYSTAR with respect to quantities, delivery, modifications, interfacing capability, suitability of software or suitability in specific applications. Reseller has no authority to modify the warranty offered with GLORYSTAR products. Reseller will indemnify GLORYSTAR

from liability for any modified warranty or other commitment by Reseller not specifically authorized by GLORYSTAR.

- 3.2. Reseller will not represent itself in any way that implies Reseller is an agent or branch of GLORYSTAR. Reseller will immediately change or discontinue any representation or business practice found to be misleading or deceptive by GLORYSTAR immediately upon notice from GLORYSTAR.

## 4. Product changes, discontinuing a product, supply shortages

- 4.1. GLORYSTAR reserves the right to discontinue the manufacturer and/or sale of any or all Products, and to modify, change, improve, and/or redesign any Product, without any liability to Reseller.
- 4.2. GLORYSTAR reserves the right, in the event of any shortage of parts or components, to allocate, in its sole discretion, its available supply of Products among its customers (including among its subsidiaries or affiliated companies that use Products).

## 5. Term, Limitations, Termination

- 5.1. The Term of this Agreement shall commence on its Effective Date and remain in full force and effect for a term of one (1) year and will automatically terminate thereafter for successive one (1) year terms if sales amount is reached unless renewed in accordance with this Section
- 5.2. GLORYSTAR may terminate this Agreement if Reseller cannot meet the yearly sales volume which stated in Exhibit A.
- 5.3. GLORYSTAR or Reseller may terminate this Agreement without cause at any time upon thirty (30) days written notice or with cause at any time upon fifteen (15) days written notice, except that neither the expiration nor earlier termination of this Agreement shall release either party from any obligation which has accrued as of the date of termination.
- 5.4. GLORYSTAR may, from time to time, give Reseller written notice of amendments to this Agreement. Any such amendment will automatically become a part of this Agreement thirty (30) days from the date of the notice, unless otherwise specified in the notice.

## 6. Limitation of Liability

- 6.1. Under no circumstances, including any infringement claims, shall GLORYSTAR be liable to reseller or any other party for any procurement costs, lost revenue or profits or for any other special, incidental or consequential damages, even if GLORYSTAR has been informed of such potential loss or damage.

## 7. Prices and Payment terms

- 7.1. GLORYSTAR shall sell and deliver the Products to Reseller at prices set forth on Exhibit B, less any discount identified on such Exhibit. Accessories and related maintenance and installation services are not subject to a discount. GLORYSTAR will promptly supply Reseller with its price sheets (and any revisions thereto) upon publication.
- 7.2. GLORYSTAR shall have the right, to adjust pricing of any Product.
- 7.3. Reseller shall pay GLORYSTAR all amounts due in accordance with payment terms condition set forth on each transaction.
- 7.4. All charges, price quotations, accepted orders and billings exclude any taxes, including excise, sales and similar taxes or any customs duties, fees or charges which may be imposed by the appropriate government authorities on the Products. Reseller shall be solely responsible for all taxes and other government charges levied upon the production, sale, repair or use of the Products.
- 7.5. Payment by Reseller for Products is non-refundable, unconditional and is not dependent upon acceptance of the Products by its End Users.

**8. Product Warranty**

- 8.1. The warranty terms and conditions will be as specified in the PRODUCT Standard Terms and Conditions of Sale.

**9. Software and Firmware**

- 9.1. The software license terms will be specified in PRODUCT Standard Terms and Conditions of Sale and any Software Maintenance Agreement entered into by the parties.
- 9.2. One or more components of equipment Reseller purchases may contain firmware programs built into their circuitry. Reseller's purchase of that equipment includes a non-exclusive license to use and sub-license the firmware only as part of the equipment and only under the following conditions: (a) GLORYSTAR (or its supplier) retains all title and ownership to the programs; (b) the firmware may not be copied, disassembled, decompiled or reverse engineered under any circumstances; and (c) Reseller will only transfer possession of the programs in conjunction with a transfer of equipment.

**10. Confidential Information and Trade Secrets**

- 10.1. GLORYSTAR and Reseller agrees to hold the Confidential Information of the other party in strict confidence and to protect it from disclosure with the same degree of care that it uses to protect its own confidential information of like importance. Each party shall use the Confidential Information of the other party only as necessary to perform its duties and satisfy its obligation hereunder and shall limit the disclosure of the Confidential Information to employees who have a reasonable need to know, who are under a duty of confidentiality no less restrictive than the obligation set forth herein and have a executed a non-disclosure agreement with the receiving party. Reseller agrees to treat Software Products as Confidential Information and not to disclose or distribute them, except as expressly authorized by this Agreement.
- 10.2. The receiving party shall promptly notify a disclosing party of any unauthorized disclosure of its Confidential Information and provide any assistance the disclosing party may reasonably require to retrieve the information and protect it from any further use or distribution. If any Confidential Information must be disclosed to a third party by reason of legal, accounting or regulatory requirements beyond the reasonable control of the receiving party, that party shall promptly notify the disclosing party in the order to permit the disclosing party (at its own expense) to seek an appropriate protective order in a timely manner.
- 10.3. Upon termination of this Agreement or at the request by the disclosing party, the receiving party shall return all copies of Confidential Information in its possession or destroyed. This Section shall survive any termination, cancellation or expiration of this Agreement.

**11. GENERAL**

- 11.1. This Agreement shall be governed in all respects by the laws of The Hong Kong Special Administrative Region.
- 11.2. Reseller may not assign, delegate or transfer this Agreement, in whole or in part, or any of its right or duties hereunder, including by merger (regardless of whether Reseller is the surviving entity) or acquisition, without the prior written consent of GLORYSTAR.

**12. Miscellaneous**

- 12.1. Notices under this Agreement must be sent by telegram, telecopy or registered or certified mail to the appropriate party at its address stated on the first page of this Agreement (or to a new address if the other has been properly notified of the change). A notice will not be effective until the addressee actually receives it.
- 12.2. This Agreement and its schedules represent the entire agreement between the parties regarding this subject. This Agreement supersedes all previous oral or written communications between the parties regarding the subject, and it may not be modified or waived except in writing and signed by an officer or other authorized representative of each party. Neither party will be liable to the other for any delay or failure to perform if that delay or failure results from a cause beyond its reasonable control. If any provision is held invalid, all other provisions shall remain valid, unless such invalidity would frustrate the purpose of this Agreement. The Hong Kong Special Administrative Region's law governs this Agreement without consideration to that body of law referred to as "conflicts of laws". GLORYSTAR and Reseller will attempt to settle any claim or controversy arising out of it through consultation and negotiation in good faith and a spirit of mutual cooperation. Any dispute which cannot be resolved through negotiation or mediation may be submitted to the courts of appropriate jurisdiction.

\_\_\_\_\_  
 Signed: \_\_\_\_\_  
 Print Name: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Date: \_\_\_\_\_

**GLORY STAR GROUP LIMITED**

\_\_\_\_\_  
 Signed: \_\_\_\_\_  
 Print Name: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Date: \_\_\_\_\_

## Exhibit A

Territory : The Reseller's authorized resell Territory is \_\_\_\_\_ and have rights to sell in \_\_\_\_\_ industry.

Yearly Sales Volume : The Reseller agreed to have total yearly sale volume is \_\_\_\_\_.

**Exhibit B**  
**PRODUCT PRICE LIST**