



Exclusive Distribution Contract (Hereafter called "Contract")

This contract is between:

GSR Ventiltechnik GmbH & Co. KG

Im Meisenfeld 1 – D32502 Vlotho – Germany (as manufacturer)

Hereinafter called "GSR"

And:

Dalian Leader Fluid Control Technology Co. Ltd.

No.5 Luohu Road, Dalian, Peoples Republic of China (as distributor)

Hereinafter called "DL"

For the distribution of:

GSR labeled products

Hereafter called "**Products**"

Into the territory of

Peoples Republic of China

Hereafter called "**China**"

General:

The reason for this contract is to appoint DL as the exclusive distributor of GSR Products in the Peoples Republic of China and to push further a future oriented relationship between the GSR & DL. The main target is to increase the market share of GSR products in China by the distribution channel of DL.

1.1.0 GSR commitment

- 1.1.1 GSR will extend every possible assistance to DL in promoting its sales. GSR agrees that an appointed salesman may be called DL for sales and engineering assistance at all reasonable times.
- 1.1.2 GSR will introduce new Products to DL in due time and provide appropriate information of new developments.
- 1.1.3 GSR will appoint one sales engineer to visit DL regularly in order to train DL's sales personnel, to keep them updated on new applications and products, and to visit customers jointly.
- 1.1.4 GSR will provide DL with samples for exhibitions free of charge in reasonable numbers.
- 1.1.5 GSR will send direct inquiries from Chinese customers to DL for further follow up and quotation.



1.2.0 DL commitment

- 1.2.1 DL will not distribute or manufacture any comparable, competitive products, neither components nor complete systems. In case of doubt DL will first consult GSR to jointly settle such matter.
- 1.2.2 DL or DL-shareholder will not participate in any other company distributing or manufacturing valves similar to the GSR programme and they will not contact any supplier or partner of GSR directly.
- 1.2.3 DL will maintain an adequate stock of products of GSR, sufficient to meet the local requirements for immediate delivery.
- 1.2.4 DL will attend annual exhibitions, and also advertise in relevant technical magazines to promote the name and the products of GSR. DL will inform GSR about the participation and the results.
- 1.2.5 DL will also continuously inform about the competition situation in China especially about copies of GSR products and misuse of the GSR name.
- 1.2.6 DL will prepare work report for GSR once per quarter, and will continuously qualify their sales and technicians (in China and in Vlotho) in order to keep up with the technical development.
- 1.2.7 Product promotion initiatives:

DL will increase investment to make advertisement for the products of GSR in the internet. The target is to make the sales more efficient and make GSR brand more famous in Chinese market!

Develop the market for hydrogen applications for GSR High Pressure solutions

Develop the series 52 and 55 in the testing equipment

2.0 Special agreement on terms and conditions:

- 2.1.1 DL receives special net prices based on a special net price list. The prices can be adjusted yearly with a 3 months prior notice.
GSR reserved the right to an unscheduled price increase due to special reasons (such could be new regulations by law, bankruptcy of a sub-supplier...)
The price can be adjusted with a 3 month prior notice.
- 2.1.2 Terms of payment are 90 days after shipment ex works GSR Vlotho.
- 2.1.3 Term of delivery are "ex works, packing excluded"
- 2.1.4 GSR and DL are free to negotiate special conditions for special projects or certain items.

3.0 Legal domicile / Acceptance of agreement / Signature

- 3.1.1 GSR are based in Vlotho-Essen/Germany. The legal address is . Landgericht (district court) Beilefeld/ Germany. This contract is based on German law.
- 3.1.2 This distribution agreement supersedes all previous contracts or agreements.

4.0 Warranty/Limitation of Liability

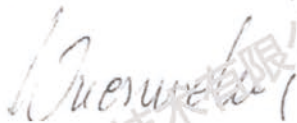
GSR warrants that each product sold hereunder will conform to and function in accordance with GSR written specifications for a period set in the General Terms and Conditions but not longer than 12 months after installation or 24 months after shipment Ex-work Germany, whichever occurs first. The parties hereto agree that DL makes no other warranties with respect to the quality or performance of the products.

5.0 Agreement Validity – Termination

This agreement will come into force on the 1st of January 2020 for the duration of five years- and will automatically terminate by the 31st of December 2024, without written notice, unless before extended in writing.

GSR and DL acknowledge that all paragraphs of this contract have been fully understood and accepted.

Signature (GSR)



GSR Ventiltechnik GmbH & Co., KG
M. B. Wuermeling

GSR Ventiltechnik
GmbH & Co. KG
32602 Vlotho (Exter)
Im Meisenfeld 1 · ☎(0 52 28) 7 51 0

Vlotho 2019.12.20

Signature (DL)



Dalian Leader Fluid
Control Technology Co., Ltd.
Mrs. Dong Yanan



Dalian 2019.12.26