



HTE Canada Inc.

30 West Beaver Creek, Unit 10, Richmond Hill, ON L4B 3K1

DISTRIBUTOR APPLICATION FORM

Process this Application online at: <http://www.htecanada.com>

OR

via Fax: (866) 483-8880

Questions? Please Call a Customer Service Representative at: (866) 483-8888

If you would like to register your distributorship under your place of business, the name of your business must go in the section below.

ASSIGNED ID NO.	A
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BUSINESS NAME				BUS. NO.:		
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APPLICANT	FIRST NAME	MI	LAST NAME	<input type="checkbox"/> COMPANY	S.I.N. :	DATE OF BIRTH
				<input type="checkbox"/> MALE	-	-
				<input type="checkbox"/> FEMALE		

SPOUSE	FIRST NAME	MI	LAST NAME	S.I.N. :	DATE OF BIRTH
				-	-

PHONE FAX & E-MAIL	PHONE	FAX	E-MAIL

MAILING ADDRESS

STREET ADDRESS			

CITY	PROVINCE	POSTAL CODE	COUNTRY (If foreign)

SHIPPING ADDRESS (Complete only if different from above)

STREET ADDRESS			

CITY	PROVINCE	POSTAL CODE	COUNTRY (If foreign)

Placement Sponsor (Where applicant will be placed)	FIRST NAME	MI	LAST NAME	ID NO.
				A

The undersigned hereby applies for becoming a Distributor of Hsin Ten Enterprise Canada Inc., (HTE Canada) and acknowledges that he/she:

1. Shall abide by and be subject to the terms and conditions of the Distributor Agreement set forth on the back of this Application and the Policies and Procedures of HTE Canada which can be found in the Manual and are incorporated herein by reference as they are now or may be amended;
2. Shall be entitled to purchase product from HTE Canada, build a sales organization, and enjoy benefits available to all Distributors, in accordance to HTE Canada's Distributor Agreement;
3. Understands that a Distributor does not receive any remuneration from sponsoring other Distributor but that any profits or bonuses will be earned only as a result of the sale of the product set forth in the;
4. Must mail the original copy of this form back to HTE Canada for processing and filing purposes after filing out this form accurately and completely.
5. The term of this Distributor Agreement shall commence on the Date of Acceptance indicated below and shall terminate upon the Anniversary Date if not renewed or, if not terminated sooner as provided in the Agreement, or upon the mailing of a written termination notice.
Distributor has received, read, understands, agrees to be bound by the terms, conditions of this Agreement, all documents referred to herein, as such may be amended upon acceptance by the company

X

Authorized Signature for Distributor

Date

Authorized Signature for HTE Canada

Date

FOR OFFICE USE ONLY

INTERNATIONAL SPONSOR
APP. FORM PROCESSED DATE

DISTRIBUTOR AGREEMENT

This Distributor Agreement (the "Agreement") is made between Hsin Ten Enterprise Canada Inc., a Canadian corporation (hereafter called "HTE CANADA™" or the "Company") and the distributor (hereafter called the "Distributor").

WHEREAS, the Company is engaged in the manufacture and sale of Health & Fitness products and related accessories ("Products") under the trade name and trademark HTE CANADA™; and WHEREAS, the Company desires to sell the Products to customers through nonexclusive independent agents who will maintain the Company's high standards and the integrity of the Products; and WHEREAS, the Company desires to appoint Distributor as a nonexclusive independent agent for the Company, and the Distributor desires to undertake the duties of a nonexclusive independent agent for the Company, upon the terms and conditions set forth herein;

NOW THEREFORE, the parties hereto mutually agree as follows:

SECTION 1. APPOINTMENT. The Company hereby appoints the Distributor and the Distributor hereby accepts appointment as a nonexclusive independent agent authorized to sell the Products on the terms and conditions contained in this Agreement.

SECTION 2. RELATIONSHIP OF PARTIES. The Distributor is an independent contractor and not an employee of the Company and all obligations of the Distributor performed hereunder shall be fulfilled as an independent contractor. In addition, except as specifically provided herein, the Distributor is not the representative or the agent of the Company for any purpose whatsoever and has no power or authority to incur any debt, obligation or liability on behalf of the Company.

2.1 Except as otherwise provided, the Company neither has nor reserves any right or power to exercise any direction, control or determination over the manner, means or methods of the Distributor's activities and objectives in his operations, other than to review the sales results of the Distributor. Unsatisfactory sales results may result in termination of this Agreement pursuant to Section 7.

2.2 As an independent contractor, the Distributor is responsible for filing all necessary federal, provincial and municipal tax returns and paying all applicable income taxes. The Distributor will not be treated as an employee with respect to any services for federal tax purposes and for provincial tax purposes and warrants that he understands his federal, provincial and municipal tax obligations.

2.3 In accordance with Article XVII of the Canada US Income Tax Convention, applicable withholding tax will apply on account of remuneration paid in respect of services performed by an individual Canadian or US distributor, as the case may be, in the other contracting state. Should Article XVII apply to the Distributor, the Distributor agrees to promptly report to HTE CANADA™ before commencement of any business activities related to the sales or promotion of the Products to be carried on by the Distributor in the other contracting state. Furthermore, the Distributor agrees to save harmless HTE CANADA™ for any withholding tax imposed by the contracting state and to reimburse HTE CANADA™ for any withholding tax assessment or reassessment on account of remuneration paid to him by HTE CANADA™ including any interest and penalty thereon, levied by the contracting state.

2.4 The Distributor understands that he is not an employee of the Company, that the Company is not obligated to provide any benefits to him, and that he is not entitled to any benefits except such benefits as the Company chooses to provide to Distributors. The Distributor further understands that he is not entitled to any compensation in connection with the Agreement except for the commission payments provided in Section 5.

2.5 The Distributor shall not sell the Products, nor shall sales, services or repair work be subcontracted for or with, or sales commissions shared with, or paid to, non-authorized people.

2.6 The Distributor shall not directly or indirectly promote, represent, distribute, sell or purchase for resale any products that compete with the Products.

2.7 All sales promotion expenses, selling expenses and any other incidental expenses incurred by the Distributor in selling the Products, including but not limited to transportation costs and repair and servicing costs for any Products used by the Distributor for demonstration purposes, are the sole responsibility of the Distributor.

2.8 Important Notice: All income examples and illustrations found in the HTE CANADA™ Marketing Plan (the "Marketing Plan") are included for illustration and explanatory purposes only. They are intended to show how the HTE CANADA™ program functions and how payments within the structure of the Marketing Plan are calculated. They are not put forward as representations regarding the compensation actually received or likely to be received by typical participants or prospective participants in the Marketing Plan. Nor are they intended to suggest that achievement of any particular results will be easy or even possible in all circumstances. Each individual's success depends solely on his or her individual efforts. HTE CANADA™ reserves the right to amend the content of this Marketing Plan as it deems necessary. Amendments will be published as appropriate.

SECTION 3. PRICES AND TERMS.

3.1 Prior to the completion of any sale, the Distributor shall disclose to a prospective purchaser the company's warranty applicable to the Product and request that the prospective purchaser to read it. The Distributor shall not make any representation, warranty or guarantee with respect to any Product, unless expressly authorized in writing by the Company to do so. The Distributor recognizes that the only warranty applicable to a Product is that written warranty specifically provided by the Company. The Company shall have the right to modify its standard warranty on any Product from time to time.

3.2 The Distributor shall use only promotional and sales materials and forms supplied by the Company. The Distributor acknowledges that the Company's names, trademarks, patents, trade names, slogans, symbols and colour schemes are the property of the Company, and the Distributor shall not use or display names, trademarks, patents, trade names, slogans, symbols and colour schemes of the Company or permit the same to be displayed in connection with any other business to be carried on by the Distributor.

SECTION 4. PROCEEDS OF SALE.

4.1 All proceeds of sales of Products sold by the Distributor shall be for the benefit and the account of the Company.

4.2 The Distributor shall account to the Company for each sale of Products in the manner and at the time specified by the Company from time to time.

SECTION 5. COMMISSIONS. As full compensation for the Distributor's performance under the Agreement, the Company shall pay to the Distributor a commission in the amount, in the manner and at the time specified by the Company in the Marketing Plan.

SECTION 6. ACCOUNTING.

6.1 Upon termination of the Agreement, the Distributor a) may, at Distributor's cost, return unencumbered, unopened inventory, which is reusable and resalable, and which has been purchased within one (1) year of the submission of the termination notice, and the Company will refund 90% of the net cost of the Product to the Distributor (unless modified by any applicable provincial statute), and the Company will also repurchase the initial mandatory sales materials that are returned, postage prepaid, in a resalable and reusable condition; and b) shall cease to hold himself out to the public as a person entitled to sell or service the Products or to represent the Company in any other manner.

6.2 The Company shall, within a reasonable time after the termination of the Agreement, render a detailed accounting to the Distributor of any amount to which the Distributor may be entitled from the Company or any amount with the Distributor may owe to the Company. The amount so specified shall immediately become due and payable by the one party to the other.

SECTION 7. TERMINATION. Either party shall have the right to terminate this Agreement at any time, with or without cause and with the written notice to the other party. Termination of the Agreement shall not operate as cancellation of any indebtedness owing to one party by the other at the time of such termination except as noted in the Leadership Benefits section of the Marketing Plan. Upon termination, the Distributor and the Company shall render an accounting to each other in accordance with Section 6.

SECTION 8. WAIVER. Neither the waiver by either party hereto of a breach of or a default under any of the provisions of the Agreement, nor the failure of either party, on one or more occasions, to enforce any of the provisions of the Agreement or to exercise any right or privilege hereunder shall thereafter be construed as a waiver of any subsequent breach or default of a similar nature, or as a waiver of any such provision, rights or privileges hereunder.

SECTION 9. COMPLETE AGREEMENT AND NONASSIGNABILITY. This Agreement represents the complete agreement between the parties, and supersedes all previous agreements. The Agreement is personal to the Distributor and may not be assigned by the Distributor without the written consent of the Company. The Company may, however, in its sole and unfettered discretion, and upon such terms and conditions as the Company may require, permit the assignment of this Agreement by the Distributor to a corporation controlled by the Distributor or to a person or entity which acquires all of the assets of the Distributor's business pursuant to this Agreement. In the event of any such permitted assignment, without limiting the generality of the foregoing, the assignee shall assume all of the liabilities of the Distributor's said business. The Company may assign its rights under this Agreement to any successor corporation or to any person or entity which acquires all or a substantial part of its assets and business undertaking.

SECTION 10. APPLICABLE LAW AND SEVERABILITY. This Agreement shall be governed and construed by the laws in force in the Province of Ontario. If any provision of the Agreement is unenforceable or invalid, the Agreement shall be ineffective only to the extent of such provision and the validity of the remaining provisions of the Agreement shall not be affected. The right to amend the content of this Agreement is reserved by the Company, and amendments may be published when deemed necessary.