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## Independent Dealer Agreement

### Terms and Conditions (please initial each paragraph)

#### Recitals

The purpose of this agreement is to establish the Distributor as an authorized Chanson Water Distributor for the sale and service of products of Chanson Water and to set forth the respective duties, obligations and responsibilities of Chanson Water and of Distributor in the sale of these products by Chanson Water to the Distributor and the sale and servicing of these products by the Distributor.

Distributor has elected to enter into this agreement with Chanson Water with confidence in Chanson's integrity and expressed intention to deal fairly with its Distributors, and with knowledge of the customer acceptance of products of Chanson Water.

Chanson Water has elected to enter into this agreement with Distributors with recognition that Chanson Water's success depends on financially sound, responsible, efficient, vigorous and successful independent wholesale Distributors whose business conduct is free of false, deceptive or misleading advertising, merchandising, pricing and service practices, and with confidence in Distributor's integrity and ability, and in the Distributor's expressed intention to deal fairly with Chanson Water and its customers, and to perform and carry out Distributor's duties, obligations and responsibilities as set forth in this agreement.

It is the expectation of each of the parties that by entering into this agreement, and by the full and faithful observance and performance of its duties, obligations and responsibilities, a mutually satisfactory relationship between them will be established and maintained. In consideration of the matters described above, and of the mutual benefits and obligations set forth in this agreement, the parties agree as follows:

\_\_\_\_\_ **Sales Agreement.** I understand that I am entering into a Sales agreement, and will be obligated to comply with the terms and conditions and that in return, Chanson Water USA, Inc. will allow me to be an Independent Sales Representative and allow me to purchase products at a discounted cost.

\_\_\_\_\_ **Independent Sales Agent Relationship.** I understand that as Independent Sales Agent to Chanson Water USA, Inc. that I am not an employee, franchisee, agent, partner or joint venture of, or licensor to Chanson Water USA, Inc., even if I provide any services, information or material to Chanson Water USA, Inc. which are outside the scope of my status as an Independent Sales Agent. I will not represent that I have any relationship with Chanson Water USA, Inc. other than that of an Independent Sales Representative. I understand that I am not authorized to, nor will I for any reason, incur any debt, expense or obligation for or on behalf of Chanson Water USA, Inc. I understand I will have discretion in conducting my Chanson Water, Inc. business, provided I comply with the Terms

and Conditions. As an Independent Sales Agent, I understand and acknowledge that I will be responsible for my own business activities and that I will have control over the operation of my business. I will be responsible for establishing my own goals and business methods including purchasing any business materials and tools that I determine are necessary for the operation of my business. I further affirm that I will positively represent Chanson Water USA, Inc. and the products that they market, and provide quality service to potential customers.

\_\_\_\_\_ **Personal Sales Agreement.** I acknowledge that the Sales agreement allow me personally, the opportunity to sell products offered by Chanson Water USA, Inc.

\_\_\_\_\_ **Marketing policies.** Distributors will at all times promote vigorously and effectively the sale of Chanson Water's products through all channels of distribution prevailing in Distributor's primary marketing area in conformity with Chanson Water's established marketing policies and programs.

\_\_\_\_\_ **Commitment to Personal Sales.** I understand that Chanson Water USA, Inc. is a direct selling Company, which distributes its products through a person-to-person sales model that allows me to sell products to my customers for a profit. I agree that I will actively develop personal customers and represent Chanson Water USA, Inc. with Integrity in my sales negotiations, whether it is to individuals, companies, or whatever entity is being contracted for the sale of merchandise.

\_\_\_\_\_ **My Obligation.** I understand that I can also have "sub dealers" a sub dealer is one who does not do the dealer buy in, they will purchase only through me and will not contact Chanson Water USA, Inc. for any reason, they are my sub dealer. I decide what commissions my sub dealer will receive per sale, some dealers do a 50/50 split some do a 60/40-split etc. All your sub dealers MUST sign Chanson Water USA, Inc. dealer terms and agreement. They must also be informed that no one can advertise the machines below the manufactures suggested price.

If I have sub dealers, I must train them. I understand that I am the point of contact between my sub-dealers, their customers and Chanson Water USA, Inc. and I will only contact Chanson Water USA, Inc. when I have not been able to troubleshoot a problem for my sub-dealer or their customer or when there needs to be a return for repair or replacement.

I must provide them with marketing materials at my expense. **When my sub-dealer can afford the dealer buy in, they are eligible to become full dealers, for which I will still receive a benefit.**

I understand that I am not permitted to give my sub-dealers access to the pages on the ChansonAlkalineWater.com web site that have training and materials exclusively meant for approved dealers.

\_\_\_\_\_ **Health Claims.** Dealers are forbidden to make health claims about the water. I.e. "This water will cure..." Dealers are however allowed to use testimonials and or doctor quotes.

\_\_\_\_\_ **Websites.** If I have my own web site, I am required to display the “approved Dealer” seal linking back to the Chanson water USA, Inc. approved dealer page. Sub-dealers will not use that logo but will have another logo for their use. I may copy images and information from Chanson Water USA, Inc. web site for my personal web site, BUT the information must be re-written into original content for Search Engine Optimization purposes. Non-web people can understand that as “don’t directly copy our content or it damages you and us in the search engines.

\_\_\_\_\_ **Domain and Business names.** The Chanson name can not be used in a domain name or business name.

\_\_\_\_\_ **Marketing Materials.** Any personal marketing materials that you design or have designed must be pre-approved by Chanson Water USA, Inc. prior to printing. I understand that the slogan “Health Insurance from YOUR Tap! Is a registered trademark and I am not permitted to use this slogan on a personal website or marketing materials that I create.

Any of our marketing materials that you choose to use may have your personal contact information added to them, but no other changes are allowed to be made.

\_\_\_\_\_ **Use of name prohibited.** On termination of this agreement, Distributors will remove and not subsequently use any sign or advertising containing the name and trademark “Chanson Water “Chanson Water or any other trademark owned by Chanson Water and will immediately destroy all stationery, advertising matter and other printed matter in its possession or under its control containing the word “Chanson Water “or such other trademarks. Distributor will not at any time after such termination use or permit any such trademark to be used in any manner in connection with any business conducted by it or in which it may have an interest, or to be used in any other manner as descriptive of or referring to anything other than merchandise or products of Chanson Water. Regardless of the cause of termination, Distributors will immediately take all appropriate steps to remove and cancel its listings in telephone books, and other directories, and public records, or elsewhere that contains then name “Chanson Water” or other such trademarks. If Distributor fails to obtain such removals or cancellations promptly, Chanson Water may make application for such removals or cancellations on behalf of Distributor and in Distributor’s name and in such event Distributor will render every assistance.

\_\_\_\_\_ **Returns.** I understand that there are no returns on dealer purchases and that if my customer has a return, that I process the return and refund the money to my customer. The machine is then used for demo purposes, or resale if in perfect condition and not returned to Chanson Water USA, Inc. Defective machines may be returned for repair or replacement. Chanson Water USA, Inc will determine whether to repair or replace the machine.

\_\_\_\_\_ **Pricing.** I, nor my sub-dealers will not advertise products represented by Chanson Water USA, Inc. \_\_\_\_\_ for any lower price other than those stipulated and approved by Chanson Water USA, Inc.

\_\_\_\_\_ **Territory.** I understand and acknowledge that the rights under the sales agreement do not constitute a franchise, that there is no exclusive territory granted, and that each Chanson Water USA, Inc. Sales Agent has the right to sell Chanson Water USA, Inc. products and recruit other Sales Agents anywhere in the USA or \_\_\_\_\_.

\_\_\_\_\_ **Competitive Selling.** I will not sell, nor attempt to sell, any competing products unless approved by Chanson Water USA, Inc. management in writing. Distributors that are already selling other ionizers or other water products are permitted to do so if this information is listed with Chanson Water USA, Inc. at the inception of this contract. Please simply write that business name and business type on the last page; and upon our approval, that business will be excluded from this agreement in terms of being competition only. Place a mark to indicate that businesses are listed on the last page. \_\_\_\_\_

\_\_\_\_\_ **Non-Competition.** Due to the extensive training and materials that we provide our dealers, dealers agree not either solely or jointly to go into any direct or indirect competition with us by becoming an **importer** of ionizers for a period of FIVE (5) years after ending our association in writing. A. Other than through employment with a bona-fide independent party, or with the express written consent of the Distributor, which will not be unreasonably withheld, the Dealer will not, during the continuance of this Agreement or within FIVE (5) years after the termination or expiration, as the case may be, of this Agreement, be directly or indirectly involved with a business which is in direct competition with the particular business line of the Distributors that the Dealer was working during any time in the last year of retainer with the Distributor. B. For a period of FIVE (5) years from the date of termination or expiration, as the case may be, of the Retainer, the Dealer will not divert or attempt to divert from the Distributor any business the Distributor had enjoyed, solicited, or attempted to solicit, from its customers, prior to termination or expiration, as the case may be, of the Retainer, **EXCLUSIVE OF Dealer's acquired customers.**

\_\_\_\_\_ **Competitive Recruiting.** Following the voluntary or involuntary cancellation of this Sales Agreement, and for twelve months thereafter, I will not recruit, or attempt or facilitate recruitment of any Chanson Water USA, Inc. Sales Agent or employee. Nor am I permitted to contact the manufacture at anytime about importing into any other countries or other issues.

\_\_\_\_\_ **Confidential and Proprietary Information.** I understand that all reports and marketing literature/ material and data base information, are confidential, copyrighted and constitute proprietary information and business trade secrets belonging exclusively to Chanson Water USA, Inc.

\_\_\_\_\_ **Non-Disclosure.** I agree not to disclose the confidential and proprietary information of Chanson Water USA, Inc. whether directly or indirectly, or whether explicitly or implicitly. I strictly agree not to

use or allow others to use, any confidential and proprietary information of Chanson Water USA, Inc. in any way and for any purpose other than to promote and further my business with Chanson Water USA, Inc.

**Status for Purposes of Tax and Employment Laws.** BECAUSE I AM AN INDEPENDENT SALES AGENT, I UNDERSTAND THAT I WILL NOT BE TREATED AS AN EMPLOYEE FOR FEDERAL OR STATE TAX PURPOSES, NOR FOR PURPOSES OF ANY OTHER APPLICABLE LAWS, including, without limitation, the Social Security Act, the Federal Unemployment Act, the Federal Insurance Contributions Act, any state industrial insurance act and/or federal employment law. According, as an independent sales agent and operator of my own business, I will be responsible for the payments of my own taxes including federal and state income or business taxes, self-employment taxes, and any other taxes relating to or arising from operation of my Chanson Water USA, Inc. product sales. Chanson Water USA, Inc. may issue me a Form 1099 at the end of each calendar year, provided my compensation meets the minimum amount established by IRS Regulations and the direction Chanson Water USA, Inc. establishes regarding taxes.

**Warranties and Trade Practices.** I understand that Chanson Water USA, Inc. makes no claims or warranties of any kind other than those specifically set forth by the manufactures of the products being sold. I agree not to make any claims or warranties regarding products or business opportunities, other than what is expressly set forth by Chanson Water USA, Inc. official literature. I also understand and agree that I will be responsible for complying with any and all laws and regulations relating to the operation of my business, and I agree not to engage in any deceptive or unlawful trade practice, as defined by federal state or local law. I further agree not to do or communicate anything which would damage Chanson Water USA, Inc.

**Resignation.** I may resign and cancel my Sales Agent status at any time, for any reason upon written notice to Chanson Water USA, Inc. I understand that even upon resignation, I am to abide by all terms and conditions of this agreement.

**Termination and Suspension.** I understand that my violation of any provision of the Sales Agreement or the Compensation plan, as amended from time to time, may result in remedial action by Chanson Water USA, Inc. at its discretion, up to and including the termination of my Sales Agreement and status as a Chanson Water USA, Inc. agent, which will result in the loss of all rights and privileges to participate in the Chanson Water USA, Inc. business opportunity, including the ability to sell or promote products.

**Choice of Law and Venue.** The Sales Agent Agreement shall be governed by the laws of the State of California. If the Sales agent initiates a claim hereunder, venue and jurisdiction shall lie exclusively in the State of California, except that any claims cognizable only in federal court venue shall lie in the U.S. District Court for the district of California.



**Notices.** Any notices or delivery required in this Agreement will be deemed completed when hand-delivered, delivered by agent, or seven (7) days after being placed in the post, postage prepaid, to the parties at the addresses contained in this Agreement or as the parties may later designate in writing. The address for any notice to be delivered to Distributor is as follows: Chanson Water USA, Inc.: 23341 Del Lago Dr., Laguna Hills, CA, 92653

**Amendments.** I understand that Chanson Water USA, Inc. reserves the right to amend the Terms and Conditions and Compensation Plan at its sole discretion. Amendments will be published and available to all Sales agents on request. The changes will become effective within 15 days from the first notification and publication, unless specified otherwise. I understand that voluntarily remaining a Sale Agent or accepting any discounts or commissions following such publication and notice constitute my acceptance of any and all changes or amendments.

**Entire Agreement.** I acknowledge the Terms and Conditions and Compensation Plan may be amended from time to time, constitute the entire Distributor Agreement between Chanson Water USA, Inc. and me and that no promises, representations or agreements of any kind between Chanson Water USA, Inc. and me shall be binding on Chanson Water USA, Inc. unless recorded in writing and signed by an authorized representative of Chanson Water USA, Inc. If any portion of the Independent Sales Agreement is found to be unenforceable or invalid, and all other provisions shall remain valid and enforceable. All powers, rights, and remedies given to Chanson Water USA, Inc. are cumulative, not exclusive, and are in addition to any other rights and remedies provided by law. The waiver by Chanson Water USA, Inc. at any time of any of its rights under the Independent Sales Agreement shall not be deemed a continuing waiver and shall not preclude the subsequent enforcement of any such right or any other right. Headings are for convenience of reference only and shall not be considered in determining the legal effect of any provision.

**Governing Law.** This Agreement will be construed in accordance with and governed by the laws of the State of California. Upon completion of document, fax to (949) 600-7960 or e-mail copy to: Nedalee@ChansonAlkalineWater.com. Or snail mail to: 23341 Del Lago Dr., Laguna Hills, California, 92653

- **Signatures on next page**



THIS AGREEMENT (the 'Agreement') dated this \_\_\_\_\_ day of \_\_\_\_\_ BETWEEN: Chanson Water USA, Inc. (the 'Distributor') of 23341 Del Lago Dr, Laguna Hills, CA, 92653\* OF THE FIRST PART \*- AND - OF THE SECOND PART (the "Dealer")

\_\_\_\_\_  
Print Dealer Name (the) party \_\_\_\_\_ E-mail address \_\_\_\_\_ Phone \_\_\_\_\_

\_\_\_\_\_  
Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

\_\_\_\_\_  
Type of current business if any

\_\_\_\_\_  
**Signature dealer #1.**

\_\_\_\_\_  
Additional Dealer Print Name (the) party \_\_\_\_\_ E-mail address \_\_\_\_\_ Phone \_\_\_\_\_

\_\_\_\_\_  
Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

\_\_\_\_\_  
Type of current business if any

\_\_\_\_\_  
Signature dealer #2.