

Standard Distributor Agreement

This Distributorship Agreement ("Agreement") is effective August 1, 2013, by and between ("Distributor") GEKKO & CO., with principal offices located at 6-10-1 Nishi-Shinjuku, Shinjuku, Tokyo, 160-0023 Japan, and YEI Corporation ("YEI"), with principal offices located at 630 Second Street, Portsmouth, OH 45862. YEI desires to appoint Distributor, and Distributor desires to accept appointment, as a distributor of YEI products within a defined area as set forth herein.

Therefore, in consideration of the mutual agreements and promises set forth herein, it is agreed:

Rights Granted

YEI hereby grants to Distributor the non-exclusive right, on the terms and conditions set forth herein, to purchase, inventory, promote and resell YEI "Products" (as defined below) within the following area (the "Territory"): Japan.

YEI shall endeavor to refer all customers within the Territory to one or more licensed Distributors and encourage customers and potential customers to enter into a sales relationship with licensed Distributors. However, nothing herein shall prevent or prohibit YEI or another party from selling any of YEI Products directly to customers in the Territory upon customer request. Further, YEI shall continue to actively solicit and sell YEI products to customers and distributors outside of the Territory.

Products

The term "Products," in this Agreement, shall mean the products, related service parts and accessories manufactured and/or sold by YEI as follows: YEI 3-Space Sensors, YEI 3-Space HiPerGyro, and related accessories and software.

Terms of Sale

All sales of Products to Distributor shall be made pursuant to this Agreement at such prices and on such terms, as YEI shall establish from time to time with at least thirty (30) days written notice. All prices are FOB Portsmouth, Ohio, USA. Risk of loss due to damage or destruction of Products shall be the responsibility of the Distributor after delivery to the carrier for shipment. YEI will select the shipper unless Distributor requests a reasonable alternative. All orders are subject to acceptance by YEI. Except as otherwise expressly agreed by YEI in advance, this Agreement shall control all aspects of the dealings between the parties with respect to Products and any additional or different terms in any Distributor order are hereby rejected unless the parties specifically agree to them in advance of shipment and mutually sign another agreement to that effect.

Payment

Distributor shall pre-pay all orders until satisfactory credit has been established, solely subject to YEI's determination. If YEI subsequently grants credit to Distributor, all charges made shall be due within thirty (30) days after the date of YEI's invoice. YEI shall provide Distributor with an initial credit limit and orders over that amount must be pre-paid to the extent they exceed the credit limit. YEI shall periodically review Distributor's credit limit, at Distributor's request, and raise the credit limit, subject to YEI's sole discretion and authority. Payment shall be made as shown on the invoice via EFT, wire transfer or other payment mechanism offered by YEI. YEI

Relationship of the Parties

The relationship between YEI and Distributor is that of vendor and vendee. Distributor, its agents and employees shall, under no circumstances, be deemed employees, agents or representatives of YEI. Distributor will not modify any Products without written permission from YEI. Neither Distributor nor YEI shall have any right to enter into any contract or commitment in the name of, or on behalf of the other, or to bind the other in any respect whatsoever.

Term and Termination

Unless earlier terminated as provided within, the term of this Agreement shall commence on August 1, 2013 (Date) and shall continue until July 31, 2016 (Date). At the end of the term, the Agreement shall continue until terminated by either party with at least 180 days prior notice.

YEI may terminate this Agreement immediately upon notice to Distributor on any of the following events:

- (1) Failure of Distributor to fulfill or perform any one of the duties, obligations or responsibilities of Distributor in this Agreement, which failure not cured within 30 days' notice from YEI;
- (2) Any assignment by Distributor of any interest in this agreement or delegation of Distributor's obligations without YEI's written consent;
- (3) Any sale, transfer or relinquishment, voluntary or involuntary, by operation of law or otherwise, of a material interest in the direct or indirect ownership of Distributor;
- (4) Failure of Distributor for any reason to function in the ordinary course of business;
- (5) Conviction in a court of competent jurisdiction of Distributor, or of a significant partner, principal officer or major stockholder of Distributor for any violation of law that, in YEI's opinion, could adversely affect the operation or business of Distributor or the good name, goodwill, or reputation of YEI, Products, or Distributor; or
- (6) Submission by Distributor to YEI of fraudulent reports or statements, including, without limitation, claims for any refund, credit, rebate, incentive, allowance, discount, reimbursement or other payment by YEI.

Obligations on Termination

On termination of this Agreement, Distributor shall cease to be an authorized distributor. All amounts owing by Distributor to YEI shall, notwithstanding prior terms of sale, become immediately due and payable. All unshipped orders shall be canceled without liability of either party to the other. Neither party shall be liable to the other because of such termination for compensation, reimbursement or damages on account of the loss of prospective profits or anticipated sales, or on account of expenditures, investments, lease or commitments in connection with the business or goodwill of YEI or Distributor or for any other reason whatsoever growing out of such termination. Both parties shall exert their best efforts to end the relationship amicably upon termination.

Notices

Any notice required by this Agreement or given in connection with it, shall be in writing and shall be given to the appropriate party by recognized commercial delivery service, with proof of delivery.

If to YEI: YEI Technology
 630 Second Street
 Portsmouth, OH 45662
 ATTN: Francesca Hartop

may impose a late payment charge of 10% of the invoice amount plus one and one-half percent (1.5%) per month on any overdue unpaid balances.

Marketing Policies

Distributor will at all times maintain adequate inventories of Products and will promote vigorously and effectively the sale of Products through all channels of distribution prevailing in the Territory. Distributor will use its best efforts to sell Products to suitable buyers, representing Products honestly and completely, and providing satisfactory consumer service throughout Distributor's Territory. Distributor may not, under any circumstances, charge back YEI for unpaid invoices by a customer of Distributor, or for returns of Product to Distributor by Distributors' customers.

Distributor's General Duties

Distributor shall maintain a place of business in the Territory, including suitable facilities or field representatives to display and warehouse Products. Distributor shall provide use/support service for Products sold in the Territory, using qualified personnel and subject to service policies satisfactory to YEI.

Distributor shall hire sales personnel or appoint representatives to introduce, promote, market and sell YEI's Products in the Territory. Distributor shall adequately train such personnel and/or representatives. Distributor shall employ sufficient numbers of sales personnel and/or representatives to market Products in the Territory.

Sales Policies

YEI may cancel this Agreement, with 60 days' notice, in the event that Distributor fails to satisfactorily comply with Distributor's General Duties and Marketing Policies. YEI may also cancel this Agreement with 90 days' notice if, at YEI's sole discretion, an Exclusive Distributor with Distributor or another party becomes preferable for the Territory.

YEI will provide Distributor with merchandising assistance from time to time in the form of advertising programs, product and sales training, and field sales assistance.

Advertising Policies

YEI will cooperate with Distributor in providing for effective advertising and promotion of Products throughout the Territory. YEI shall provide to Distributor all sales materials that YEI develops for general customer use. Distributor agrees to provide necessary translation services that accurately portray and represent Products. Nothing herein shall prevent Distributor from separately advertising and marketing the Products within the Territory, provided the form and content of the advertising or marketing materials are approved by YEI in advance or are substantially the same as product representations made by YEI in its Product literature.

Warranty Policies

If any of Products are proven to YEI's satisfaction to have been defective at time of sale to Distributor, YEI will make an appropriate adjustment in the original sales price of such product or, at YEI's election, replace the defective product. YEI shall provide to Distributor information with respect to YEI's limited warranty extended to the original consumer of Products. YEI MAKES NO WARRANTY TO DISTRIBUTOR, OR ITS CUSTOMERS, WITH RESPECT TO THE PRODUCTS, EITHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

Indemnification

YEI agrees to protect Distributor and hold Distributor harmless from any loss or claim arising out of inherent defects in Products existing at the time such product is sold by YEI to Distributor, provided that Distributor gives YEI immediate notice of any such loss or claim and cooperates fully with YEI in the handling thereof.

Distributor agrees to protect YEI and hold YEI harmless from any loss or claim arising out of the negligence of Distributor, Distributor's agents, employees or representatives in the installation, use, sale or servicing of Products or arising out of any representation or warranty made by Distributor, its agents, employees or representations with respect to Products that exceed YEI's limited warranty.

Order Processing and Returns

YEI will employ its best efforts to fill Distributor's orders promptly on acceptance, but reserves the right to allot available inventories among distributors and end user customers at its discretion.

Except for Products that are defective at the time of sale to Distributor, YEI shall not be obligated to accept any of YEI's Products that are returned. In the event such returns are accepted, YEI may impose a reasonable restocking charge.

Financial Policies

Distributor acknowledges the importance to YEI of Distributor's sound financial operation and Distributor expressly agrees that it will:

- Maintain and employ in connection with Distributor's business and operations under this Agreement such working capital and net worth as may be required to enable Distributor properly carry out and perform all of Distributor's duties, obligations and responsibilities under this Agreement;
- Pay promptly all amounts due YEI in accordance with terms of sale extended by YEI from time to time;
- Furnish YEI with financial statements in such form as YEI may reasonably require from time to time for credit purposes; and
- Furnish, at YEI's request, a detailed reconciliation of YEI's statements of account with Distributor's records, listing all differences, and showing net amount Distributor acknowledges to be due YEI.

In addition to any other right or remedy to which YEI may be entitled, shipments may be suspended at YEI's discretion in the event that Distributor fails to promptly and faithfully discharge each and every obligation in this Section.

Use of YEI's Name

Distributor will not use, authorize or permit the use of, the name or any other trademark or trade name owned by YEI as part of its firm, corporate or business name in any way. Distributor shall not contest the right of YEI to exclusive use of any trademark or trade name used or claimed by YEI. Distributor may, subject to YEI's policies regarding reproduction of same, utilize YEI's name, trademarks and logos in advertising, on stationery and business cards, or on its website.

If to Distributor:

No Waiver

The waiver or failure of either party to exercise in any respect any right provided in this agreement shall not be deemed a waiver of any other right or remedy to which the party may be entitled.

Entirety of Agreement

The terms and conditions set forth herein constitute the entire agreement between the parties and supersede any communications or previous agreements with respect to the subject matter of this Agreement. There are no written or oral understandings directly or indirectly related to this Agreement that are not set forth herein. No change can be made to this Agreement other than in writing and signed by both parties.

Governing Law

This Agreement shall be construed and enforced according to the laws of the State of Ohio, County of Scioto, City of Portsmouth, and any dispute under this Agreement must be brought in this venue and no other.


Headings in this Agreement

The headings in this Agreement are for convenience only, confirm no rights or obligations in either party, and do not alter any terms of this Agreement.

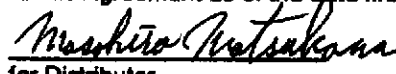
Severability

If any term of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, then this Agreement, including all of the remaining terms, will remain in full force and effect as if such invalid or unenforceable term had never been included.

In Witness whereof, the parties have executed this Agreement as of the date first written above.



for YEI
Accountant
Title



for Distributor
CEO
Title

YEI Technology Distributor Business Information Sheet

Please provide the following basic information about your company. Attach additional sheets if necessary.

Distributor Name:

GEKKO & CO.

Principal Contact:

Masahiro Matsukawa

Address:

Nittochi Nishi-shinjuku Bldg. 8th Floor

6-10-1 Nishi-shinjuku

Shinjuku, Tokyo, 160-0023 Japan

Phone Number:

Fax Number:

Email Address:

tips@redstar.co.jp

Company Legal Structure:

a joint-stock company (corporation)

Incorporation or Start Date:

November 15, 1996

Incorporation State/Country:

Japan

Principal Officers:

Masahiro Matsukawa

List all Company Locations:
(Place a * by the Main or Corporate Office)

Tokyo, Japan

Publicly or Privately Held?

Privately

Trading Symbol if Public:

Redstar

Distributor's Marketing Information

Distributor: Attach marketing information that you will be using to promote YEI products, if they are different than the materials provided by YEI. We will review the information to ensure that all products are appropriately represented. Changes to this information should be updated prior to significant change.

Distributor Web Page: http://www.redstar.co.jp

Sales Territor(ies) to be Serviced: Japan

Does Distributor use outside, non-employee sales representatives? YES NO

If yes, please briefly explain who these sales representatives report to at Distributor's company, and how sales representatives are trained in product support issues.

Distributor Request for Customized Marketing Materials

Product Sheets: YES NO

Please review the product sheets on our webpage for those items you will be offering. If you would like customized versions with your contact information, and/or language translations, please specify.

Customized Graphics/Images: YES NO

If you would like any customized graphics/images for use on your webpage or other advertising links, please specify.