

## Commercial Agreement

### Between:

**PT. Kencana Multiseal Hidromatik**  
**Jl. Springs Boulevard Selatan, SPRS**  
**No.69, Gading Serpong, Cihuni, Pagedangan**  
**Tangerang, 15332, Province Of Banten**  
**Indonesia**  
**(Distributor)**

**J-Flex**  
**Units 1 & 2 London Rd Business Park**  
**Retford**  
**Nottinghamshire DN22 6HG**  
**United Kingdom**  
**(Manufacturer)**

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**This agreement is effective from 1<sup>st</sup> September 2019.**

### Scope of Agreement

- The Manufacturer supplies:-
  - \* **Specialised Sheet Rubber Materials**
  - \* **Manufactured Rubber Components - Gasket, Mouldings, Profiles,**
  - \* **Bellows & Sleeves**
- The Distributor will cover the Indonesian market on an exclusive basis.
- It is agreed that due to some historical business J-Flex will continue with direct sales contact with Skylectron – West Java.
- Other end users may occur from time to time and it is agreed that these will be discussed together to find the most appropriate solution.

### Terms of Agreement

This agreement shall become effective on the above date, and shall remain in effect for a period of one year (1 year). Unless stated shall be extended automatically by periods of one year (1 year).

### Relationship of the 2 Companies

Neither the Manufacturer nor the Distributor shall act or create obligations on behalf of each other without first written agreement: whether in connection with policies; products; performance of products; warranties or otherwise.

The 2 parties agree to respect confidential material that may be passed between the 2 parties.

### Manufacturer

The Manufacturer shall provide the following assistance to the Distributor, to help the Distributor realise the maximum sales potential for the Manufacturer's products in the territory.

The Manufacturer will provide quotations; material specification sheets and other technical information as requested by the Distributor. The provision of samples needs to be mutually agreed.

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Should the Manufacturer receive enquiries from within the designated area for the designated products, it will protect the role of the Distributor in the relationship, and where appropriate refer such contacts to the Distributor.

### **Distributor**

The Distributor shall do the following to promote and sell the Manufacturer's products within the territory.

- Exert its best efforts to promote the sale of the Manufacturer's products to customers in the defined markets and territories.
- Conduct market research and sales campaigns via existing sales and marketing staff and agents via direct mail shots; sales visits; website promotion and e-mail marketing.

### **Termination Agreement**

This agreement may be terminated by either party - each to give the other not less than 1 month written notice.

### **Disputes**

Should any dispute arise as a result of a misunderstanding or a breach of duties, every effort shall be made to arrange a fair, practical and speedy solution. All disputes shall be subject to arbitration if required. The award of the arbitration shall be final and binding upon both parties.

### **Applicable Law**

This agreement shall be interpreted and construed under the laws of INCOTERMS 2010.

### **Force Majeure**

Either party shall not be held responsible for failure or delay to perform all or any part of this agreement due to flood, fire, earthquake, war or any other events which could not be predicted, controlled, avoided or overcome by the parties. However, the third party affected by the event of force majeure shall inform the other parties of its occurrence in writing as soon as possible and thereafter send a certificate of the event issued by the relevant authorities to the other party within 15 days after its occurrence.

**Special Conditions**

In Witness whereof, each of the parties has executed this agreement in duplicate original counterparts on the date opposite his signature.

**The Manufacturer****J-Flex****By: Mr Sam Kirk – Managing Director****Date : 16 August 2019****The Distributor****PT Kencana Multiseal Hidromatik (KMH)****By: Mr Tony Poluan****Date : 2019**