

JUBILANT FLAME INTERNATIONAL, LTD

FORM 8-K (Current report filing)

Filed 11/20/15 for the Period Ending 11/16/15

Telephone	86 21 64748888
CIK	0001517389
Symbol	JFIL
SIC Code	7371 - Computer Programming Services
Industry	Conglomerates
Sector	Conglomerates
Fiscal Year	02/28

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D) OF
THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported)
November 16, 2015

Jubilant Flame International, LTD

(Exact name of registrant as specified in its charter)

Nevada
*(State or other jurisdiction
of incorporation)*

333-173456
*(Commission
File Number)*

27-2775885
*(IRS Employer of
Identification No.)*

2293 Hong Qiao Rd, Shanghai China, 200336
(Address of principal executive offices)

+86 21 64748888
Registrant's telephone number, including area code

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):



- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-

Item 1.01 Entry into a Material Definitive Agreement.

On November 16, 2015 Jubilant Flame International LTD (the "Registrant") entered into a Distribution Agreement with Rubyfield Holdings LTD, a company organized under the laws of Hong Kong, with its principal place of business located at Unit 902, 9th Floor, Loke Yew Building, 50-52 Queen's Road Central Hong Kong ("Rubyfield"). The Registrant's president, Yan Li, is also president of Rubyfield and has voting control of Rubifield.

Pursuant to the Distribution Agreement, which is attached to this Current Report on Form 8-K as Exhibit 10.1, Rubyfield granted to the Registrant the exclusive right to distribute in North America certain Rubyfield products (the "Products"). The Products include cosmetic products produced by Rubyfield including the following:

Rubyfield Products:

Product	Photo	Description
Reparo K II-Gen Patch		Contains ultra purified fermented collagen and Vitamin C derivatives to help with collagen synthesis and improve pigmentation and skin damage caused by stretch marks. It is also designed to induce the regeneration of collagen to improve the appearance of stretch marks.
Reparo K II-Gen Facial Mask		This highly-enriched nutritive mask contains 5% collagen which is the main component of the dermis of the skin. This product is designed to provide nutritive, elastic and moisturizing skin care after a single use.

<p>Reparo K II-Gen Essence</p>		<p>This moisturizing and antioxidant blend of 25% highly enriched undiluted collagen solution and Vitamin E derivatives is designed to improve skin aging and pigmentation, and comprehensively enhance the elasticity of skin.</p>
<p>Reparo CoCo Soft Peeling Essence</p>		<p>This Peeling Essence is designed to provide moist, clean and clear skin by removing the rough, thick dead skin without harming the underlying layer. When applied to the skin, the cellulose turns into scrub particles together with other ingredients including extracts of white willow bark and multi-fruit BSC/AHA.</p>
<p>Reparo Chojeong 88 Sparkling Water Gel</p>		<p>The natural ingredients including platycodon grandiflorum root extract, aloe vera etc in Chojeong Sparkling Water are designed to provide nutrition, moisture and a protective mask for the skin.</p>

<p>Reparo CoCo Cleansing Water</p>		<p>Coconut based coco cleansing water is designed to cleanse the skin without washing. Containing coconut extract, a natural surfactant, it is designed to help provide moisture to the skin, clean blackheads and thoroughly clean makeup. Natural ingredients form a moisturizing membrane.</p>
<p>Collagen Wash-off Cleansing Foam</p>		<p>This cleansing product is designed to remove make-up and waste in pores.</p>
<p>Extra Solution Essential Skin-lotion</p>		<p>A 3-in-one product (toner + lotion + essence) that contains 10% hydrolysis collagen designed to supply nutrition and moisture to the skin.</p>
<p>Arbutin Whitening Cream</p>		<p>A cream designed to restrain the production of Melanin and remove Melanin to achieve a whitening effect. It is also designed to strengthen elasticity and supply nutrition to generate clean and healthy skin.</p>

Blemish Balm		A blemish balm designed to improve the appearance of wrinkles, and promote skin re-generation and cover skin defects.
Reprise in Tripeptide Essence Cream		A nutritional cream that is designed to tighten the skin by strengthening elasticity and quickly removing wrinkles.
Reprise in Tripeptide Skin Essence		A toner containing collagen and peptide that is designed to revitalize and moisturize the skin, reduce wrinkles and leave the skin feeling rich and soft.
Reprise in Tripeptide Eye Cream		The effective ingredients of hexa-peptide GANA (ingredients of BOTOX ® [1]) are designed to help with absorption in the dermis, to work on deep wrinkles, to increase the density of the elastic cells and strengthen the thin skin around the eyes. This product is designed to provide excellent results in tightening the skin around the eyes and improving wrinkles.
Cell Pure 2500 Ampoule		Containing 25% super-pure low molecular collagen, this highly concentrated Ampoule is designed to supply moisture and nutrition to rough and dry skin, and to leave the skin elastic and healthy.

[1] **BOTOX**® is a registered trademark of Allergan, Inc

Item 9.01 Financial Statements and Exhibits.

Exhibit Number	Description
10.1	Distribution Agreement between Jubilant Flame International LTD and Rubyfield Holdings LTD

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned hereunto duly authorized.

Jubilant Flame International, LTD

Date: November 19, 2015

By: /s/ Yan Li
Yan Li
President and Director

DISTRIBUTION AGREEMENT

THIS AGREEMENT (the "Agreement") is made this 16th day of November 2015 (the "Effective Date"), by and between Rubyfield Holdings LTD., a company organized under the laws of Hong Kong, with its principal place of business located at Unit 902, 9th Floor, Loke Yew Building, 50-52 Queen's Road Central Hong Kong (Rubyfield), and Jubilant Flame International LTD., a company organized under the laws of Nevada, USA, with its principal place of business located at 2293 Hong Qiao Rd., Shanghai, China 200336 ("JFIL" also the "Distributor") (the Distributor and Rubyfield each a "Party" and collectively the "Parties").

WHEREAS, Rubyfield is the manufacturer of the Products (as hereinafter defined);

WHEREAS, Rubyfield wishes to expand access to its Products in the Territory (as herein defined); and

WHEREAS the parties wish for JFIL to enter into this Agreement with Rubyfield whereby JFIL will undertake the distribution and sale of Product in the Territory on the terms and subject to the conditions contained herein;

NOW THEREFORE in consideration of the mutual promises and covenants herein contained and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged) the Parties hereby agree as follows:

Article I – **DEFINITIONS**

1.1 Whenever used in this Agreement, the following terms shall have the following meanings respectively, unless otherwise specified:

(a) "Affiliate" of a party means any Person which directly or indirectly controls, is controlled by, or is under common control with, such party; as used herein, the term "control" or "controls" means possession of the power to direct, or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract, law or otherwise, and the term "controlled" shall have the meaning correlative to the foregoing.

(b) "Agreement" means this distribution agreement, the recitals set forth in the preamble herein, and all schedules attached hereto, as well as all amendments, additions, restatements or modifications made hereto and thereto and all other documents incorporated herein or therein by reference, all of which are hereby made an integral part of and will be read as if included within the text of this distribution agreement;

(c) "Business Day" means each of Monday, Tuesday, Wednesday, Thursday and Friday, except when any such day occurs on a statutory holiday observed in the Territory;

(d) "Confidential Information" means any and all information, documentation or knowledge in any form, relating to the business and assets of Rubyfield, not generally known to the public, disclosed to, or which may be obtained directly or indirectly by, the Distributor, or which may be derived in any way by it as a consequence of the performance of its obligations hereunder, including, without limitation, information relating to Rubyfield's present and contemplated products and services; product designs; inventions, improvements; standards, specifications, systems, methods and operating procedures; techniques and modes of manufacturing, compounding or preparing products, formulations and recipes; merchandising, marketing plans and strategies; tests and reports; profits, costs, pricing, product sourcing and sales policies and strategies; buying habits and preferences of present customers of Rubyfield as well as prospective and potential customers, their names and addresses; trade secrets, know-how, data, research and development; patent, trade-mark, copyright, industrial design and all other intellectual property and proprietary rights and shall also include terms of this Agreement;

(e) "Effective Date" means the date set forth in the preamble of this Agreement ;

(f) "Latent Defect" means a defect in any Product which was caused by Rubyfield in the manufacturing process or in the design or packaging of the Product, which renders it not useable in the ordinary course of the business of Distributor or not fit for its intended purpose and that is not identifiable by a basic examination of such Product;

(g) "Minimum Annual Performance Requirements" means those minimum annual performance targets required to be satisfied by the Distributor as set out more specifically in Schedule "B" attached hereto;

(h) "Person" means any person, individual, firm, association, syndicate, partnership, joint venture, trustee, trust, corporation, division of a corporation, unincorporated organization or other entity or a government agency or political subdivision thereof;

(i) "Prime" means, at any time, the rate of interest per annum published in the Wall Street Journal as the Prime Rate.

(j) "Product" means the finished goods products manufactured and sold by Rubyfield as set forth more specifically in Schedule "A" attached hereto as the same may be supplemented by Rubyfield, in its sole discretion, from time to time;

(k) "Term" means the term of this Agreement as set forth in Article III comprising the Initial Term and any Renewal Term;

(l) "Territory" means all of North America, including Canada, The United States of America and Mexico;

(m) "Trade-marks" means all the trade-marks and trade names, whether or not registered, which are owned and used by or under license from Rubyfield and which appear on the Product including without limitation, the trade-marks listed in Schedule "C"

1.2 The following schedules are incorporated into this Agreement by reference and form an integral part hereof:

- | | |
|------------------|---|
| (a) Schedule "A" | List of Product and Product Prices |
| (b) Schedule "B" | Minimum Annual Performance Requirements |
| (c) Schedule "C" | List of trade-marks and trade-names |

Article II – **DISTRIBUTION GRANT**

- 2.1 Rubyfield hereby grants to Distributor and Distributor hereby accepts from Rubyfield the exclusive right to distribute the Product in the Territory, upon and subject to all terms and conditions set forth in this Agreement. Distributor covenants and agrees to purchase the Product for its own account exclusively from Rubyfield and to market, distribute and sell such Product only in the Territory. Distributor acknowledges and agrees that the rights granted pursuant to this Agreement are limited to the Territory and confer no rights upon Distributor with respect to the distribution of any Product outside the Territory, and nothing in this Agreement shall restrict Rubyfield from selling Product to any other Person outside the Territory. Without limiting the generality of the foregoing, Distributor shall not, directly or indirectly, including through any agents, distribute or sell any Product outside the Territory and shall not solicit orders for Product, advertise the Product or keep any stock of the Product outside the Territory. Distributor further covenants and agrees not to distribute, market or sell such Product to any Person within the Territory if Distributor knows or has any reason to believe that such Product will be resold by such Person, directly or indirectly, outside the Territory. If Distributor becomes aware that any Person to whom Distributor supplies any Product is marketing or selling, or is planning to market or sell, the Product outside the Territory, Distributor shall immediately notify Rubyfield and shall cease forthwith to supply such Person with Product. All enquiries received by Rubyfield regarding the purchase of Product in the Territory shall be referred to Distributor during the Term of the Agreement.
- 2.2 Distributor shall inform Rubyfield in writing of, and Rubyfield shall have the right to approve or disapprove, any sub-distributor(s) proposed to be appointed by Distributor in respect to the sale and distribution of Product in the Territory, provided, however, that the appointment of any such sub-distributor(s) by Distributor, following approval by Rubyfield, shall not relieve Distributor of any of its obligations hereunder.
- 2.3 Distributor covenants and agrees that all enquiries with respect to and any orders for Product received, directly or indirectly, by Distributor from outside the Territory shall be referred to Rubyfield.
- 2.4 Distributor agrees to provide to Rubyfield from time to time and promptly upon request by Rubyfield, a list of all other manufacturers and products represented by Distributor.
- 2.5 Distributor agrees to provide to Rubyfield from time to time, and promptly upon request by Rubyfield, a list of the different distribution channels in which Product is being distributed or intended to be distributed by Distributor, the names of all sub-distributors engaged by Distributor, and the margins up to the end price to the consumers.

Article III – **TERM**

- 3.1 The initial term of this Agreement shall come into effect on the Effective Date and, unless terminated earlier in accordance with the terms of this Agreement, shall continue in full force and effect for a period of ten (10) years (the "Initial Term").

- 3.2 Provided Distributor shall have complied with all the terms and conditions hereof, and achieved the Minimum Annual Performance Requirements, this Agreement shall be automatically renewed at the end of the Initial Term or any Renewal Term, as the case may be, on the same terms and conditions as set forth herein, save and except the Minimum Annual Performance Requirements which shall be increased in accordance with the terms hereof, for successive periods of ten (10) year(s) (in each case a "Renewal Term"), unless either party shall have provided written notice to the other party that it does not intend to renew this Agreement at least ninety (90) days prior to the expiration of the Initial Term, or any Renewal Term, as the case may be.

Article IV – **PURCHASE ORDERS AND SUPPLY OF THE PRODUCT**

- 4.1 During the Term, Distributor shall purchase all of its requirements of Product exclusively from Rubyfield, which shall not, in any event, be less than the Minimum Annual Performance Requirements for any year as set forth in Schedule "B" hereto, and Rubyfield shall sell such Product to Distributor upon and subject to the terms of this Agreement.
- 4.2 At the outset of the Agreement, Rubyfield shall supply Distributor with pre-packaged and labelled Product at prices applicable thereto for the Territory as set forth in the price list, the current form of which is attached as Schedule "A" hereto.
- 4.3 Distributor shall place a firm written order with Rubyfield on Distributor's standard purchase order forms for the quantity of Product to be purchased. Only such orders placed by Distributor and accepted by Rubyfield shall be binding on the parties hereto. Where there is a conflict between the terms and conditions stated in such standard purchase order form and the provisions of this Agreement, the provisions of this Agreement shall prevail despite any statement to the contrary in such standard purchase order form or otherwise. For the purposes of clarity, notwithstanding anything herein to the contrary, the terms and conditions of this Agreement will govern all Product sold by Rubyfield to Distributor.
- 4.4 The risk of loss and damage to Product shall pass to Distributor immediately upon Product being picked up by or on behalf of Distributor, its agent or transport carrier, at Rubyfield's warehouse and thereafter Rubyfield shall not be responsible for any loss or damage to the Product. Distributor will be the importer of record into the Territory for all Product purchased by it and will be responsible for the accuracy of the information presented and the payment of all duties and taxes, and will be liable for any fines or penalties resulting from any missing or inaccurate information.
- 4.5 Distributor shall anticipate its future requirements for Product and shall purchase and keep sufficient stock of Product on hand in order to meet the Territory market demand therefor.
- 4.6 During each year of the Term, whether during the Initial Term or any Renewal Term, Distributor covenants and agrees to purchase from Rubyfield, for distribution within the Territory, not less than the minimum quantities of Product required in order to meet the Minimum Annual Performance Requirements. In the event that Distributor shall purchase more than the prescribed Minimum Annual Performance Requirement for a particular year, the excess shall not be credited towards the Minimum Annual Performance Requirement in any subsequent year. In the event Distributor does not achieve the requisite Minimum Annual Performance Requirement for any year during the Term or any Renewal Term, as the case may be, then Rubyfield may terminate this Agreement at any time thereafter upon sixty(60) days' notice to Distributor.

4.7 Not less than sixty (60) days prior to the expiry of the Initial Term or any Renewal Term, as the case may be, the parties shall mutually agree to and set the Minimum Annual Performance Requirement to be met by the Distributor in each of the ensuing two (2) years, whereupon Schedule "B" hereto shall be deemed amended accordingly to reflect such Minimum Annual Performance Requirements agreed to for such ensuing two (2) year period. In the event Distributor and Rubyfield are unable to mutually agree to and set the Minimum Annual Performance Requirement to be met by the Distributor in each of the ensuing two (2) years, not less than sixty (60) days prior to the expiry of the Initial Term or any Renewal Term, as the case may be, the Parties agree that the Minimum Annual Performance Requirement for each of the ensuing two (2) year(s) will automatically be set as follows and Schedule "B" hereto shall be deemed amended accordingly to reflect such revised Minimum Annual Performance Requirements:

(a) in the first two year period of any Renewal Term, an amount equal to one hundred and twenty percent (120%) of the greater of (i) the Minimum Annual Performance Requirement applicable to the immediately preceding two year period; or (ii) the actual gross sales realized by the Distributor in the Territory during such immediately preceding two year period; and

(b) in the second two year period of any Renewal Term, an amount equal to one hundred and twenty percent (120%) of the greater of (i) the Minimum Annual Performance Requirement applicable to the immediately preceding two year period as calculated in accordance with paragraph (a) above; or (ii) the actual gross sales realized by the Distributor in the Territory during such immediately preceding two year period; and

(c) in the third two year period of the Renewal Term, an amount equal to one hundred and twenty percent (120%) of the greater of (i) the Minimum Annual Performance Requirement applicable to the immediately preceding two year period as calculated in accordance with paragraph (b) above; or (ii) the actual gross sales realized by the Distributor in the Territory during such immediately preceding two year period; and

(d) in the fourth two year period of the Renewal Term, an amount equal to one hundred and fifteen percent (115%) of the greater of (i) the Minimum Annual Performance Requirement applicable to the immediately preceding two year period as calculated in accordance with paragraph (c) above; or (ii) the actual gross sales realized by the Distributor in the Territory during such immediately preceding two year period ; and

(e) in the fifth year of the Renewal Term, an amount equal to one hundred and fifteen percent (115%) of the greater of (i) the Minimum Annual Performance Requirement applicable to the immediately preceding two year period as calculated in accordance with paragraph (d) above; or (ii) the actual gross sales realized by the Distributor in the Territory during such immediately preceding two year period .

Article V – **PRODUCT PRICING AND PAYMENT**

- 5.1 Subject to and in accordance with the terms and conditions hereof, Rubyfield agrees to sell to Distributor, and Distributor agrees to buy from Rubyfield, the Product at the prices set forth in Schedule "A" hereto. Prices of the Product are in U.S. dollars, F.O.B. Rubyfield's warehouse. All charges that may be incurred in connection with the delivery of the Product to Distributor, including, without limitation, in respect to freight, export duties, import duties, all applicable taxes, appropriate insurance and storage costs or any other payments required to process the products from Rubyfield's warehouse are the sole and exclusive responsibility of Distributor.
- 5.2 Payment in full for all Product shipments shall be made by Distributor to Rubyfield, in U.S. dollars within ninety (90) days from the invoice shipping date. Distributor will pay interest on overdue accounts at a rate of Prime plus three percent (3%).
- 5.3 Rubyfield shall have the right, in its sole discretion, to increase its prices listed in Schedule "A" hereto unilaterally, it being understood that any such increases shall only be effective upon ninety (90) days' written notice to Distributor, whereupon at the end of such ninety (90) day notice period, any such revised price shall be effective immediately without further notice and shall be deemed to form part of the price list set forth in Schedule "A" attached hereto as if the same had initially been set forth therein.

Article VI – **QUALITY AND CHANGES IN PRODUCT**

- 6.1 Rubyfield guarantees that the quality of Product supplied under this Agreement shall meet, at the time of delivery to Distributor, which for greater certainty is the time when Product is picked up by Distributor, its agent or transport carrier at Rubyfield's warehouse, the same quality and standards as Product sold to Rubyfield's customers in China. Thereafter, Distributor shall be responsible for any diminishment in the quality of the Product in its possession, whether caused by improper transport or storage of such Product or for any other reason whatsoever.
- 6.2 Distributor shall, promptly following receipt of the Product, examine such Product and satisfy itself that it meets its requirements. To be valid, any claim in respect to short-shipment or for defective Product (other than with respect to Latent Defects) must be made in writing by Distributor to Rubyfield within fourteen (14) days ("Investigation Period") of the date such Product arrived at Distributor's warehouse, and such short-shipment or defect must not have been caused while the Product was in transport from Rubyfield's warehouse to Distributor's warehouse or while in storage by or on behalf of Distributor. If Distributor has not notified Rubyfield that it has rejected any Product as defective by the end of the Investigation Period, then it shall be deemed to have accepted the Product ("Accepted Product"). If Rubyfield agrees with Distributor that any rejected Product is defective, Rubyfield will replace such defective Product with replacement Product free of defect and this replacement Product shall constitute the sole and exclusive liability of Rubyfield in respect to defective Product.
- 6.3 Rubyfield may make modifications to Product at any time or discontinue the sale of, or limit its production of, any Product without thereby incurring any liability whatsoever to Distributor with respect to any order placed by Distributor. Rubyfield will endeavour to give Distributor sixty (60) days' prior notice in the event of any such discontinuance.

Article VII – **PACKAGING AND WAREHOUSING RESPONSIBILITIES**

- 7.1 Distributor shall provide Rubyfield with all necessary information pertaining to packaging and packaging labelling with respect to the local requirements in each jurisdiction within the Territory.
- 7.2 Distributor will use its best efforts to ensure that warehousing and transportation to and within the Territory are effected in such a manner so as not to have a negative effect on the quality of the Product. The physical flow of Product from the warehouse shall be based on a first-in, first-out system.
- 7.3 Without limiting the generality of the foregoing, Distributor undertakes to perform, at its sole expense, the following services and activities in connection with and for the benefit of maintaining Product:
- (a) suitable warehousing with appropriate climate control as per Rubyfield requirements as they may be revised by Rubyfield, in its sole discretion, from time to time; and
 - (b) stacking the Product so as not to exceed Rubyfield's prescribed standards with respect thereto.
- 7.4 Distributor shall assume full responsibility for and shall indemnify and save Rubyfield harmless from any damage, claim, liability, loss or expense (including any legal costs) which Rubyfield may suffer or incur by reason of Distributor's packaging, stocking, warehousing, storage, use, sale and/or distribution of the Product.

Article VIII – **PRODUCT REGISTRATION**

- 8.1 It is acknowledged by both parties hereto that the import and distribution of Product in the Territory may be dependent upon prior registration of such Product with the appropriate local government authority in the Territory. Distributor shall investigate and so advise Rubyfield in this regard and, should Product registration or other market authorization be required to import and sell Product in the Territory, Distributor acknowledges and agrees that it shall be responsible for securing the registration of the Product or other market authorization, as the case may be, for, and on behalf of, and in the name of, Rubyfield.

- 8.2 In furtherance of the foregoing, Distributor agrees to use its best efforts to arrange for and complete any required registration of the Product in Rubyfield's name in a timely manner, which in any event must occur within one hundred and eighty (180) days of the Effective Date of this Agreement, or within one hundred and eighty (180) days of the effective date of any amendment to the list of Product in Schedule "A" attached hereto, in the case of additional finished goods products being added thereto, and Distributor shall pay all costs relating to such registration of Product, in accordance with all applicable laws, rules and regulations of the Territory and shall indemnify and save harmless Rubyfield in respect to the same. Distributor shall keep Rubyfield informed in writing of the progress of any required application for registration, and any proposed submissions relating to such Product registration must be forwarded to Rubyfield for its approval prior to being submitted to the appropriate government authority. Thereafter, upon registration of the Product, Distributor will inform Rubyfield and provide copies and official government receipts in respect thereto. Upon receiving the official registration documents and the receipts evidencing payment in full for such registration by Distributor, in Rubyfield's name, Rubyfield will reimburse Distributor for the cost of such Product registration. Distributor agrees that it will be responsible for the cost of any Product registration that is submitted without the prior approval of Rubyfield.
- 8.3 Rubyfield shall retain title to all Product registrations and trade-marks.
- 8.4 To the extent that Product registration has been effected in the name of Distributor, Distributor will co-operate fully in the transfer of such registrations to Rubyfield or any Person designated by Rubyfield.

Article IX – **SALES AND MARKETING OF THE PRODUCT**

- 9.1 Distributor will resell all Product purchased hereunder in compliance with all applicable laws in the Territory and only in the packaging supplied or approved by Rubyfield. Distributor is responsible for marketing and promotional activities in the Territory and for compliance with all applicable laws and regulations, including, without limitation, laws and regulations regarding health and safety, nutritional medicinal products, marketing practices, etc. Distributor represents and warrants that it shall timely obtain all permits, licences, registrations and other approvals required by every national, local or municipal government or agency, in respect of the performance of Distributor's obligations under this Agreement.
- 9.2 Distributor shall use its best efforts, at its own expense, to market, promote and sell the Product in the Territory. All advertising by Distributor in any medium shall be conducted in a dignified manner that will reflect favourably upon the goodwill and reputation of Rubyfield, and shall conform to the highest standards and shall display the Trade-marks only in a manner approved by Rubyfield. Distributor shall forward to Rubyfield copies or samples of all advertisements and promotions for its approval and Distributor agrees to withdraw any advertisements or promotions which are considered unsuitable by Rubyfield. Distributor further acknowledges that all advertising and promotional materials relating to the Product or bearing the Trade-marks shall remain the property of Rubyfield who shall retain the sole and exclusive ownership of all copyright therein.

- 9.3 Notwithstanding Section 9.2, Rubyfield may provide, in its sole and absolute discretion, a marketing allowance to offset costs associated with Distributor's performance of its obligations set forth in Section 9.2, the details of which marketing allowance, if any such allowance is provided, shall be communicated to Distributor by Rubyfield separately, it being understood that Rubyfield shall have the right in its sole discretion to amend or discontinue any such marketing allowance, upon sixty (60) days' written notice to Distributor.
- 9.4 The determination of sales and marketing strategies and Distributor's selling prices for the Product within the Territory shall be the responsibility of Distributor, after consultation with Rubyfield who may provide Distributor with a suggested resale price list as well as advice in regard to business processes, sales policies, procedures and systems, marketing programmes and promotions. While Distributor is under no obligation to accept such suggested resale prices for Product, it shall ensure that the retail prices of the Product are as competitive as possible so as to maximize and increase the sales of Product in the Territory. Distributor shall report regularly to Rubyfield in regard to any market trends or conditions or regulations affecting or which may affect the sale of Product in the Territory that come to its attention, or of any new products which might be competitive with the Product, providing details thereof including prices and copies of any known promotional materials, and any potential infringements, and will submit to Rubyfield annually, during the Term, not less than sixty (60) days before the anniversary of the Effective Date, its business plan for the upcoming year, including an analysis of markets, competition and competitors' activities, planned promotional activities and Distributor's estimate of sales by month for the upcoming year. Distributor will also, upon request by Rubyfield, furnish such further information concerning Distributor's business and operations as Rubyfield in its sole discretion deems necessary from time to time.
- 9.5 In performing its duties hereunder, Distributor agrees not to make any representation or give any warranty with respect to any of the Product other than those contained in any current brochures, leaflets or other printed matter relating to such Product, which may be issued from time to time by Rubyfield. In the event that Distributor does make any representation or warranty in violation of the foregoing, then Distributor agrees to indemnify and save Rubyfield harmless from any claims, demands, suits, proceedings, damages, liabilities, costs or losses of any nature or kind whatsoever (including any legal costs) suffered or incurred, or which may be suffered or incurred, by Rubyfield arising out of or in any way connected with any such representation or warranty.
- 9.6 The restrictive covenants imposed on the Distributor hereunder shall extend and apply to any affiliates of the Distributor and their respective shareholders, directors, officers, employees and representatives as if they were also parties to this Agreement and Distributor shall cause such Persons to comply with such restrictive covenants and will be responsible to Rubyfield for the actions of all such Persons in contravention thereof.

Article X – ADDITIONAL OBLIGATIONS OF DISTRIBUTOR

- 10.1 During the currency of this Agreement, in addition to any other obligations set forth herein, Distributor shall:

(a) use its best efforts in the performance of its obligations under this Agreement, including without limitation, in respect to the active solicitation of orders in the Territory for the purchase of Product;

(b) commit and adhere to the highest standards of operation, including those standards that may be prescribed by Rubyfield from time to time;

(c) provide to Rubyfield ongoing market evaluations for Product and use its best efforts to develop and enhance the Rubyfield name and brand image in order to increase market awareness and sales of such Product within the Territory;

(d) supply Rubyfield with records of all contacts made with present and prospective customers in the Territory, including the nature of such contacts;

(e) comply with and cause any sub-distributors or other Persons appointed by it to comply with all applicable laws, rules, regulations and/or guidelines in the Territory relating to the use, storage, handling, transportation, marketing, advertisement, distribution, sale, transfer and/or disposal of the Product, as well as with the terms and conditions of this Agreement; and

(f) keep complete and accurate records with respect to any and all Product purchased from Rubyfield and sold by Distributor in the Territory, and Distributor shall provide to Rubyfield, on a monthly basis, a written sales and inventory report setting forth a summary of all sales by Distributor to customers in the previous month (and year to date), as well as a summary of inventory on hand, in order to be received by Rubyfield no later than fifteen (15) days after the end of the month to which such figures pertain.

Article XI – **REPRESENTATIONS AND WARRANTIES OF DISTRIBUTOR**

11.1 Distributor represents and warrants to Rubyfield, acknowledging that Rubyfield is relying upon such representations and warranties in connection with its entering into this Agreement, as follows:

(a) Distributor is a valid subsisting corporation incorporated pursuant to the laws of the State of Nevada, USA ;

(b) Distributor has all requisite power and authority to execute and deliver this Agreement and has all necessary power and authority to perform the obligations of Distributor as set out herein;

(c) the entering into of this Agreement will not result in the violation of any of the terms and provisions of any agreement, written or oral, to which Distributor may be a party;

(d) the execution and delivery of this Agreement has been duly authorized by all necessary action on the part of Distributor and this Agreement, when duly executed and delivered by Distributor, will constitute a legal and binding obligation of Distributor enforceable in accordance with its terms;

(e) the performance by Distributor of all its obligations hereunder, including the sale of the Product, will be conducted in compliance with all applicable laws in the Territory; and

Article XII – TRADE-MARKS

- 12.1 The Product will be marketed and sold by Distributor solely under the Trade-marks. Distributor will not alter, obscure, remove, cancel or otherwise interfere with any markings (including without limitation any Trade-marks, logos, trade names or trading style of Rubyfield) and other indications of origin, which may be placed on Product. Distributor acknowledges that Rubyfield is the exclusive owner of the Trade-marks and Distributor has no right, title or interest whatsoever in the Trade-marks and any goodwill association therewith and that all goodwill associated with the Trade-marks is owned by and shall enure exclusively to and for the benefit of Rubyfield. Furthermore, Distributor agrees not to represent in any manner that it has acquired any ownership rights in the Trade-marks. Any goodwill enjoyed by Distributor from use of the Trade-marks shall vest in and become the absolute property of Rubyfield and Distributor undertakes and agrees, at the request and expense of Rubyfield, whether before or after termination of this Agreement, to execute all such instruments and to do all such acts and things as may be necessary and desirable to vest absolutely in Rubyfield all such Trade-marks and the goodwill therein. Distributor shall, during the Term of this Agreement and subject to due compliance with the provisions of this Article XII, have the right to use and display Rubyfield's Trade-Marks and copyrighted material in the Territory solely in connection with the marketing, sale, distribution and support of the Product in such Territory in accordance with the terms of this Agreement and, except as may be otherwise permitted in writing by Rubyfield, for no other purpose whatsoever. It is the responsibility of Distributor to ensure that the packaging materials for Product are in conformity with all applicable legislation in the Territory.
- 12.2 In connection with the foregoing, Distributor covenants and agrees as follows:
- (a) to market, distribute and support the Product only under the Trade-marks, and not under any other trade-mark or logo of any other Person;
 - (b) to obtain from Rubyfield written approval for all promotional material, alternative product packaging including, without limitation, blister packaging and cartons, and to comply with all instructions issued by Rubyfield relating to the form and manner in which Rubyfield's Trade-marks shall be used and to discontinue forthwith, upon notice from Rubyfield, any practice relating to the use of Rubyfield's Trade-marks which in Rubyfield's opinion would or might adversely affect the rights or interests of Rubyfield in such Trade-marks;
 - (c) to conduct business in a manner that reflects favourably at all times on the Product and reputation of Rubyfield in order to develop, promote and maintain same with customers and to protect and preserve the goodwill and image of Rubyfield and the Product;
 - (d) not to use or permit any entity controlled by it or affiliated with it to use the Trade-marks or any other trade-marks or trade names or trade dress of Rubyfield or any trade-marks, trade dress, words, names, symbols, or designs which could reasonably be expected to be considered confusingly similar thereto, as part of its corporate or trading name or style, or on any of its products;

(e) not to infringe Rubyfield's rights in and to any of the Trade-marks and not to dispute, contest, attack or impair the validity or ownership of the Trade-marks or do any act which tends to impair the validity of the Trade-marks or the title of Rubyfield to any Trade-marks, trade names, copyrights and registrations used in connection with the Product, nor to effect any applications or registrations thereof without the express written consent of Rubyfield, and not to take any action to the detriment of Rubyfield's interest therein or which would or could dilute the value of the goodwill attaching to the Trade-marks;

(f) not to effect or permit the removal, renewal or alteration of any Trade-marks, trade names, notices, name plates, or serial numbers affixed to any of the Product or its packaging;

(g) to impose similar conditions on any Representatives or affiliated companies of Distributor to those set out in this Article XII and to take such action as Rubyfield may require at any time in respect to the use by any other Person of Rubyfield's Trade-marks.

- 12.3 Distributor shall provide prompt notice to Rubyfield of any claims, allegations, actions and demands that the marketing and/or distribution of the Product infringes or may infringe the intellectual property rights of any other Person and once such notice has been duly given, Rubyfield shall have full carriage of any resulting action and Distributor shall extend its full co-operation to Rubyfield in the defence by Rubyfield of any such claim, action or demand.
- 12.4 Distributor shall immediately report to Rubyfield any actual or potential infringements of the Trade-marks or any matter which may give rise to any infringement of the Trade-marks, or any imitation of Product of which Distributor is or may become aware, and Distributor shall co-operate with Rubyfield in protecting such Trade-marks and Product from any such infringement. Distributor shall not initiate any protective action with respect to the Trade-marks or Product without prior written authorization of Rubyfield.
- 12.5 Upon termination of this Agreement for any reason whatsoever, Distributor shall discontinue forthwith all use of Rubyfield's Trade-marks and trade names, and Distributor shall return to Rubyfield all price lists, catalogues, sales literature, advertising literature and all other materials relating to the Product or Confidential Information in Distributor's possession or over which it has control.
- 12.6 Distributor agrees that the provisions of this Article XII are reasonable having regard to the necessity of Rubyfield to protect its ownership rights in the Trade-marks and that any breach of the terms contained in this Article XII shall be deemed a material breach of this Agreement and in addition to any other remedies which may be available to it, Rubyfield shall be entitled to enforce its rights hereunder by specific performance or other injunctive or equitable relief so as to protect all its rights in and to its Trade-marks.

Article XIII – **CONFIDENTIAL INFORMATION AND NON-COMPETITION**

- 13.1 When and if required, Rubyfield will furnish Distributor the necessary information so that Distributor can fulfill its obligations hereunder regarding the registration of the Product to be distributed in the Territory. This information shall constitute part of the Confidential Information defined in Section 1.1(d).
- 13.2 From time to time, Rubyfield may periodically provide Distributor with new or up-graded data that has become available, documentation, tests, reports or other pertinent information relating to the Product or otherwise, which information will also form part of the Confidential Information and which will assist in keeping Distributor knowledgeable in regard to the Product and maintaining a competitive edge in the marketing and sales of the Product.
- 13.3 Distributor acknowledges that in its relationship with Rubyfield and/or by virtue of the performance of this Agreement, it and/or its employees, shareholders, officers, directors, principals, agents and contractors (collectively, "Representatives") will be and shall hereafter continue to be entrusted with Confidential Information, the disclosure of any of which to competitors of Rubyfield or to the general public would be highly detrimental to the best interests of Rubyfield. Distributor further acknowledges that the right to maintain confidential such Confidential Information constitutes a proprietary right of Rubyfield, which Rubyfield is entitled to protect. Accordingly, and notwithstanding anything to the contrary herein expressed, Distributor covenants and agrees with Rubyfield:

(a) that it shall not use or copy, or permit the use or copy of any of the Confidential Information, directly or indirectly, for any purpose other than the discharge of its duties and obligations arising from its appointment as a Distributor hereunder and only in the best interests of Rubyfield;

(b) that it will maintain the absolute confidentiality of the Confidential Information and that it will not (without the prior written consent of Rubyfield) either individually, or in partnership or jointly, or in conjunction with any other Person, as principal, agent, shareholder, or in any manner whatsoever, disclose, reveal, release, utilize, sell, assign, supply, or transfer to any person at any time, any of the Confidential Information, except to the extent necessary to discharge its duties and obligations relating to its appointment hereunder and only in the best interests of Rubyfield;

(c) that it will take all necessary action and will do all that is reasonably within its power to prevent the disclosure, release or supply of any of the Confidential Information to any Person, including by any of its Representatives, except to the extent necessary to discharge its duties and obligations hereunder and only in the best interests of Rubyfield;

(d) in furtherance of the above, Distributor will advise its Representatives, and any other Persons who are given access to the Confidential Information, of the confidential and proprietary nature of the Confidential Information and of the restrictions imposed by this Agreement and, if appropriate, shall require each of them to signify in writing their agreement to abide by the terms of this Agreement and maintain the confidentiality of the Confidential Information. Notwithstanding any such agreement, by any of such Representatives, Distributor acknowledges that it shall be fully responsible and liable to Rubyfield for any and all damages and costs (including legal fees) suffered or incurred by it as a consequence of any breach by any of Distributor's Representatives, and/or any other Persons given access to the Confidential Information, of the restrictive covenants contained herein.

- 13.4 Distributor shall not, directly or indirectly, develop, manufacture or distribute any products similar to or competitive with the Product in the Territory or elsewhere. Distributor hereby further covenants and agrees that during the Term of this Agreement, and for a period of one (1) year following the termination of this Agreement Distributor shall not, for whatever reason, either individually or in partnership or jointly or in conjunction with any Person as principal, agent, employee, shareholder, owner, investor, partner or in any other manner whatsoever, directly or indirectly, carry on or be engaged in or be concerned with or interested in, or advise, lend money to, guarantee the debts or obligations of or permit its name or any part thereof to be used or employed by any Person engaged in or concerned with or interested in, the business of manufacturing, developing, producing, marketing, distributing, supplying or selling, for wholesale or retail, nor shall it hold in stock or solicit or be directly engaged or interested in soliciting orders for, any products similar to or competitive with the Product within the Territory.
- 13.5 Distributor acknowledges that the restrictions contained in Sections 13.3 and 13.4 are reasonable and valid and necessary for the protection of the business and operations of Rubyfield and that any breach of the provisions will cause Rubyfield substantial and irreparable harm which may not be adequately compensated for by monetary award of damages to Rubyfield. Accordingly, it is expressly agreed by Distributor that in the event of any such breach, in addition to any other remedies which may be available to it, Rubyfield shall be entitled to and may seek an order for specific performance and other injunctive and equitable relief as may be considered necessary or appropriate to restrain or enjoin Distributor from any further breach of the terms hereof and Distributor hereby waives all defences to the strict enforcement by Rubyfield of the restrictions herein.
- 13.6 Upon termination of this Agreement for any reason, Distributor shall immediately return to Rubyfield any Confidential Information and shall thereafter refrain from using or disclosing any such Confidential Information to any Person for any purpose whatsoever.

Article XIV – **TERMINATION**

- 14.1 Notwithstanding any other provision herein, the parties hereto agree that this Agreement shall automatically terminate without requirement of notice to the defaulting party or an opportunity to cure, upon the occurrence of the following events:
- (a) if a decree or order of a court having competent jurisdiction is entered adjudging a party bankrupt or approving as properly filed a petition seeking or winding up of such party under the *Companies Creditors Arrangement Act* (Canada) or the *Winding-up and Restructuring Act* (Canada) or under any analogous, comparable or similar law in the Territory or other applicable jurisdiction, or under any other process of execution or similar effect against any substantial part of the property of such party, including, without limitation, the appointment of a receiver in respect thereto, or ordering for the winding up or liquidation of its affairs, and any such decree or order continues unstayed and in effect for a period of thirty (30) days;

(b) if a party admits in writing its inability to pay its debts as they become due, makes any assignment in bankruptcy or makes any other assignment for the benefit of creditors, makes any proposal under the *Bankruptcy and Insolvency Act* (Canada) or any comparable or similar law in the Territory or other applicable jurisdiction, seeks relief under the *Companies' Creditors Arrangement Act* (Canada), the *Winding-up and Restructuring Act* (Canada) or any other bankruptcy, insolvency, or analogous, comparable or similar law in the Territory or other applicable jurisdiction, is adjudged bankrupt, files a petition or proposal to take advantage of any act of insolvency, consents to or acquiesces in the appointment of a trustee, receiver, receiver and manager, interim receiver, custodian, sequestrator or other person with similar powers to itself or of all of any substantial portion of its property or assets, or files a petition or otherwise commences any proceeding seeking any reorganization, arrangement, composition or readjustment under the applicable bankruptcy, insolvency, moratorium, reorganization or other similar law in the Territory or other applicable jurisdiction affecting creditors' rights or consents to or acquiesces in, the filing of such a petition;

(c) if a governmental regulatory order or final judgment or decree in any jurisdiction which materially and adversely affects the ability of a party to fulfill its obligations to the other party under this Agreement shall have been made, issued obtained or entered against such party and such order, judgment or decree shall not have been vacated, discharged or stayed pending appeal within the applicable time period; or

(d) Distributor assigns or attempts to assign this Agreement or any of the rights or obligations hereunder without the prior written consent of Rubyfield being given.

14.2 Rubyfield may, without prejudice to any other rights, immediately terminate this Agreement by notice to Distributor if:

(a) Distributor fails to achieve the Minimum Annual Performance Requirement in any year during the Term as set forth in Schedule "B" hereto (as deemed to be amended by Section 4.7 hereof);

(b) any change occurs in the constitution, management or control or the financial or other circumstances of Distributor which, in the sole opinion of Rubyfield, is materially detrimental to the interests of Rubyfield including, without limitation, as a result of any interest in Distributor being acquired by any Person engaged in a business that is competitive with the business of Rubyfield; or

(c) the Product has not been duly registered for sale in the Territory within the time period prescribed pursuant to the terms of this Agreement, including Section 8.2 hereof.

14.3 In the event Rubyfield shall deem it necessary to recall the Product from the Territory, whether as a consequence of issues discovered by Rubyfield, or if required by the local authorities in the Territory, Rubyfield shall be entitled to terminate this Agreement upon three (3) months' notice. In such case, neither of the parties shall be obliged to pay any compensation, loss of income, or goodwill to the other party, except that Rubyfield shall indemnify Distributor in respect to any liabilities incurred by Distributor in respect to any claims made by any Person against Distributor as a direct consequence of and relating specifically to such recall of Product, provided that such Product recall was not caused by or necessitated by any actions or omissions on the part of Distributor.

- 14.4 Furthermore this Agreement may also be terminated by either party at any time in the event that the other party commits a material breach of any provision of this Agreement and such other party fails to remedy such breach within thirty (30) days after receipt of written notice specifying the breach from the non-defaulting party.
- 14.5 Early termination pursuant the above paragraphs shall not relieve either party of any obligation arising hereunder prior to such termination including, without limitation, Distributor's obligation to (i) purchase Product covered by purchase orders submitted by Distributor to Rubyfield; and (ii) pay Rubyfield for the Product shipped or to be shipped pursuant to purchase orders accepted prior to early termination, or Rubyfield's obligation to ship Product on accepted orders, or relieve either party of its liability for breach of its obligations pursuant to the terms and conditions of this Agreement incurred prior to such early termination; nor shall it deprive either party of its right to pursue any other remedy available to it.
- 14.6 Notwithstanding the termination or expiration of this Agreement all rights and obligations of the parties, which by their nature survive the termination or expiration of this Agreement, including those established pursuant to Sections 7.4, 9.5, 12.1, 12.2, 12.5, 12.6, 13.3, 13.4, 13.5, 13.6, 14.3, 14.5, 14.7, 15.1, 16.1, 16.2, 16.3, 19.1 and 19.2 shall survive the termination or expiration of this Agreement.
- 14.7 Upon termination of this Agreement for any reason whatsoever:
- (a) all rights granted by Rubyfield to Distributor will be immediately relinquished by Distributor who shall immediately pay all amounts due and owing by it to Rubyfield forthwith, and in any event within ten (10) days of the date of termination of this Agreement;
 - (b) Distributor shall promptly return to Rubyfield all Confidential Information, advertising and promotional material and any other materials and documents given to Distributor and relating to this Agreement or otherwise to the business of Rubyfield;
 - (c) Distributor shall cease use of Rubyfield's Trade-marks and shall thereafter refrain from holding itself out as an authorized distributor of Rubyfield, and Distributor will forthwith remove and thereafter discontinue all advertisements, signs and notifications stating or implying that it is a distributor of Product or in any way connected with Rubyfield;
 - (d) Rubyfield shall have the option, but not the obligation, to repurchase from Distributor any of the Product in Distributor's inventory by refunding to Distributor its net cost for such Product, provided, however, that Rubyfield may set off and deduct from the repurchase price any amount then due and owing by Distributor to Rubyfield as well as any freight charges and duties relating to the delivery of such Product to Rubyfield;
 - (e) Rubyfield shall not be liable to Distributor by reason of the proper termination of this Agreement for any damages, whether direct, consequential or incidental, on account of the loss of prospective profits on anticipated sales or on account of expenditures, investments, leases or commitments in connection with the business, arising from such termination of this Agreement; and
 - (f) during the period of ninety (90) days immediately prior to the date of termination or expiration, Rubyfield may appoint one or more distributors in the Territory and may supply Product directly to any customers in the Territory and Distributor will have no claim for compensation or damages on account of any such appointment or supply.

- 14.8 If Rubyfield continues to supply Product to Distributor after termination of this Agreement, such supply will not be construed as a waiver of any such termination, or as a renewal of this Agreement.

Article XV – **EXISTING STOCK**

- 15.1 In case of termination of this Agreement, Rubyfield will grant Distributor a reasonable period of time to sell its existing stock of Product, which shall in any event not be longer than ninety days (90) from the date of termination of this Agreement.

Article XVI – **LIMITATION OF LIABILITY AND INDEMNITIES**

- 16.1 Except as expressly provided in this Agreement, there are no representations or warranties, express or implied, statutory or otherwise, relating to the Product, including, without limitation, any implied warranty of merchantability or fitness for any particular purpose. The parties hereby expressly exclude the application of the United Nations Convention on Contracts for the International Sale of Goods and the Uniform Law on the Sale of Goods and the Uniform Law on the Formation of Contracts for the International Sale of Goods. Distributor assumes all risk and liability for any loss, damage or injury resulting from the sale and use of the Product, either alone or in combination with other products.
- 16.2 Distributor hereby agrees to defend, indemnify and hold harmless Rubyfield against any liability, losses, damages or costs (including any legal costs) incurred or suffered by Rubyfield as a result of any breach, negligent act or omission or wilful default on the part of Distributor, or its Representatives arising either directly or indirectly from the performance (or non-performance) by Distributor or any of its Representatives of any obligations under this Agreement.
- 16.3 Rubyfield shall not be liable to the Distributor for any special, indirect, consequential, punitive or exemplary damages, including for greater certainty any damages on account of the loss of prospective profits on anticipated sales or on account of expenditures, investments, leases or commitments in connection with the business.
- 16.4 Notwithstanding anything to the contrary herein, if Rubyfield notifies Distributor that any of the Product needs to be recalled or otherwise withdrawn from the market, and Distributor refuses or otherwise fails to do so in a timely fashion, Distributor agrees to indemnify Rubyfield, its affiliates, and their respective officers, directors, employees, agents and shareholders, from and against any and all liability, losses, damages or costs, including legal costs, incurred or suffered by Rubyfield as a result of any such failure or refusal.

Article XVII – **FORCE MAJEURE**

- 17.1 No failure or omission by Rubyfield or Distributor in the performance of any obligation under this Agreement shall be deemed a breach of this Agreement or create any liability if the same arises on account of force majeure, which term shall include any event or cause beyond the control of Rubyfield or Distributor, as the case may be, including but not restricted to acts of God, acts or omissions of any government, or agency thereof, rebellion, insurrection, riot, sabotage, invasion, quarantine, restrictions, strike, lock out and transportation embargoes, provided that the party relying on this Section shall forthwith after any such event give written notice to the other party of its inability to perform such obligation and the reasons therefore. If force majeure continues for a period of more than three (3) months, without the parties hereto being able to develop an alternative satisfactory arrangement, then either party has the option of immediately terminating this Agreement.

Article XVIII – **MISCELLANEOUS**

- 18.1 Any notice, request, demand, consent or other communication required or permitted under this Agreement shall be in writing and shall be given by personal delivery (including courier) by prepaid registered or certified mail or by fax (confirmed by mail) addressed to the party for which it is intended at the address below and shall be deemed to be given on the day of delivery or transmission if during normal business hours, or, if after business hours, on the next following Business Day, or if mailed by registered or certified mail, on the day which is seven (7) Business Days after such notice is mailed during normal postal conditions. In the event of a postal disruption, any notice mailed will be deemed received on the seventh (7th) Business Day following resumption of regular postal service:
- (a) if to Rubyfield:
Rubyfield
Unit 902, 9th Floor, Loke Yew Building,
50-52 Queen's Road Central Hong Kong
- (b) if to Distributor:
Jubilant Flame International, LTD
2293 Hong Qiao Rd.,
Shanghai, China 200336
- 18.2 Either party may change its address for notices and other communications upon notice to the other party in the manner aforesaid.
- 18.3 Except as otherwise provided herein, this Agreement may not be amended or otherwise modified except in writing signed by both parties.
- 18.4 This Agreement, including all schedules attached hereto, constitutes the entire agreement and understanding between the parties with respect to all matters herein and supersedes all prior oral or written agreements and understandings between the parties with respect to the subject matter of this Agreement.

- 18.5 The words "hereof", "herein", "hereunder" and similar expressions used in any section of this Agreement relate to the whole of this Agreement (including any schedules attached hereto) and not to that section only, unless otherwise expressly provided for or the context clearly indicates to the contrary. Words importing the singular number only will include the plural and vice versa and words importing the masculine gender will include the feminine and neuter genders and vice versa. The word "including" will mean "including without limitation".
- 18.6 Rubyfield may sell, transfer and assign any or all of its rights and obligations arising from this Agreement to any Person, upon notice to Distributor, provided that the assignee shall agree in writing to be bound by the covenants and agreements contained herein and so assigned by Rubyfield. Upon such assignment and assumption, Rubyfield shall be under no further obligation hereunder with respect to any of the rights and obligations so assigned. Distributor shall not assign or transfer its rights or obligations under this Agreement or any document relating to this Agreement to any Person without the prior written consent of Rubyfield. This Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors and permitted assigns. Any attempted assignment in violation of this Section 18.6 shall be void and of no effect.
- 18.7 The status of Distributor shall be that of an independent contractor. Nothing in this Agreement shall constitute or be deemed to constitute a partnership or joint venture between the parties or constitute or be deemed to constitute Distributor as the agent of Rubyfield for any purpose whatsoever and Distributor shall have no authority or power to bind Rubyfield in any manner whatsoever or to assume or incur any obligation or responsibility, express or implied, for or on behalf of, or in the name of Rubyfield, except as specifically provided for herein. Distributor shall not list, print or display Rubyfield's name in any manner so as to indicate or imply that there is an employer-employee or a principal-agent relationship between Rubyfield and Distributor. All expenses related to Distributor's performance of this Agreement shall be borne by Distributor who shall be solely responsible for the payment thereof.
- 18.8 The failure by either party at any time to require performance by the other party of any provision of this Agreement shall in no way affect its right to require performance at any time thereafter, and no term or provision of this Agreement is deemed waived and no breach excused unless such waiver or consent is in writing and signed by the party to have so waived or consented. Any consent by any party to, or waiver of, a breach by the other party, whether expressed or implied, does not constitute a consent to, waiver of, or excuse for, any other different or subsequent breach by such other party of the same or any other provision.
- 18.9 Time shall be of the essence of this Agreement.
- 18.10 If any provision of this Agreement shall, to any extent, be held to be invalid or unenforceable, it shall be deemed to be separate and severable from the remaining provisions of this Agreement, which shall remain in full force and effect and be binding as though the invalid or unenforceable provision had not been included.
- 18.11 Each of the parties hereto covenant and agree to execute and deliver such further and other agreements, assurances, undertakings or documents, cause such meetings to be held, resolutions passed and by-laws enacted, exercise their votes and influence and do and perform and cause to be done and performed any further and other acts and things as may be necessary or desirable in order to give full effect to this Agreement.
- 18.12 Unless otherwise specifically provided for herein, all monetary amounts referred to herein shall be in lawful U.S. dollars.
- 18.13 The division of this Agreement into articles and sections is for convenience of reference only and shall not affect the interpretation or construction of this Agreement.

- 18.14 The language of all communications between the parties pursuant to this Agreement, including notices and reports, will be the English language.
- 18.15 This Agreement may be executed in identical duplicate counterparts, each of which shall be deemed an original, and both of which together shall constitute one and the same instrument. The delivery by facsimile transmission of an executed counterpart will be deemed to be valid execution and delivery of this Agreement and each party hereto undertakes to provide each other party hereto with a copy of the Agreement bearing original signatures as soon as possible after delivery of the facsimile copy.

Article XIX – **GOVERNING LAW AND ARBITRATION**

- 19.1 Any disputes arising out of or in connection with the this Agreement shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by a single arbitrator appointed in accordance with the said Rules. The Emergency Arbitrator Provisions shall not apply. Any such arbitration shall take place in the state of Nevada, USA, shall be conducted in the English language, and shall apply the internal laws of the state of Nevada, USA, and the federal laws of the United States of America applicable therein.
- 19.2 To the fullest extent permitted by applicable law, Rubyfield waives and agrees not to assert, as a defense or otherwise, (i) any claim that it is not subject to the jurisdiction (in personam or otherwise) of any such arbitration, (ii) any objection that it may now or hereafter have to the laying of venue in any such arbitration, or (iii) any claim that any action, suit or proceeding has been brought in an inconvenient forum.

IN WITNESS WHEREOF , the parties have caused this Agreement to be executed as of the day and year first written above.

Rubyfield HOLDINGS LTD

BY: /s/ Zhang Jiareng
SIGNATURE

Zhang Jiareng / CEO
PRINT NAME / TITLE

JUBILANT FLAME INTERNATIONAL, LTD

BY: /s/ Rob Ireland
SIGNATURE

Rob Ireland / Secretary, Treasurer
PRINT NAME / TITLE

SCHEDULE A









(To the Distribution Agreement effective as of NOVEMBER 16, 2015)

REPARPO & BC Price Standard (2015) (FOB Busan/Incheon) (\$=USD)							
Ref.No.	Description	Barcode	Photo	Consumer Sales Price	1200ea <A> 30%	1200ea~700ea 35%	~700ea <C> 40%
BC001	B.C.Cell Pure 2500 Ampoule (15ml*3)	8809057529395		\$ 189.00	\$ 56.70	\$ 66.15	\$ 75.60
BC002	B.C.White Inner Lifting Serum	8809057527377		\$ 163.00	\$ 48.90	\$ 57.05	\$ 65.20
BC003	B.C.Beautee Arbutin Whitening Cream	8809057529081		\$ 117.00	\$ 35.10	\$ 40.95	\$ 46.80
BC004	B.C.Reprise In Tripeptide Skin Essence 120ml	8809422601756		\$ 111.00	\$ 33.30	\$ 38.85	\$ 44.40
BC005	B.C.Reprise In Tripeptide Skin Essence 60ml	8809422601763		\$ 56.00	\$ 16.80	\$ 19.60	\$ 22.40
BC006	B.C.Reprise In Tripeptide Essence Cream 50ml	8809422601776		\$ 168.00	\$ 50.40	\$ 58.80	\$ 67.20
BC007	B.C.Reprise In Tripeptide Essence Cream 20ml	8809422601787		\$ 67.00	\$ 20.10	\$ 23.45	\$ 26.80
BC008	B.C.Reprise In Tripeptide Eye Cream 15ml	8809422602050		\$ 134.00	\$ 40.20	\$ 46.90	\$ 53.60
BC009	B.C.Reprise In Tripeptide Special Set (5 Items)	8809494323855		\$ 537.00	\$ 161.10	\$ 187.95	\$ 214.80
BC010	B.C.Reprise In Tripeptide Set (3 Items)	8809422603286		\$ 258.00	\$ 77.40	\$ 90.30	\$ 103.20
BC011	B.C.Reprise In Tripeptide Eye Cream (30ml+10ml)	8809294320359		\$ 268.00	\$ 80.40	\$ 93.80	\$ 107.20
BC014	B.C.Extra Solution Essential Skin Lotion	8809057530346		\$ 75.00	\$ 22.50	\$ 26.25	\$ 30.00
BC015	B.C.Diamond Vita-C Serum	8809057532593		\$ 75.00	\$ 22.50	\$ 26.25	\$ 30.00
BC016	B.C.Diamond DNA Cell Illumination Cream	8809294326085		\$ 101.00	\$ 30.30	\$ 35.35	\$ 40.40

REPARPO & BC Price Standard (2015) (FOB Busan/Incheon) (\$=USD)							
Ref.No.	Description	Barcode	Photo	Consumer Sales Price	1200ea~<A> 30%	1200ea~700ea 35%	>700ea <C> 40%
BC017	B.C.Facial Skin Treatment Essence	8809294327044		\$ 49.00	\$ 14.70	\$ 17.15	\$ 19.60
BC018	B.C.Single Master Night Skin Treatment	8809294327051		\$ 69.00	\$ 20.70	\$ 24.15	\$ 27.60
BC019	B.C.Magic Action Eye Filler	8809057532609		\$ 101.00	\$ 30.30	\$ 35.35	\$ 40.40
BC020	B.C.Magic Action Eye Filler Duo Set	8809057532609		\$163.00	\$ 48.90	\$ 57.05	\$ 65.20
BC021	B.C.Snail Slime Repair Essence	8809238001344		\$ 93.00	\$ 27.90	\$ 32.55	\$ 37.20
BC022	B.C.Snail Slime Repair Cream	8809238001337		\$ 68.00	\$ 20.40	\$ 23.80	\$ 27.20
BC023	B.C.Snail Slime Sleeping Pack	8809238001320		\$ 49.00	\$ 14.70	\$ 17.15	\$ 19.60
BC024	B.C.Collagen Wash Off Cleansing Foam	8809294322759		\$ 26.00	\$ 7.80	\$ 9.10	\$ 10.40
BC026	B.C.Extra Sun Block Cream	8809057529210		\$ 59.00	\$ 17.70	\$ 20.85	\$ 23.80
BC027	B.C.Blemish Balm	8809057523201		\$ 62.00	\$ 18.60	\$ 21.70	\$ 24.80
BC028	B.C.Nobility Compact	8809057532616		\$ 57.00	\$ 17.10	\$ 19.95	\$ 22.80
BC029	B.C.Cell Pure 2500 Collagen Mist	8809057530926		\$ 42.00	\$ 12.60	\$ 14.70	\$ 16.80
BC030	Omega 3,6,9 Argan Oil	8809238004369		\$ 51.00	\$ 15.30	\$ 17.85	\$ 20.40
BC031	B.C. Gold Collagen Hydro-Gel Mask (Spc)	8809389036974		\$ 40.00	\$ 12.00	\$ 14.00	\$ 16.00

REPARPO & BC

Price Standard (2015) (FOB Busan/Incheon) (\$=USD)

Ref.No.	Description	Barcode	Photo	Consumer Sales Price	1200ea <A> 50%	1200ea-700ea 30%	>700ea <C> 40%
BC032	B.C. Real Piggy Collagen Pudding Pack	8809057535648		\$ 26.00	\$ 7.80	\$ 9.10	\$ 10.40
BC036	B.C. Amino Collagen 3.5g*60	8809364340454		\$ 104.00	\$ 31.20	\$ 36.40	\$ 41.60
BC037	B.C. Slim Fit Diet Coffee 30ea	8809364340263		\$ 43.00	\$ 12.90	\$ 15.05	\$ 17.20
Re01	REPARO KII-Gen Facial Mask (6pc)	8809313495716		\$ 140.00	\$ 42.00	\$ 49.00	\$ 56.00
Re02	REPARO KII-Gen Essence 50ml (or 5.5ml*5)	8809294321219		\$ 330.00	\$ 99.00	\$ 115.50	\$ 132.00
Re03	REPARO Chojeong 88 Sparkling Water Gel	8809294328085		\$ 51.00	\$ 15.30	\$ 17.85	\$ 20.40
Re04	REPARO Coco Soft Peeling Essence	8809238002112		\$ 43.00	\$ 12.90	\$ 15.05	\$ 17.20
Re05	REPARO Coco Cleansing Water	8809238004352		\$ 36.00	\$ 10.80	\$ 12.60	\$ 14.40
Re06	REPARO KII-Gen Patch(12 pc)	8809313494610		\$ 270.00	\$ 81.00	\$ 94.50	\$ 108.00

SCHEDULE B

(To the Distribution Agreement effective as of NOVEMBER 16, 2015)

<u>MINIMUM ANNUAL PERFORMANCE REQUIREMENTS</u>		
Year	Annual Period	Dollar Amount (US \$)
1	11/16/2015 – 11/15/2016	100,000
2	11/16/2016 – 11/15/2017	200,000
3	11/16/2017 – 11/15/2018	400,000
4	11/16/2018– 11/15/2019	800,000
5	11/16/2019 – 11/15/2020	1,600,000
6	11/16/2020 – 11/15/2021	3,200,000
7	11/16/2021 – 11/15/2022	6,000,000
8	11/16/2022 – 11/15/2023	10,000,000
9	11/16/2023 – 11/15/2024	15,000,000
10	11/16/2024 – 11/15/2025	20,000,000

SCHEDULE C

(To the Distribution Agreement effective as of NOVEMBER 16, 2015)

LIST OF TRADE-MARKS AND TRADE-NAMES

1. Reparo
2. Beauty Callegen
3. Rubyfield Beauty Products