

Bee Product Purchasing Contract China

by

Party A: Name of the Company

Party B: Beekeeping Cooperative

Party A and Party B have witnessed the major progress in bee product production and experienced favorable results through their mutual cooperation in 2003. To further promote the cooperation in 2004, the two parties, after the full consultation and under the principle of “mutual benefits, mutual assistance and joint development”, have agreed the following terms of this contract:

I. Product Description, Quantity and Quality

1、 Party B shall deliver to Party A each year 150 tons of honey, 15 tons of royal jelly and 2 tons of bee pollen, all in good quality and valued at around _____ yuan. The product description and delivery timetable are listed below:

- a. Rape honey from 10th to 25th April (starting from the second honey harvest);
- b. Black locust honey from 1st to 25th May;
- c. Linden honey from 1st to 25th July;
- d. Chaste honey from 15th July to 15th August;
- e. Bee pollen, mainly lotus and tea pollen;
- f. Fresh royal jelly, to be delivered according to schedule prescribed by Party A.

2、 Honey shall be pure and free from antibiotics, bad smell and foreign matters. It shall have a concentration of over 38 °Bé and meet all the requirements prescribed in the new industrial standard.

3、 Royal jelly shall be fresh, pure and free from discolouring, bad smell and any additives. It shall meet all the physical and chemical requirements prescribed in the new industrial standard. Royal jelly shall be kept frozen in the collection centers.

4、 Bee pollen shall preferably be free from foreign matters, soil or sand, and discolouring. It shall meet all the requirements prescribed in the new industrial standard. Purity shall reach 95% or over.

5、 Party A shall adopt a policy of “high price for good quality” for bee products delivered by Party B to encourage the production of high quality, contamination-free bee products. A baseline price is set based on 38 °Bé honey and the price goes up by RMB 0.1 yuan when honey concentration increases by every 1 °Bé. Another 10% premium based on real-time market price is offered to Party B as an incentive for the good quality products. During the contracted period, 5 % will be paid immediately upon delivery while the rest

5% will serve as quality guarantee and only be paid in lump sum at the end of the year upon expiration of the contract.

II. Quality Control and Payment

1、 At the beginning of the year, Party B shall report to Party A relevant production information including the migration routes. Upon arriving at a new nectar source, Party B shall make an assessment of the flowering plants, size of the bee colony, weather conditions and yield of various bee products for the current flowering period and report to Party A in a timely manner so that Party A can make necessary preparation for purchasing.

2、 Party B is responsible for the collection, preliminary examination and numbering of all bee products as well as their transportation to the purchasing stations designated by Party A. The cost for short-distance transportation to the collection centers shall be paid by Party B, and the cost for transportation from the collection centers to the purchasing stations designated by Party A shall be paid by Party A. If somebody is hired to escort the shipment for special reasons, he shall be paid by Party A.

3、 For all bee products, Party B must use unused, toxic-free and contamination-free plastic pails (containers) of standard size. Plastic pails for honey shall be provided by Party A, or purchased by Party B locally, the cost of which will be paid by Party A. Containers and anti-contamination plastic bags for royal jelly and the packages for bee pollen shall be provided by Party B itself. To ensure quality control, Party A shall provide Party B standard measuring tools, which shall be returned to Party A upon expiration of the contract. Party B is responsible for financial compensation for any possible damage to these measuring tools.

4、 Party B shall be paid by either on-the-spot payment or promissory note, depending on Party B's choice. If Party B chooses to collect the payment later, Party A shall provide a receipt and pay interest at 0.4% of monthly interest rate starting from the issuance of this receipt. To provide financial support to Party B in the early stage of the contracted period, Party A shall provide Party B with _____ yuan as temporary working capital before 21 March, which shall be deducted from the final payment.

III. Rights and Obligations for Both Parties

1、 Party B's bee farm shall be renamed as “_____” and adopt standard names, labels and signs. Appliances and tools used by Party B shall go through necessary transformation and modification according to Party A's requirements, and the cost shall be paid by Party A.

2、 Party B must show due respect to the corporate image when using the “_____” brand and refrain from selling fake or inferior products, doing anything that may bring shame to the corporate image or engaging in illegal activities in the name of Party A.

Should the above-mentioned acts occur, Party B shall compensate Party A in the amount _____ yuan for the damage to the corporate image and take all the consequent legal and financial responsibilities.

3、 Party B must deliver bee products in full amount as prescribed in this contract with the exception of failure caused by conditions beyond its control. Before meeting the targets laid down in this contract, Party B shall not sell qualified products to any third party, nor deliver to Party A products produced by other non-contracted parties. In case of default, Party B shall pay Party A _____ yuan as default penalty.

IV. This contract shall become effective upon signature by both parties and shall be strictly followed by both parties. Other matters not covered in this contract shall be resolved through friendly consultation between both parties or by the people’s court decision.

This contract is made in two originals with each party keeping one original.

Signature:

Party A: Name of the company

Signature:

Party B: Beekeeping Cooperative

Date: