

To: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Date: \_\_\_\_\_

Dear Sirs,

Further to your discussions with \_\_\_\_\_, our distributor in \_\_\_\_\_ (the "**DISTRIBUTOR**"), we are pleased to commence the trade with you in the SodaKING Cylinders (which are metal cylinders bearing the mark(s) SODAKING INTERNATIONAL and/or SODAKING, for use with suitable home carbonation machines for the preparation of sparkling drinks) based on the following:

1. we are in possession of the legally required knowledge, expertise and documentation enabling us to be responsible to you, to logistics services providers, to salespersons and to consumers for strict compliance with the relevant international, EU and local Directives and regulations regarding physical safety, consumers' health and welfare, which can only be guaranteed if the SodaKING Cylinders are stored, maintained, examined, retested and refilled by us. You and we agree that the means to comply with the relevant laws and regulations and safeguard third parties' health and safety is the acknowledgement, acceptance and undertaking of all our business partners (which also includes you) that the SodaKING Cylinders are and remain the property of SodaKING International Pty Ltd. at all times and that you will not refill them nor assign or give them to any party for refilling or manipulating or tampering with;
2. therefore you further agree not to do any transaction with the SodaKING Cylinders, or transfer them to another other than in accordance with this letter, and to distribute them only in their original packaging and only with their original engravings and labeling, and with the SodaKING tamper proof seal intact;
3. The DISTRIBUTOR will provide you with an **Exchange Cylinder Stock** of \_\_\_\_\_ SodaKING Cylinders. You undertake to use these Cylinders (and any replacement thereof) solely to exchange empty SodaKING Cylinders returned by consumers for full SodaKING Cylinders of the same type and size for the price of their gas contents (the "**Gas Refills**") only. You will pay to us or the DISTRIBUTOR for the use of each SodaKING Cylinder of the Exchange Cylinder Stock a deposit of USD5 (the "**Deposit**") to secure its return plus the price of the Gas Refill. Any changes to this stock will be made between us in writing in advance;
4. in order to enable you to exchange your customers' empty SodaKING Cylinders with full ones, the DISTRIBUTOR will supply to you from time to time full SodaKING Cylinders in multiples of the full standard packs for such, in accordance with your orders, on the basis that for each full SodaKING Cylinder delivered, you will return an empty one of the same type and size at the same time. In this case you will pay only the price of the Gas Refill for each SodaKING Cylinder delivered to you;
5. if: (i) you return to the DISTRIBUTOR or ourselves less SodaKING Cylinders than the quantity delivered to you; or (ii) a stock count in your stores shows that your Exchange Cylinder Stock is less than the quantity referred to in Clause 3 above, we or the DISTRIBUTOR will replace each lost SodaKING Cylinder; then, in each case you will pay to us or the DISTRIBUTOR the User Fee and the price of the Gas Refill for each lost SodaKING Cylinder. These sums will not be reimbursed;
6. a User Certificate stating the terms of the use of the SodaKING Cylinders (the "**Certificate**") is enclosed with each SodaKING machine package or spare SodaKING Cylinder box. The Certificate specifies the **User Fee** for such use, which is a non-reimbursable payment for the right to use the SodaKING Cylinder;
7. You will not make any reimbursements to consumers for the return of SodaKING Cylinders to you. If a consumer requests a return fee for the return of a SodaKING Cylinder, you will refer such consumer directly to the DISTRIBUTOR or ourselves;
8. We agree that our business arrangement will be in force for an indefinite period of time, until one of us terminates it by giving the other a 30 (thirty) days prior written notice;
9. should our business relationship terminate for any reason whatsoever, you will return to us or to the DISTRIBUTOR all the SodaKING Cylinders then in your possession, and in respect of returned full spare SodaKING Cylinders bearing a Certificate in their original packaging and with their original SodaKING tamper proof seals intact, we or the DISTRIBUTOR shall reimburse to you the sum of the User Fee and the price of the Gas Refill you actually paid for these spare Cylinders; and in respect of the Exchange Cylinder Stock, we or the DISTRIBUTOR will reimburse you the Deposit you actually paid, as specified in Clause 3 above, provided the SodaKING Cylinders of the Exchange Cylinder Stock are returned to the DISTRIBUTOR or to us in good operating condition. No other reimbursements will be made;
10. From the date of such termination, you will refrain from the receipt, collection, transfer, filling and/or in any other way handling the SodaKING Cylinders. You will continue to respect the obligations under Clauses 1, 2 and this Clause 10 after the termination;
11. Neither of us shall be entitled to make any claim or demand whatsoever against the other for loss of profits, loss of business or such goodwill as may have accrued in respect of the SodaKING Cylinders.

We look forward to a fruitful mutual business relationship.

Yours Faithfully

\_\_\_\_\_  
**SodaKING International Pty Ltd**

We hereby confirm our agreement to the terms above.

\_\_\_\_\_  
**Retailer**

By: \_\_\_\_\_

Title: \_\_\_\_\_