

Biocom's Distribution Policy

Our distribution policy is based on the following principles:

- . Selectivity to work only with the best partners
- . Development of long term partnership relations
- . Collaboration on Responsible Care principles

The way to Partnership:

In order to provide the best service to end users of our products as well as to ensure the fulfillment of the Responsible Care commitment related to the distribution of its products, Biocom would like to develop long-term partnership relations with a selected number of industry distributors.

What we offer:

Partnership is characterized by long-term business relationship, delivery of quality products together with technical support and training relying on over 10 years of experience of running world-wide operations.

What we require:

Together with the full commitment to Responsible Care principles, we look for adequate geographical coverage, sufficient market penetration and state of the art equipment.

The Biocom Technologies Distributor / Sales Agent Agreement

A. Distributor / Sales Agent Definition:

1. Clearly understands and promotes the concept of solutions offered by Biocom products.
2. Proactively markets and sells the Biocom product line.
3. Meets a mutually agreed upon, reasonable annual quotation and sales target.
4. Actively promotes the Biocom product line and supports the sales and marketing objectives of the company.
5. Adheres to Biocom credit and privacy policies.

B. Distributor Level of Involvement vs. Commission Structure:

	Involvement
Finders Fee	Distributor / Sales agent gives Biocom name to prospective customer. Or is requested by Biocom to help in securing the order once initial contact has been established by Biocom.
Limited Sales Support	Distributor / Sales agent initiates the project. Participates in joint sales call. Secures the order. Biocom bills and installs the equipment.
Full Sales Support	Distributor / Sales agent initiates the project. Secures the order. Bills (subject to credit approval) and installs the equipment. Responsible for after sale technical support.

C. Biocom will offer the following discount schedule:

	Finders Fee	Limited Sales Support	Full Sales Support
Full Biocom products as combinations of the software and hardware	10%	15%	From 25% (*)
Selected Biocom hardware items private labeled or purchased from third party vendors	N/A	5%	15%
Hardware accessories	N/A	5%	10%

(*) – Depends on monthly gross sales:

Monthly Gross Sales	Discount
\$0 - \$2,500	25%
\$2,501 - \$5,000	30%
\$5,001 - \$10,000	35%
\$10,001 - \$15,000	40%
\$15,001 - \$20,000	45%
Over \$20,000	50%

D. Biocom's Sales Support:

1. Provide presentation materials, maintenance of good communications and assistance in exceeding targeted project commitments.
2. Supply brochures, promotional materials, electronic presentation programs, and participate in major trade show exhibitions to promote Distributor / Sales Agent sales success.
3. Limit distribution within trading areas based on total equipment potential, the estimates capabilities of the Distributor / Sales Agent and past years activity. We encourage each Distributor / Sales Agent to cover as many markets as possible.
4. Conduct training seminars at our facility or the Distributor / Sales Agent's facility, for sales people and service technicians sent at the Distributor / Sales Agent expense.
5. Provide field installation and service to the Distributor / Sales Agent at competitive rates.
6. Maintain a customer service and engineering department to support the Distributor / Sales Agent's needs and requests for quotations, product specifications and information.
7. Should the Distributor / Sales Agent relationship be terminated, there will be a 30-day grace period to close all pending projects and business in progress. In house acknowledged order will be honored regardless of when shipment is made.

Date:
For:
BIOCOM TECHNOLOGIES

Date:
For:
Distributor: _____

Distribution Protection and Support Policy

The following document is designed to clarify Biocom's relationship and policies with its distributors.

1. The Primary distributor / agent is designated by Biocom based on one or more of the following:
 - a. A written request for quotation, complete with application specifications.
 - b. A request for sales call assistance with a firm schedule set.
 - c. A joint sales call.

A distributor / agent is not considered primary by calling and giving a company name and asking for protection.

2. The first qualified distributor / agent to fulfill any of the criteria in #1 above will then be considered the primary distributor and protected for a period of 90 days. After 90 days, the project is subject to review by Biocom. The protection will be extended in 90 day increments based on the following:
 - a. Distributor / agent project activity
 - b. End user indicated activity
3. If project protection is not extended, the project is open to any other qualified Biocom distributor. Contact Biocom for verification of project status at any time.
4. Conditions under which an additional distributor may quote the project:
 - a. If the customer who was quoted formally requests a second Biocom Quotation from a second distributor, Biocom will consider this request. In this event, the second distributor must submit a completed RFQ form that has been signed and dated by the customer with job title and phone number for Biocom verification. In this event Biocom will continue to offer sales support only to the primary distributor.
 - b. If the customer who was quoted sends written correspondence to Biocom requesting a change in distributor, a change will be made.
5. In the event that Biocom's lead is given to a distributor, the distributor will submit a follow-up report within 7 days. Failing to do so will void Biocom's protection for this account.