

## AIRFREE DEALER AGREEMENT

This Agreement, made as of this February 16, 2011 , by and between **Airfree Produtos Electronicos**, a Portuguese corporation with offices at Rua Mouzinho da Silveira, 27 – 5A, 1250-166 Lisbon, Portugal, hereby represented by Daniel Matias hereinafter referred to as “**AIRFREE**”, and , T&G Health Kft corporation organized under the laws of Hungary having its principal place of business at Ostrom u 16, 1015, Budapest, Hungary, hereby lawfully represented by Dr. Laszlo Babai hereinafter referred to as “**DEALER**”.

### W I T N E S S E T H:

WHEREAS; AIRFREE has the sole right to distribute Airfree products in Hungary; and

WHEREAS; AIRFREE desires to grant a sub-license to a company to distribute the Airfree products in Hungary; and

WHEREAS; DEALER is desirous of obtaining a sub-license to distribute Airfree products to local stores in Hungary; and

WHEREAS; AIRFREE is agreeable to designate DEALER to distribute Airfree products in Hungary, and

WHEREAS, the parties wish to set forth their agreement with respect to the foregoing and other matters.

NOW, THEREFORE, and in consideration of the premises which are incorporated herein and made a part hereof and other good and valuable consideration the receipt and sufficiency of which each of the parties acknowledges;

### IT IS AGREED AS FOLLOWS:

1. Definitions. As used in this Agreement, the following terms shall have the meanings set forth below:

(a) *Agreement.* “Agreement” means this Distribution Agreement for the Product and the Schedules hereto, as amended, modified, or supplemented from time to time.

(b) *Product.* “Product” means the Airfree P models air sterilizing products.

(c) *DEALER Price.* "DEALER Price" means the price DEALER shall pay for the Product as so identified and set forth on Schedule "A", attached hereto and made a part hereof.

(d) *Trademark.* "Trademark" means the "Airfree" trademark and its other trade names.

(e) *Territory.* "Territory" means the only country where DEALER may distribute the Product:

Hungary

2. Engagement. AIRFREE hereby engages DEALER and DEALER hereby accepts such engagement, as a temporary DEALER of AIRFREE for the sale of the Product in Hungary for the term of this Agreement in accordance with the terms and conditions set forth in this Agreement.

3. Term. The term of this Agreement shall commence on the date of execution of this Agreement and shall remain in effect for one year or until terminated in writing by giving written notice to the other party of such termination 60 days prior to the date of termination.

(a) DEALER will not be liable for any loss of profits or revenue of AIRFREE resulting from an early termination of this agreement by DEALER;

(b) AIRFREE will not be liable for any loss of profits or revenue of DISTRINUTOR resulting from an early termination of this agreement by AIRFREE;

4. Price. DEALER agrees to pay prices mentioned in the Attachment "A" to this Agreement for each Product and to make such payment in advance directly to AIRFREE appointed banking account.

5. Obligations of AIRFREE. During the term of this Agreement, AIRFREE agrees to perform as follows:

(a) To timely deliver reasonable purchase orders of DEALER.

(b) To provide DEALER with technical support by providing reasonable and necessary information either by writing, video conference, and e-mail.

(c) To make available to the DEALER marketing material and images owned and used by AIRFREE in relation to the Product.

(d) To provide DEALER at a commercially reasonable extent with a response to its requests for approvals pursuant to Paragraph 6 below within five (5) business days of receipt of such requests.

6. Obligations of DEALER. During the term of this Agreement, DEALER agrees:

(a) To display the Product in its stores.

(b) To promote the Product and train its sales personnel at a commercially reasonable extent.

(c) To maintain a sufficient inventory of the Product for sale to its customers.

(d) That during the Term of this Agreement the DEALER shall have a limited, non-exclusive and non-assignable right to use the Trademark in its promotion and sale of the Product at the DEALER's stores. The DEALER may not use the Trademark in connection with, or as part of, its trade, corporate or company name. This Agreement does not constitute an assignment of the Trademark, nor does it give the DEALER any right, title, or interest in the Trademark, except as provided in this Agreement. DEALER acknowledges that on termination it shall have no interest in, or right to use the Trademark.

(e) That if DEALER launches an affiliate\_program which AIRFREE does not approve AIRFREE may immediately discontinue this sales agreement.

(f) That if DEALER's advertising information or statements regarding the Product is either misleading, false, or in any way commercially unreasonable, AIRFREE reserves the right to ask for an alteration.

(g) That DEALER and its sub-dealers shall comply with the same restrictions and procedures as set forth in sub-paragraph (h) and (l) for any proposed modifications of previously approved website(s) or content(s).

(h) That DEALER and its sub-dealers will make any modifications required to be made by AIRFREE, with respect to its websites or advertisements as set forth in sub-paragraphs (d), (e) and (f) above, either directly or by third parties. Such modifications must be made within seven (7) business days after notice from AIRFREE requiring such changes.

(i) That DEALER and its sub-dealers shall not acquire domain names containing the Trademark within them, including but not limited to, for example: [www.airfreecountry.com](http://www.airfreecountry.com).

(j) That DEALER and its sub-dealers shall not advertise the Product on any auction or Internet Auction site, or sites selling discounted articles.

(k) Not to sell the Product through non-authorized sub-dealers, non-authorized website(s), and non-authorized affiliated website(s). A non-authorized website that receives a commission or percentage on a transaction over the Internet from an authorized DEALER will be considered a non-authorized web site for the purpose of this contract.

(l) To comply together with its sub-dealers with any new Internet policies which AIRFREE may institute from time to time at its sole discretion during the term of this Agreement and to comply with such revised policy within the time frame set forth in sub-paragraph (l) above.

(m) To display the full street address of its stores and phone numbers on its website(s).

(n) DEALER and its sub-dealers shall make no warranty, guarantee or representation, whether written or oral, but for those warranties, guarantees or representations given to DEALER by AIRFREE.

7. Termination. Upon termination of this Agreement for any reason, the DEALER and its sub-dealers must discontinue the use of the Trademark and must remove all signs, displays, and advertising related thereto from its stores and website(s).

8. Confidentiality.

(a) DEALER agrees to maintain in confidence and not to disclose to any third party either during or subsequent to the term of this Agreement any information whether or not

marked "Confidential" which is furnished by AIRFREE with respect to the Product and the manner in which AIRFREE conducts its business. The foregoing restrictions shall not apply to the extent such information:

- (i) was in the public domain at the time of disclosure or later came under the public domain;
- (ii) was known to DEALER at the time of disclosure;
- (iii) is authorized for disclosure by the written approval of AIRFREE;
- (iv) is not unlawfully derived by DEALER from a source other than AIRFREE without restriction as to the use or disclosure of such information; or
- (v) is independently developed by DEALER without recourse to any information provided by AIRFREE;

Furthermore, the restrictions herein provided shall not apply to any disclosure of such information by DEALER to any of its employees or agents who require knowledge of such information, or in the event DEALER, its employees or agents need (for securities law purposes) to make disclosures of such information or become legally compelled (by oral questions, interrogatories, requests for information or documents, subpoenas, civil investigative demands or otherwise) to disclose any such information.

(b) DEALER shall in no way disclose this Agreement nor shall it file or register same or the Product with any Patent Office or elsewhere.

9. Force Majeure. The inability of either party to this Agreement to discharge the obligation or perform the duty imposed upon it by reason of *force majeure* shall not be a breach of this Agreement and the duty to discharge the obligation or perform the duty shall be suspended until the disability by *force majeure* shall have been removed. The term "*force majeure*" as employed herein shall mean acts of God, hurricanes, earthquakes, fire, flood, storm, lighting, malicious mischief, act of the public enemy, insurrections, declared or undeclared war, landslides, washouts,

explosions, strikes, lockouts or other industrial disturbance, blockage, public riot, failure to receive in a timely manner necessary, governmental approvals, government restraints, unavailability of equipment or any other cause, whether of the kind specifically enumerated above or otherwise, which is not reasonably within the control of either party, and which make performance of the obligations and duties hereunder impossible. If the event of *force majeure* continues for more than ninety (90) days, either party may terminate this Agreement.

10. Default.

(a) Either party shall have the right at its option to terminate this Agreement by giving written notice to the other party if such other party shall have breached any of its material obligations and such breach is not remedied or steps to remedy same are not initiated within ten (10) days after the date such notice is given.

(b) Notwithstanding the foregoing, AIRFREE shall have the right at its option to terminate this Agreement by giving written notice to DEALER effectively immediately if DEALER or its customers commit a material breach of this Agreement.

(c) Each party may terminate this Agreement by giving written notice to the other if the other party (i) becomes insolvent or ceases payment to creditors or admits in writing its inability to pay its debts when due; or (ii) discontinues or substantially alters nature of its business; or (iii) files a petition in bankruptcy; or (iv) is adjudicated bankrupt or insolvent; or (v) makes a general assignment for the benefit of its creditors; or (vi) files a petition, or otherwise seeks relief under or pursuant to any bankruptcy, insolvency or reorganization statute or proceedings; or (vii) has a petition in bankruptcy filed against it and does not, within forty-five (45) days thereafter, have such petition dismissed or vacated by a court of competent jurisdiction or post a bond sufficient to cover the liabilities claimed owing in such petition; or (viii) has a custodian, receiver or trustee appointed for it or a substantial portion of its business assets.

11. Independent Contractor. DEALER is an independent contractor and is not an employee, servant, partner, or joint venturer of AIRFREE.

12. Indemnification and Hold Harmless. DEALER shall indemnify and hold harmless AIRFREE from any breach of its obligations set forth in paragraph 6, whether due to an act or omission of DEALER, its agents or employees.

13. Default —Waiver. The failure of either party to insist in any instance upon strict performance of any of the provisions of this Agreement or to take advantage of any such party's rights hereunder shall not be construed as a waiver of such provisions or the relinquishment of such rights, but the same shall continue in full force and effect.

14. Miscellaneous.

(a) This document sets forth the parties' entire Agreement concerning its subject matter. It shall not be altered, amended or terminated other than in a writing signed by both parties.

(b) Any disagreement of whatsoever kind or nature resulting from or arising out of this Agreement including, without limitation, its execution, interpretation, performance or breach shall be determined under and by the laws of the Lisbon courts in Portugal that the parties confer exclusive jurisdiction.

(c) Any notice required or desired to be given shall be addressed as follows:

If to AIRFREE:	Rua Mouzinho da Silveira, 27 – 5A 1250-166 Lisbon - Portugal Fax No. +351 – 213 156 228
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If to DEALER:	Ostrom u 16, 1015, Budapest Hungary Fax No:
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(d) This Agreement may be assigned by AIRFREE but may not be assigned by DEALER. This Agreement is not transferable. DEALER shall inform AIRFREE in writing within 3 business days

of a change in ownership in DEALER of 50% or greater and AIRFREE shall have the right to terminate this Agreement in such event.

(e) Titles of the articles of this Agreement are inserted for convenience of reference only and have no effect nor do they limit or amplify the provisions of the articles which they head.

(f) Should one or more provisions of this Agreement for any reason be held invalid, illegal or unenforceable in any respect same shall not affect any other provision hereof and this Agreement shall continue as if such invalid, illegal or unenforceable provision shall not be contained herein.

(g) Nothing herein contained is intended to nor shall it be deemed in any manner, shape or form to preclude AIRFREE from selling, directly or indirectly, the Product in Hungary or in any other country.

(h) The obligations set forth in paragraphs numbered 4, 6, 8, 12 and 13 shall survive termination of this Agreement and shall remain in full force and effect.

(i) In the event a dispute arises out of this Agreement, the prevailing party in such litigation shall be entitled to recover reasonable attorney's fees and costs at both the trial and appellate level.

(j) This Agreement may be executed in two or more counterparts, each of which shall be deemed as original but all of which together shall be one and the same instrument.

(k) A facsimile copy of this Agreement and any signatures affixed hereto shall be considered for all purposes as originals.

WHEREFORE the parties have executed this Agreement the day and year first above written.

**AIRFREE Produtos Electronicos Lda**

**T&G Health Kft**

By: \_\_\_\_\_  
Daniel Matias

By: \_\_\_\_\_  
Dr. Laszlo Babai



## **SCHEDULE A**

To the Agreement, made as of this May 12, 2010 , by and between **Airfree Produtos Electronicos**, a Portuguese corporation with offices at Rua Mouzinho da Silveira, 27 – 5A, 1250-166 Lisbon, Portugal, hereby represented by Daniel Matias hereinafter referred to as “**AIRFREE**”, and T&G Health Kft corporation organized under the laws of Hungary , having its principal place of business at Ostrom u 16, 1015, Budapest, Hungary, hereby lawfully represented by Dr. Laszlo Babai hereinafter referred to as “**DEALER**”.

### **Airfree Prices EX WORKS**

Quantity	16-40	48-64	72-88	96-184	192 units
Model					
<b>E60</b>	€85,40	€80,28	€78,57	€76,86	€75,15
<b>P60</b>	€94,42	€88,75	€86,87	€84,98	€83,09
<b>P80</b>	€105,17	€98,86	€96,76	€94,66	€92,55
<b>P125</b>	€127,86	€120,19	€117,63	€115,08	€112,56

AIRFREE Produtos Electronicos Lda

T&G Health Kft

By: \_\_\_\_\_  
Daniel Matias

By: \_\_\_\_\_  
Dr. Laszlo Babai

## Airfree Initial Purchase Order

February 16, 2011

**ORDER PLACED BY:**

Dr. Laszlo Babai

T&G Health Kft

**PLEASE SUBMIT THE INITIAL ORDER TO:**

[sales.europe@airfree.com](mailto:sales.europe@airfree.com)

QUANTITY	DESCRIPTION	UNIT PRICE in £ (16 units, from UK warehouse)	UNIT PRICE in € (32 units, from Airfree factory)	TOTAL
3	P60	n/a	94,42	283,26
5	P80	n/a	105,17	525,85
8	P125	n/a	127,86	1022,88
		n/a		
		n/a		
		n/a		
				1831,99

Shipping and handling - not included

*Thank you for placing the order!*

If you have any questions, please contact: [sales.europe@airfree.com](mailto:sales.europe@airfree.com) phone: +44 2081 331 323

## **Airfree Return and Warranty Policy**

Airfree has a 2 year warranty.

### **All shipping paid by Airfree (must compile 8 faulty units)**

- a) Retailer compiles 8 faulty units along with the customer invoice copy.
- b) Retailer contacts Airfree.
- c) Airfree pays for the shipping inbound and outbound Lisbon's repair centre and replaces faulty units.

### **Partial shipping paid by Airfree**

- a) Retailer contacts Airfree when one (or less than 8) faulty unit(s) arrives with the customer's copy of invoice.
- b) Retailer sends faulty unit(s) to our warehouse in Lisbon (shipping on behalf of Retailer).
- c) Airfree replaces the unit(s) and sends them back to Retailer (shipping on behalf of Airfree).

### **Repair Centre contact details:**

Email: [sales@airfree.com](mailto:sales@airfree.com)

Phone: +351 21 315 6222

Fax: +351 21 315 6228

Address:

Rua Mouzinho da Silveira N 27 5ªA  
1250-166 Lisbon  
Portugal

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Dr. Laszlo Babai