

This **EXCLUSIVE DISTRIBUTION AGREEMENT** (this agreement) is made and entered into effective as of January 1st 2016.

**BETWEEN** : Messrs. Atlas Medical LTD and on their behalf their legal representative Mr. Costas Angelides with registered office in 28C, Miaouli STR. 153 44 Gerakas, Athens, Greece, hence called "ATLAS" for the sake of brevity

And

A.Zapalskio II Azas and on their behalf their legal representative Mr. Juozas Devizis with registered office at Tiekimo Str. 2A, 35100 Panevezys-Lithuania hence called "Distributor" for the sake of brevity

hereby enter the following agreement:

**ART.01 SUBJECT:**

Atlas grants to the distributor the right to purchase and market, on an exclusive basis in the territory described below in ART.02, products manufactured by ATLAS and marked with ATLAS brand.

**ART.02 TERRITORY:**

The territory covered by the exclusive right granted above in ART.01 is as follows:

**COUNTRY**

Lithuania

**ART.03 LEGAL POSITION OF DISTRIBUTOR:**

The distributor will purchase and sell ATLAS products on its own behalf and on its own, entirely independent of ATLAS.

**ART.04 OBLIGATIONS OF DISTRIBUTOR:**

The distributor shall:

- a. Do their utmost to safeguard ATLAS's interests in their business dealings.
- b. Actively promote sales of the products in the territory, make regular visits to customers and constantly do their best to increase sales. The distributor has the right to engage sales representatives or agents throughout the territory to enable them to fulfill their obligations.
- c. Supply ATLAS with all information on sales promotion, financial impact expected from such promotion, market orientation in the territory, technical developments and prices of the products, upon request.
- d. Keep all information confidential, even after the expiry of the Agreement, and not disclose any private information to third parties.
- e. Undertake to promote advertising campaigns for the products in the territory, as established in the Agreement. Advertising costs shall be the sole responsibility of the distributor.
- f. Obtain ATLAS's approval on the types of advertising and advise ATLAS of the way in which the campaign would promote ATLAS products.

- g. Agree not to sell products outside the territory specified in this Agreement, and not set up an office or warehouse on behalf of ATLAS.
- h. Agree to safeguard and maintain the name of ATLAS in the territory by informing ATLAS in case of infringement by a third party of ATLAS's rights. But this does not include the obligation to register the ATLAS brand as a copyright on the territory.
- i. Limit their activity in relation to this Agreement to the specified territory: The distributor will be liable for any unauthorized operation, even outside the established area.
- j. Grant to ATLAS an appropriate coverage of the territory in terms of sales force, either through sales reps or sub-distributors. For this reason a progressive introduction of sales reps and sub-distributors is required to cover within 3 years the 80% of the territory potentiality.
- k. Grant ATLAS a progressive introduction of the whole product range as per ATLAS product range.

**ART.05 OBLIGATIONS OF ATLAS:**

Atlas shall:

- a. Not sell either directly or indirectly the products referred to this Agreement territory.
- b. Not grant to any person or companies without the distributor's specific prior and writer approval, representation in the territory for any ATLAS products.
- c. Supply, free of charge, all information, documents and samples of products specified in this Agreement. Costs for shipment, customs duties and other costs relating to importation of such products shall be the responsibility of Virtuoso.

**ART.06 PRICES, PAYMENT AND STOCK:**

- a. ATLAS shall fix the prices of the products and terms of payment as per ATLAS's official up-to-date export price list, copies of which the distributor will receive on a regular base.
- b. The distributor agrees to order the products from ATLAS in good time and in sufficient quantities to ensure inventory is available to fulfill normal customers' orders.

**ART.07 AIMS**

- a. During the term of this Agreement or any renewal, the distributor shall undertake to purchase the minimum Euro amount of Products during each calendar year as this discussed and decided with ATLAS.
- b. If the first order, as specified here above, will not be placed within 3 months from the date of signature of this contract, ATLAS has the right to consider this contract automatically terminated for all the countries that the distributor had been appointed as exclusive distributor. By this ATLAS will have the right from the following day after the termination to select new candidates to start a negotiation and business within the territory specified at ART.02.
- c. The distributor shall actively and faithfully use its best efforts to promote, market and sell the products in the Hospitals.

#### **ART.08 DURATION**

- a. The term of this agreement shall become effective on the day and year first written above and shall run for a term of three (3) years, unless terminated for cause or cancelled pursuant to ART.11 below.
- b. The distributor has the option to ask ATLAS for an extension of the present term of this Agreement for additional three (3) years in case all subjects and duties of this Agreement have been successfully upheld and complied. Such extension shall be on the same terms and conditions as those stated in this initial Agreement and will be eventually confirmed by ATLAS.

#### **ART.09 APPOINTMENT OF SALES REPRESENTATIVES**

The distributor has the right to appoint his own sales representatives or agents within the territory, without requiring ATLAS's approval. However, these agents or representatives shall undertake to observe all the conditions laid down in this Agreement, and distributor shall guarantee and be responsible for their representation of ATLAS.

#### **ART.10 LIABILITY & DOCUMENTS**

ATLAS will not be held responsible for any prohibitions or restrictions imposed by authorities in charge of imports in the territory, or the exportations of ATLAS products from Greece. ATLAS is responsible to make available to government or health authorities in the territory any information they require relating to the contents and active processes of the products to ensure they will not be blocked for imports or exports.

#### **ART.11 TERMINATION**

- a. Should the distributor fail to comply with the obligations as per ART.04 and ART.07, as well as the obligation for payment of the prices in accordance with the specified procedures and terms, ATLAS reserves the right to immediately declare the Agreement legally terminated and will notify the distributor of its failure to comply via registered letter with return receipt, which letter will also state any specific damages ATLAS has suffered and for which ATLAS expects compensation.
- b. Should ATLAS fail to fulfill its commitments under Agreement and upon receiving notice from distributor, does not act to correct the non compliance within a reasonable length of time, then the distributor shall have the right to withdraw from this Agreement.

#### **ART.12 ARBITRATION CLAUSE**

- a. No verbal agreements have been made relating to present contract. All changes or amendments to the present contract must be made in writing in order to be valid.
- b. Any dispute between the parties relating to the interpretation of this Agreement, shall be settled by a Board of Arbitrators composed of three members, one appointed by each party and the third, if no agreement is

reached by the other two, by a Chairman of the Law-court in Athens. The seat of the Board of Arbitrators shall be Athens.

The Board of Arbitrators shall proceed without any formality to apply the relative regulations in compliance with the Greek law and deliberate impartially, and the decision shall be final and binding for the parties concerned. This Agreement shall be subject to the Greek law. In any case ATLAS agrees on the presence of a Greek/English interpreter properly registered in the official legal interpreters' book of Athens to support and help in case of any language misunderstandings.

**ART.13 CHANGES**

Any changes or variation made to this Agreement shall be valid only if approved in writing by both parties.

Athens,

For **Atlas Medical LTD**

  
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**COSTAS ANGELEDES**  
Managing Director  
**ATLAS MEDICAL LTD**  
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Tel: +30 2106090201  
cangelides@atlasmedical.gr

01.01.2016.

Vilnius,

For **Distributor**

  
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Direktorius  
**Justas Devizi**



01-01-16