

**REPRESENTATION PLAN OF REAL QUIK CONVENIENCE STORES  
LTD.**

**Facts and nature of the dispute**

Conglomerated Nanyu Tobacco Ltd. (hereinafter 'Nanyu') and Real Quik Convenience Stores Ltd. (hereinafter 'Real Quik') entered into a distribution agreement in 2010 for the distribution of Tobacco products manufactured by 'Nanyu' in Gondwana for a period of 10 years. Pursuant to the agreement, Nanyu would sell all its products to Real Quik to sell and display at fixed prices in the Gondwana market. In 2012, the Gondwana senate passed Bill 275 which imposed packaging restrictions on tobacco products sold in Gondwana in furtherance of its aim to introduce far reaching reforms to tobacco regulation in Gondwana. Pursuant to the bill being passed the Gondwana tobacco industry experienced a 30% decline in sales through all channels. Nanyu in particular suffered a 25 % decline in sales along with incurring manufacturing and developmental costs. In 2013, Real Quik notified Nanyu that due to the new government regulations, it would no longer be able to perform its obligations as per the distribution agreement and would therefore be terminating the contract.

**Issues to the dispute**

The dispute is both commercial and legal. The parties differ on the question of the new regulations enforced by the Gonwana Senate that imposed packaging restrictions on Tobacco products being sold therein. What deepened the gap between the parties were the accruing financial losses that resulted from the suspension of performance under the Distribution agreement.

### **Real Quik Convenience Store Ltd' interests**

1. Real Quik is interested in continuing to perform its obligations as per the distribution agreement and to act as a distributor to Nanyu in Gondwana.
2. Moreover, Real Quik intends to renegotiate the distribution agreement in compliance with the new regulations, if any.
3. It is in the interest of Real Quik that the negotiated price premium of 20% paid by Real Quik be reduced to a more agreeable price.
4. Lastly, Real Quik is interested in reducing the time period of the agreements signed between Real Quik and Nanyu in order to avoid existential losses in the future.

### **Mediation Strategy and Responsibility Sharing**

Real Quik wishes to start the mediation by preparing an agenda to the issues it wishes to discuss.

Real Quik intends to discuss the new regulations enforced by the Gondwana senate as it has had a considerable impact on the Tobacco market in Godwana. Real Quik would then like to discuss the issue of the premium being paid to Nanyu as per the distribution agreement. Real Quik is interested in continuing the business relationship between Nanyu and itself and therefore would like to renegotiate the time period of the distribution agreements in order to avoid losses to any of the parties in the future.

Charlie Mancuso, the CEO of Real Quik Convenience Store Ltd. shall be conducting the negotiations Therefore as CEO of Real Quik, he will be responsible for discussing the material and economic aspects of the issues that are going to be discussed. He will work on preserving his company's interests. The lawyer will be responsible for the legal framework of any arrangements

and will back his client whenever necessary; however he will play a subsidiary role in the mediation.