



GROUP STOCKIST SERVICE CENTRE AGREEMENT

(May 2007 Version)

This agreement made this ____ day of _____ 20____ between DXN International Australia Pty. Ltd., with principal office at Suite 504 Level 5 Office Tower, Westfield Shoppingtown, Church Street, Parramatta, NSW, herein represented by Mr. Frank Li, hereinafter known as the COMPANY and _____, with postal address at _____

hereinafter known as the CENTRE;

A, The COMPANY agrees to:

1. Allow the CENTRE to operate and be located at _____.
2. Allow the CENTRE to be the distribution centre for the products of the COMPANY.
3. Provide Administrative Discount and other incentives or benefits, at the option and conditions set by the COMPANY.

B, The CENTRE agrees to:

1. Maintain a safety inventory level of at least two (2) weeks, for distribution and to service the product requirements to your Group or downlines only.
2. Shoulder all expenses relating to business registration, taxes and other permits that may be required by National or Local Laws.
3. Monitor and prevent the distribution of DXN products in retail outlets within the areas of jurisdiction.
4. Shoulder/compensate the bonus that may be due to distributors who purchased products in the CENTRE if, after verification the CENTRE is found to have issued Cash Bills resulting in negative balances/inventory of DXN products.
5. Issue Cash Bills for products purchased by DXN distributors, which will be the basis of the COMPANY in the computation of distributors bonus/commission.
6. Submit report(s) to DXN Office as requested.

7. Keep all duplicate Cash Bills (issued by the Centre) and Purchase Invoices (from DXN) in a safety place for a period of at least **five years**, and ensure it is available to the Australian Taxation Office or DXN International (Aust) Pty Ltd as requested for the purpose of reviewing, reconciliation and auditing.

C, The COMPANY and the CENTRE agrees that:

1. The CENTRE, its representatives and employees are not employees of DXN and the CENTRE assumes absolute and exclusive responsibility for the payment of salaries, wages and any statutory benefit of its representatives and employees in accordance with the provisions of Australian laws, rules and regulations promulgated by Government authorities.
2. The CENTRE shall comply with existing policies and procedures issued by the COMPANY relative to the operation of the CENTRE. The COMPANY reserves the right to revise, update or amend these policies and procedures without prior notice.
3. This agreement supersedes any agreement/s between the COMPANY and the CENTRE.
4. Only the CENTRE is authorized to issue Cash Bills; the COMPANY prohibits the setting up of, establishing or maintaining a satellite, extension, a sub-centre or an affiliate CENTRE.
5. The CENTRE is prohibited to deliberately issue Cash Bills that will result in negative balances in their inventory of DXN products (thus, resulting in overpayment of distributors bonus by the COMPANY). If a CENTRE is found to have negative stocks balance, the:
 - COMPANY shall notify the CENTRE with seven (7) working days to settle the negative stocks;
 - CENTRE is required to purchase 85 percent on total PV of negative stocks to settle the negative stocks balance;
 - COMPANY reserves the right to hold CENTRE Incentive and personal bonus against the negative stocks;
 - COMPANY may issue a warning letter, suspend operation or terminate the Service Centre Agreement for a CENTER in a situation whereby the CENTRE has negative stocks for three (3) consecutive months.
6. The CENTRE shall maintain a minimum monthly product inventory of \$1,000.00 in any given month after the approval of the CENTRE.
7. The appointment of a CENTRE is non-transferable.
8. Either party may terminate this agreement at any time with cause, upon giving 30 days notice to the other party.
9. The COMPANY may suspend the release of CENTRE benefits under A (3) hereof, in the case of violation of the terms and conditions herein.

C O N F O R M E

Centre:

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Company:

DXN International Australia Pty. Ltd.

Group Stockist Service Centre Operator:

Member Name:

Member Code:

Date: / /

Mr. Frank Li
Finance and Administrative Manager

Date: / /

Name of Witness:

Date: / /

Name of Witness:

Date: / /