

REAL QUIK'S INTERESTS

Real Quik is interested in not paying the liquidated damages as per the Termination Clause of the Distribution Agreement as it could not perform its obligations due to implementation of Bill 275 in Gondwana. Real Quik is willing to cooperate with Nanyu Tobacco and preserve the Distribution Agreement and their relationship, only if the same is amended according to the requirements of Bill 275.

NANYU TOBACCO'S LIKELY INTERESTS

It is very likely that Nanyu Tobacco is interested in preserving the Distribution Agreement as well as its long lasting relationship with Real Quik. It is also likely the Nanyu Tobacco is interested in being compensated for the termination by Real Quik as per the Termination Clause of the Distribution Agreement.

RESPONSIBILITY SHARING

Mr. Mancuso will put forward the interests of Real Quik (and positions), make settlement offers to Nanyu Tobacco and finally decide whether a deal is acceptable. Mr. Worthington will be responsible for addressing all legal issues and will provide an objective leverage to the negotiation position of Real Quik.

MEDIATION STRATEGY

In the opening statement, Mr. Mancuso will outline his perception of the issues and respective interests. If necessary, Mr. Worthington will finish the opening statement by presenting the legal case by adding concluding comments. During the negotiation phase, Real Quik is prepared to work towards either (I) ending the business relationship with Nanyu Tobacco entirely or (II) preserving the relationship by amending the Distribution Agreement in accordance with Bill 275. With regard to the first proposal, Real Quik is prepared to

terminate the Distribution Agreement as it is impossible for them to perform their obligations stated in the same. With regard to the second option, Real Quik is willing to continue with the relationship with Nanyu Tobacco but this is contingent on two main factors. The first being amendment of the terms of the Distribution Agreement in conformity with Bill 275 and the second being not to be held responsible for non – performance of its obligations as Bill 275 was a regulation of the State of Gondwana; beyond their control. However, in order to resolve the dispute amicably _____