2018/217/1/NN

DISTRIBUTION AGREEMENT

This Agreement made as of December 06, 2018 by and between **XELAMED Ltd** (a corporation organized and existing under the laws of Cyprus with its principal address in 20 Omirou Str, 3rd flr offive #301, 1097 Nicosia-Cyprus the exclusive Representative of the company MacroArray Diagnostics Gmbh "Manufacturer", in Austria, (hereinafter called "Representative") and **NEW HEALTH KFT.** a company organized and existing under the laws of the Republic of Hungary with its principal address Ostrom Utca 16- 1015 Budapest Hungary registration # HU24157041 (hereinafter called " Distributor").

Premises

Manufacturer/Representative "M/R" designs, develops and commercializes in vitro diagnostics products; Representative desire to appoint Distributor as its Distributor for said products and Distributor is prepared to accept such appointment.

Representative is aware of Distributor current sales activities and programs and does not deem the same to be competitive or otherwise in conflict with the activities and programs contemplated by this Agreement.

Now therefore, in consideration of the above premises, the parties hereto covenant and agree as follows:

1. Definitions

For purposes of this Agreement, the term "Products" shall mean:

(a) the instruments, equipment, software, apparatus, accessories, systems as a combination of instruments and accessories, spare parts, reagents and consumables described in the document attached hereto and incorporated herewith as Exhibit A, and

(b) such new or additional instruments, equipment, apparatus, accessories, systems as a combination of instruments and accessories, spare parts, reagents and consumables manufactured and/or sold by Manufacturer/Representative representing or constituting replacements and/or improvements of the Products which upon being first offered for distribution to Distributor shall not have been refused by Distributor.

The term "Products" shall not, however, continue to include products of which Manufacturer may have discontinued the manufacture and/or sale following written notice to Distributor given sufficiently in advance to allow Distributor to fulfill (in full compliance with following article 11. (c) its then outstanding commitments with respect to such discontinued products. The term "Products" does not include any service based activity in the "Territory" in particular not the service offered by the CAAM (ADL S.r.l.) known under the brand name of FABER.

The term "Territory" shall mean collectively the territories of PARTNER REGIONS and COUNTRIES.
Manufacture/Representative cannot control or prohibit also customers from other countries to offer their services as "send-in" testing outside their respective areas. However Manufacturer will discourage this activity.

2. Appointment
Representative hereby appoints Distributor as its exclusive distributor of the Products in and for the Territory of HUNGARY and undertakes not to sell the Products to any other distributor Outside Hungary .

3. Minimum Purchase Target
Representative and Distributor have agreed in good faith on Minimum Purchase Targets for years June 2018 to June 2019 300 Tests and for July 2019 to June 2020 600 tests with 1 additional system, For the 2020/2021 Target will be set 2 month before the July 2020.
In the event that Distributor fails to meet the Minimum Purchase Target for two consecutive years or the parties cannot agree on the coming Minimum Purchase Target by the End of June of each year, Representative is entitled to make this Agreement non-exclusive or terminate the Agreement within 3month by written notice to Distributor.

5. Undertakings by Distributor
Distributor herewith accepts the appointment and undertakes:
a) to diligently canvass the market in the Territory for the purpose of selling to the potential customers located therein the greatest quantity of Products purchased from Representative;
b) to organize and maintain an adequate sales network for the sale of the Products;
c) (f) to advertise the Products in such manner as it will deem appropriate;
d) to submit prior to any dissemination or publication in any form to Representative for its prior review and approval copies of all literature, advertising and other promotional materials describing the Products;
e) not to make misrepresentations regarding the Products, their quality and/or fitness for their intended purposes;
f) not to register, in its name or in the name or on behalf of other parties, any trade name or trademark owned by Manufacturer and used in connection with the sale and/or distribution of the Products without Manufacturer's/ Representative express written consent;
g) not to ever question that the trade names and/or trademarks used in connection with the sale or distribution of the Products are the property of Manufacturer;
h) to sell the Products in the same conditions in which they will be received by it, without removing or altering in any way the trademarks or numbers of Products supplied by Manufacturer/ Representative, it being, however, agreed that Distributor shall have the

right to label the Products (or to include such labeling information) as required by applicable laws or regulations;

i) not to promote the sale of Products outside of the Territory;

j) not to produce or distribute products which are identical with or similar to or otherwise competing with the Products;

k) not to disclose, at any time during or after the termination of this Agreement, to any third party, the business or the trade secrets of Manufacturer/ Representative of which it may have acquired knowledge by reason of the activities in which it will engage pursuant to this Agreement;

l) to return to Representative at the termination of this Agreement any document containing, incorporating or relating to the business or the trade secrets of Manufacturer/ Representative;

m) to advise Representative of any infringement by third parties of their industrial property rights relating to the Products of which it may become aware in the Territory and to assist Representative in such legal action which Representative, at its expense, may wish to take against the infringers;

n) to advise Representative of new products competitive to the Products sold within the Territory from time to time by third parties;

o) within the end of January each year, Distributor will supply to Representative an overview of past sales and Marketing effort achieved and planed actions, events with forecast objectives for up-coming year.

6. Order placing

Distributor shall, after the Trial Period, place with Representative written orders for the Products at regular intervals and Representative shall accept such orders subject, however, to its then existing other sales commitments.

7. Prices

The prices to be charged by Representative to Distributor for the Products shall be DESCRIBED in the document attached hereto and incorporated as exhibit A:

Such price list shall be valid until December 31, 2020. After that date, Representative shall be free to change such price lists but only by means of a 90 (ninety) days written notice to Distributor, setting out the new prices, it being, however, agreed that no price increase shall affect the purchase price of Products for which Representative shall then have accepted orders.

Price increases will be notified by August 31, 2020 and thereafter each year with validity January 1 of the following year. In any case they will have to be agreed by all parties and remain competitive.

8. Payment of Purchase Price

Shall be made by Distributor prior to delivery from the date of the invoice for all orders placed by Distributor

9. Packing

Distributor shall bear the costs of packing of the Products other than those for suitable packing for a normal distribution.
Distributor will provide the infrastructure to store and distribute reagents kits according to Manufacturer's instructions. In particular cooled storage and transport are required to maintain the integrity of the reagents kits (2-8°C).

10. Deliveries
Deliveries shall generally be made within 30 (thirty) days from the date of the order.
The terms of delivery shall, however, be deemed for information purposes only, time not being of the essence. Representative shall not therefore be liable for the payment of damages resulting from delays in the making of deliveries, but Distributor shall be entitled to cancel the order should deliveries be delayed by more than 60 (sixty) days.

11. Undertakings by Representative
(a) to provide reasonably needed technical and sale support and to provide special training to the personnel selected by Distributor, such training to take place either in Distributor's or Manufacturer's premises in such manner and at such times as will be agreed upon by the parties, with Distributor bearing the costs for the travel and board and room of the trainees during the training period;
(b) to supply photographs, advertising layouts and other descriptive material of the Products including service and users manuals and reasonable quantities of catalogues;
(c) to continue to sell the Products to Distributor, if so requested by Distributor, at the prices agreed upon by the Parties from time to time based on a relevant consumer price index, and at the general terms prevailing at the time of termination, beyond the date of expiration or early termination of this Agreement (but for the maximum period of 7 (seven) years from such date of expiration or termination) to allow Distributor to fulfill its then binding written commitments to its customers and/or to fully recover the gross profitability of system placements.

12. Warranties and Indemnification
12.1 Manufacturer/ Representative warrant that the Products will perform satisfactorily for the use for which they are intended according to Manufacturer's instructions if used in accordance with the instructions. The Products are warranted to be free from defects in workmanship and materials for a period of 15 (fifteen) months from date of delivery to Distributor. Representative will repair or replace Products which prove to be defective during the said warranty period. Freight for the repair or replacement of the Products to be paid by Representative during the warranty period. Outside the warranty period freight to be paid by Distributor.
Manufacturer's/ Representative warranty for the Products does not apply to defects resulting from an obvious mishandling, or resulting from an accident, negligent or intentional misuse, wrongful use, malevolence, improper transportation, event of "Force Majeure" (e.g., flood, fire, earthquake, war, riot, strike, acts of god, acts of terrorism, etc.),

or storage, installation or maintenance not complying with the technical specifications provided by Manufacturer.

12.2 Manufacturer shall indemnify and hold Distributor free and harmless of any claim, demand, liability, damages, legal actions (including reasonable attorney's fees), asserted, made or filed against Distributor in the Territory based upon asserted infringements or violations of any third party's intellectual, industrial or property rights.

13. Intellectual Property

13.1 Christian Harwanegg and Georg Mitterer invented and developed a new Technology ("Technology") for allergy tests ("TESTS"). The Technology includes the so-called ANTIGEN ARRAY technology as well as any software or hardware, algorithms, reagents, methods and other conceivable items that Manufacturer uses for the TESTS. The Technology is intellectual property of Manufacturer and Manufacturer has the exclusive right to use it for production as well as to sell TESTS based on the Technology.

13.2 Manufacturer has filed a PCT application for the patent protection of the ANTI-GEN ARRAY with the European Patent Office (EPO) on 30 March 2016, No. 16162859.9. The international application will be published on September 30, 2017.

14. License for selling

Representative hereby grants Distributor the exclusive, non-transferable, license to utilize the TESTS under Manufacturer trademark ALEX Test in the "Territory". This license and the sub-licenses expire not later than by the end of this Agreement.

15. Regulatory Compliance

15.1. IVDMD Regulatory Requirements.

(a) Manufacturer/Representative undertakes to supply Products in compliance with European and/or Greek directives and regulations and to translate literature and manuals of the Products as required by applicable law, into the Greek language (e.g. Directive 98/79/EC); Manufacturer/ Representative ensures also that the Products supplied to Distributor will be compliant to the European regulations 2017/746 when it will come into force on May 26th 2022.

(b) Distributor agrees to fully comply with the following requirements set forth by the European In Vitro Diagnostic Medical Device Directive (98/79/EC): (i) keep records to trace the Products delivered to end-user customers by serial or lot number. Such records must be stored during the lifetime of the Product; (ii) keep records of all Products installed with end-user customers by serial or lot number; (iii) inform Manufacturer/ Representative of any material requirements of which it becomes aware arising from national legislation in the Territory; (iv) manage the distribution of required national language versions to end-user customers if they are not packaged in the Product packaging; (v) ensure that any claim presented in Distributor's promotional material is supported by appropriate validation data; (vi) not change any part or aspect of a system

which is validated and CE marked as a combination (e.g. change applications, sell non-system reagents or provide application advice without proper validation or sell consumables not manufactured or authorized by Manufacturer/ Representative); (vii) follow Manufacturer's/Representative instructions for installation and preventive maintenance; (viii) in case of a reportable incident or near incident, act without delay to prevent further damage and inform Representative without delay; (ix) collaborate with Manufacturer/ Representative with respect to any product recalls or field safety corrective actions to secure timely contacting of end-user customers also in case this Agreement is expired or terminated; and (x) save and store any service reports for 10 (ten) years and share such service reports upon request or on a regular basis with Manufacturer/ Representative.

15.2. Cooperation with Nonconforming Product/Recall.

(a) Recalls. In the event that any Product defect or regulatory or governmental directive requires a Product's recall, destruction, withholding from the market, or other Product market withdrawal (each a "Product Recall"), Manufacturer/ Representative shall bear all costs and expenses of such Product Recall unless such Product Recall is the direct result of any act or omission to act attributable to Distributor, in which case Distributor shall bear all costs and expenses. If a Product Recall is the direct result of the joint acts or omissions to act of the Parties, or should it prove impossible to assign fault for such Product Recall, the Parties shall share the costs and expenses of such Product Recall equally. Notwithstanding who bears the cost of the Product Recall, the parties agree to exchange all necessary documentation and information and shall reasonably assist each other in carrying out any such Product Recall. Distributor shall notify and consult with Manufacturer/Representative before initiating any Product Recall. Manufacturer shall file with the appropriate regulatory agency any Notice of Corrections and Removals or other applicable regulatory documentation with respect to any Product Recall as required by applicable law or regulation. Without limiting any of Manufacturer's obligations relating to Product Recalls, Manufacturer acknowledges that Distributor reserves the right to initiate a Product Recall with respect to its customers upon a reasonable determination by Distributor that such Product jeopardizes the public health and well-being by presenting a risk of injury or gross deception. Under this Agreement, "costs and expenses" shall include without limitation customer notifications and destruction or return of recalled Products; but shall not include any labor expenses of the parties' employees which shall be borne directly by the employer.

(b) Records. Each Party shall maintain complaint files, distribution records, and information relating to the Products for the shelf life of each Product, but not less than 2 (two) years from the date of Product release by the Manufacturer or as specified by relevant regulatory requirements, notwithstanding termination or expiration of this Agreement. Upon the Manufacturer's/ Representative request, the Distributor shall provide the Manufacturer/Representative access to all complaint files relating to the Products or otherwise created or maintained by Distributor under this Agreement. Distributor shall provide a report on all complaints related to the Product to Manufacturer in English on a

quarterly basis. The Manufacturer/ Representative and Distributor shall each maintain such traceability records with respect to the Products as may be required by applicable laws.

16. Confidentiality

16.1. Information relating to (i) this Agreement and its provisions, (ii) sales, promotion and distribution plans relating to the Products, operations, research and development efforts, inventions, trade secrets, software, hardware, strategies, market opportunities, processes, recipes, formulae, vendor and customer relationships, finances and other business or proprietary information of each party and (iii) any other information that one party has designated as "confidential" is Confidential Information. It is agreed that shall not be considered a Confidential Information any information which: (a) was in the public domain at the time of disclosure to Distributor; (b) was in the possession of Distributor without binder of secrecy prior to disclosure to it; or (c) though confidential at the time of disclosure, subsequently becomes part of the public domain through no fault of the Distributor.

16.2. The parties shall use Confidential Information only in connection with the performance of their obligations under this Agreement, and not disclose Confidential Information, directly or indirectly, to any person other than their employees and representatives with a need to know for the performance of their responsibilities.

16.3. Notwithstanding the prohibitions set forth in this Section 16., disclosure of Confidential Information may be made in case of disclosures as required by Law.

16.4. The obligations to confidentiality shall continue in effect after the expiration or termination of this Agreement.

17. Claims

Upon expiration of this Agreement Distributor shall not be entitled to claim any amount by way of damages caused by loss of profits, or by way of allowances for market introduction of the Products in the Territory.

18. Authority to Bind

Nothing herein contained shall make Distributor the legal representative of Representative for any purpose whatsoever. Distributor is not granted any authority, express or implied, to negotiate or conclude contracts on behalf of Representative, not to bind Representative in any manner whatsoever.

19. Duration and Termination

19.1 If not terminated by one of the Parties according to sections 3.2 and 3.3, this Agreement shall be in force and effect from the date of signature until June 31, 2021. Unless terminated by either party upon written notice given at least 6 (six) months prior to its expiration date, this Agreement shall be automatically renewed for a further term of 2 (two) years and so on for subsequent 2 (two) year terms;

19.2 this Agreement may be terminated by either party at any time for cause upon not less than a 60 (sixty) days written notice setting out such cause.

Neither party shall be liable for failure to meet its obligations when such failure is due to fire, earthquake, strikes, labor troubles or other industrial disturbances, inevitable accidents, war (declared or undeclared), embargo, blockades, legal restrictions, riots, insurrections, or any cause beyond the control of the parties.

20. Governing Law and Arbitration

This Agreement shall be construed under and governed by the substantive law of Cyprus excluding the conflict of law rules of Private International Law and the UN Sales Convention.
Any dispute arising out of or in connection with this Agreement not amicably settled by the parties hereto shall be referred to arbitration by the International Chamber of Commerce. The arbitration proceedings will take place in Geneva, Switzerland in the English language under the rules of the said International Chamber of Commerce. The arbitration award so rendered shall be final and binding upon the parties hereto.
All costs raising out of the arbitration, shall be borne by the parties hereto, share and share alike, independently of the results of the proceedings, but each party shall bear its own attorney's fees and costs.

21. Entire Understanding

This Agreement constitutes the entire understanding of the parties hereto with regard to its subject matter. It supersedes and voids any prior agreement, oral or written. It may be amended only by means of a written document subscribed by both parties.

22. Assignment

This Agreement shall not be assigned by one party hereto without the express written consent of the other with the understanding that Assignment to Distributor's Parent Company and its affiliates shall not be unreasonably withheld. It will, however, be assigned, without consent, to a third party which, by merger or by purchase of all or substantially all of the assets of one of the parties hereto, shall become its successor in interest.

23. Partial Invalidity

Should any clause of this Agreement be invalid such invalidity will not affect the validity of the remaining provisions hereof and in such instance, the parties hereto shall negotiate in good faith the replacement of the invalid provision.

24. Notices

Any notice called for by this Agreement shall be forwarded by one party to the other by registered or certified mail addressing it:

as to Representative to:
XELAMED Ltd
20 Omirou Street 3rd Floor

as to Distributor to:
NEW HEALTH Kft
Ostrom Utca 16

Office # 301 - 1097 Nicosia
Cyprus

1015- Budapest
Hungary

or to such other address that one party shall set out to the other by like notice;

In witness whereof, the parties hereto have executed this Agreement by their duly authorized representative as of the day and year first above written.

XELAMED Ltd

By :
Name: Alexandre Allouche
Title: Managing Director
Date: 06 December 2018
Place: Nicosia Cyprus

NEW HEALTH Kft

By :
Name: Dr Laszlo Babai
Title: Director
Date: 06 December 2018
Place: Budapest Hungary

XELAMED Ltd

By:
Name: HIGHWORTH (CYPRUS) SERVICES LIMITED
Title: Director
Date: 06 December 2018
Place: Nicosia Cyprus

HIGHWORTH (CYPRUS) SERVICES LIMITED

EXHIBIT A

To Distributor Agreement dated 06 December, 2018 between XELAMED Ltd and NEW HEALTH Kft

DESCRIPTION OF PRODUCTS and PRICES

REF	Description	Price per Unit
01-2001-01	ALEX Kit for 20 determinations of sIgE and tIgE Including all reagents ready-to-use to perform testing 20 ALEX Cartridges, Sample diluent, Wash solution, Detection Antibody Conjugate, Substrate and Stop Solution	Euro 1,700.00

01-0010-00	ALEX Starter Kit: 2x Array Holders for 2x6 ALEX cartridges 1x ImageXplorer + USB 3.0 Cable Raptor Analysis Software (Download) 1x Incubation Chamber 1x Lab Rocker IKA 2D Basic	Euro 5,500
14-0000-00	Array Holder for 6 ALEX cartridges	Euro 200
14-0000-00	Humidity Chamber	Euro 350