

TERMS OF SERVICE CONTRACT AGREEMENT

Contract No. Enter Contract No.

The following are terms of the Service Contract (the "<u>Agreement</u>") dated December , 2012, (the "<u>Effective Date</u>").

BETWEEN: KIKO TECHNOLOGY UK LLP (hereinafter the "Service Provider") having its

registered place of business located at Parkwood Farm, Cryals Road, Matfield, Kent,

TN12 7HN.

AND: CLIENT CO./NAME (hereinafter the "Company") having its registered place of

business at Client's Address.

WHEREAS:

- I. Kiko Technology Limited is the Manufacturer of the said Kiko Ceramic Cartridges (hereinafter "*Product(s)*" or "*KCC*").
- II. The Products developed and supplied for agriculture and plants, livestock and fisheries, commercial and industrial properties and other purposes, are known as Kiko Ceramic Cartridges ("KCC"), which contain Kiko Ceramics, manufactured in Japan.

NOW THEREFORE:

This Agreement contains the terms of engagement between the Parties (the "<u>Service Provider</u>", the "<u>Manufacturer</u>" and/or the "<u>Client</u>") to be legally bound as follows:

1. Services Provided

a. The Service Provider shall supply to the Company the said Products specified in Schedule 1 for a period of three (3) years from January, 1st, 2013 (the "Service Contract Period").

2. Calculation of Fees

- a. The Company shall pay the sum of 5p per plant for a period of 36 months
- b. There are 1,100,000 plants at the start of the contract
- c. The number of plants will be reviewed at the end of each 12 months

3. Billing and Payment

- a. The Service Provider will invoice the company quarterly in arrears
- b. Bills are payable within fifteen (15) days after the Invoice Date.
- c. The said Products are and will remain at all times the property of the Manufacturer.

4. Water Testing Services

- a. The Service Provider shall provide a water analysis by a technique known as Magnetic Resonance Analysis ("<u>MRA</u>") and issue a test report to ensure the energized water meets the Manufacturer's acceptable standards.
- b. The Company shall send sealed water samples in 30-50ml plastic containers to the Service Provider every six (6) months.
- c. Should the Laboratory determine that any KCC Products do not meet acceptable standards, the Products shall be replaced free of charge to the Company by the Manufacturer unless the Manufacturer deems the Products were tampered with, altered, misused or willfully damaged in any way.

5. Product Warranty

a. The Manufacturer provides a three (3) year Product Warranty to guarantee product quality and shall be delivered free from defects in material and workmanship.

(Initials:)

b. This Warranty becomes null and void should the said Products be tampered with or intentionally misused including but not limited to any defect arising from willful damage, negligence, abnormal conditions, misuse or alternation of the said Products.

6. Ownership of KCC Products

a. The intellectual property rights shall remain the ownership of the Manufacturer including but not limited to trademarks, patents, copyrights, database rights, improvements, design know-how and includes whether the same is registered or unregistered, no matter which jurisdiction(s) it exists in.

7. Indemnity

- a. The Company shall indemnify the Service Provider against any loss or damages incurred in connection with the Agreement, including but not limited to; any act or omission (whether negligent or not) of the Service Provider or its employees or any third party whom the Service Provider shall be responsible for.
- b. Neither the Company nor the Service Provider shall under any circumstance be liable to the other party against any loss (whether direct or indirect) of revenue, loss of profit, or consequential losses of whatsoever under this Agreement.

8. Termination

- a. The Company shall have the right to terminate this Agreement at any time without cause by giving 60 days notice in writing to the Service Provider.
- Upon termination of this Agreement for whatever cause, the Company shall, within ten (10) days return to the Service Provider all Products together with any samples, advertising, promotional or sales materials.
- c. The Company shall settle all outstanding payments up to the date of termination.

9. Force Majeure

a. The obligations of either Party to perform under this Agreement shall be excused if such failure to perform is caused by acts of God or the public enemy, strikes, civil commotion, riots, war, fire, flood or any other cause reasonably beyond the control of the Parties obligated to perform.

10. Legal Authority

a. This Agreement shall be bound by the laws of the United States of America ("<u>USA</u>").

This Agreement has been executed by the undersigned authorized representatives of the parties as of the Effective Date stated above.

The Service Provider:	The Company:
By: Distributor's Full Name	By: Client's Full Name
Date	Date

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SCHEDULE 1 TO THE SERVICE CONTRACT AGREEMENT NO. Enter Contract No.

A. The Service Provider will supply to the Company:

Total No. of KCC Products: 0 cartridges

KCC Size: 22mm diameter x 160mm length Tritan Cartridges

Installation Sites: College Street Farm and all other locations agreed by the Service

Provider

B. The Payment Schedule will be:

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i. Initial payment of £13,750, which covers the first (1st) three (3) months of 2013 Initial payment calculated as: 1,100,000 plants x 5p per plant per annum/4

ii. Future quarterly payments for the first 12 months will be the same as B(i) above and then reviewed for the second and third years

C. The total contract value for the first 12 months is £55,000

D. This Schedule 1 follows the Agreement and is effective from the e.g. 1st day of January, 2013 until the 31st day of December, 2015. This Agreement can be terminated at any time and without cause by giving 60 days notice in writing.

E. All Payments will be sent to the Service Provider's bank account care of:

Correspondent Bank:	Service Provider's Bank Name
Bank Address:	Service Provider's Bank Address
Swift Code:	Swift Code
For the Account of:	Account Holder's Name
Account Number:	

(Initials: _____)