

Dealer Agreement

This Dealer Agreement (the "**Agreement**") is made by and between Innovative Products, Inc. (hereafter "**IPI**"), a Tennessee Corporation with a principal business address of PO Box 32935, Knoxville, Tennessee, 37930 and _____ (hereafter "**Dealer**") a _____ Corporation LLC Partnership Sole Proprietorship with a principal business address of _____, _____, _____.

IPI and Dealer may each be referred to as a "**Party**" or collectively the "**Parties**." The Parties, as evidenced by the signatures of their authorized representatives herein below, agree as follows:

1. **Appointment and Term**

1.1. As of the date of the Party last signing this Agreement as set forth below (the "**Effective Date**"), and subject to all covenants of this Agreement, Dealer is appointed as an authorized Dealer for IPI for the products manufactured by IPI subject to this Agreement identified below. Incorporated into and made a part of this Agreement is Dealer's completed IPI Dealer Application which Dealer represents to be true and complete.

1.2. This appointment is personal to Dealer, and Dealer may not assign or transfer its rights or obligations under this Agreement. IPI may freely transfer its rights and obligations under this Agreement to any purchaser of IPI or its assets.

1.3. The Term of this Agreement is from the Effective Date until terminated by a Party as provided by this Agreement.

2. **No Exclusive Territory**

2.1. By this Appointment, Dealer has no exclusive territory (geographical, internet presence, area of influence, customers, or otherwise). IPI makes no disclosure or representation to Dealer as regards the proximity of Dealer's location or areas of operation in proximity to any other Dealer or vendor of IPI products, however described. Further, IPI may freely establish hereafter other Dealers or vendors, however described, for IPI products, in any tangible or intangible proximity to Dealer.

3. **IPI Products Subject to this Agreement**

3.1. Dealer shall be an authorized Dealer for IPI's "**Magnetic Mic™**" product, and related accessories.

3.2. By subsequent amendment to this Agreement as decided by IPI in its sole discretion, the Parties may agree to have Dealer also become a Dealer for any other products manufactured or sold by IPI. In such event, the terms "IPI product(s)" or "product" as used in this Agreement shall also apply to any and all IPI products to which Dealer hereafter becomes authorized to sell.



4. **Dealer Pricing – Minimum Order Quantity**

4.1. As a Dealer for IPI, Dealer shall be entitled to purchase IPI products from IPI pursuant to IPI's "Dealer Pricing" for the prices and minimum quantities as established from time-to-time by IPI, which IPI reserves the right to change hereafter. As of the Effective Date of this Agreement, Dealer's current Dealer Pricing and related minimum quantities for orders is set forth as the "**Dealer Pricing Page**" on IPI's website, (www.magneticmic.com/dealer-pricing) which Dealer Pricing Page as it exists now and as it may be modified over time by IPI is incorporated into and made a part of this Agreement.

4.2. All Dealer Pricing is in US dollars and FOB at IPI's facility in Hudson, Ohio. Dealer is responsible for the cost of shipping on all orders. IPI will not ship orders using a Dealer's shipping account, regardless of what a Purchase Order indicates, unless otherwise notified.

4.3. Dealer Pricing is net of any applicable sales tax, use tax, tariff, customs duty, or governmental fee attendant to Dealer's purchase and shipping of orders (collectively the "**Taxes and Customs**"). Dealer agrees to remit payment of all applicable Taxes and Customs in Dealer's jurisdiction attendant to any of its orders where IPI does not collect such Taxes and Customs from Dealer at the time of order or pay as part of Dealer's order such Taxes and Customs as IPI may be required to collect from Dealer at the time of Dealer's order. Dealer agrees to reimburse IPI for any Taxes and Customs attendant to Dealer's orders which IPI may be required to pay at any later date following Dealer's order.

4.4. All Dealer Pricing information is confidential and Dealer shall not disclose said Dealer Pricing with anyone other than those working in Dealer's organization on a need-to-know basis.

4.5. In the event of a change by IPI in Dealer's Dealer Pricing or minimum quantities for orders, IPI will send notification to Dealer via US mail or email or update the Dealer pricing that can be found at www.magneticmic.com/dealer-pricing (Dealer must be logged into their account to access this page).

4.6. Should Dealer seek and obtain a quote from IPI, all prices and quantities listed on such quotes is valid only for thirty (30) days unless otherwise specified.

5. **Product Orders and Payment**

Dealer may order IPI products via IPI's website, email, or by phone.

5.1. Payment Terms. All orders are to be pre-paid via Dealer's credit card acceptable to IPI, via PayPal, or via Check. Dealer may apply for credit terms at any time, however, Credit Terms are not considered by IPI until Dealer has been active for no fewer than 12 months.

5.2. Orders via Website. Dealers may open an account and order product via IPI's website(s) (Example: www.magneticmic.com) following the protocols on the website and thereafter logging into Dealer's account via the Dealer Login portal and place orders by following the prompts therein.

5.3. Orders via Email. Dealers with credit terms may order products via email sent to orders@magneticmic.com. All email orders must include the following information: Dealer name, purchase order number, product item numbers, item quantities, item price (if price is not shown, the current price will be applied), bill to address, ship to address, contact email address, contact phone number, and other relevant information.

5.4. Orders via Phone. Orders may be placed by phone to IPI's phone number (865) 332-9715. Promotional discounts and offers may not be available when ordering by phone. Purchase orders are not accepted by phone.



5.5. Order Confirmations. All order confirmations will be automatically sent by email to Dealer. Once received, order confirmations should be reviewed for accuracy.

6. **Shipment**

6.1. US and Canada. All orders shipped within the United States and Canada will be shipped via "UPS ground shipping" unless expedited shipping is requested. All shipping costs are automatically added to the order. It is the Dealer's responsibility to notify IPI if certain common carriers do not deliver to the specified address.

6.2. International. International shipments, other than to Canada, will be shipped as determined by IPI in its sole discretion.

6.3. Notifications. Shipment notifications will be sent to Dealer via email.

6.4. Drop Shipments. IPI will drop ship any order as directed by Dealer.

6.5. Risk of Loss. IPI shall not be responsible for loss to any shipment tendered to a common carrier for pick up at IPI's facility.

7. **Product and Product Packaging**

7.1 For products not installed by Dealer, but instead sold to another, Dealer shall only re-sell product that is in its original packaging along with the IPI Limited Customer Warranty, any instructions, and other original product related contents and paperwork (collectively the "**Product Packaging**"). When the product is installed by Dealer, Dealer shall promptly deliver to Dealer's customer all Product Packaging.

7.2. Altering Product. The Dealer is prohibited from reselling any IPI product(s) under a different label/brand. Furthermore, the Dealer is prohibited from removing, defacing, or altering branding on any IPI product(s), packaging, or marketing materials. The Dealer is prohibited from altering the physical attributes of the product(s) in any manner.

8. **Minimum Advertised Pricing Policy**

8.1. Introduction. In order to maintain and grow brand identity for IPI products, emphasized through advertising and marketing by both IPI and Dealer, IPI has established a Minimum Advertised Price (hereafter "**MAP**") for all its products.

8.2. MAP Pricing and Policy. The MAP for each of IPI's products is set forth on the Dealer Pricing Page and as may be amended hereafter by IPI. Dealer's advertised prices for IPI products must be at or above MAP (hereafter the "**MAP Policy**"). Dealer is not required to list prices in advertising; however if a price is listed, it must be at or above MAP.

8.3. Pricing Statements. Pricing statements such as "call for price" or "call for quote" are permitted. However, other problematic statements such as "add to cart", "add to cart to see price", "see price in cart", or "click here to see our low price" are not acceptable. Dealer may offer special "deal specific" pricing on a case-by-case basis, so long as this fact is not publicly advertised. IPI's MAP Policy applies to advertising placements, including but not limited to print ads (inserts, magazines, newspapers, catalogs, mail order catalogs, etc.); broadcast (radio and TV); direct mail; faxes; internet placement with third parties (banner ads, broadcast emails, destination pages, third-party sites); internet placements on Dealer's own website; social media sites (Facebook, Twitter, YouTube, etc.); mobile applications (Instagram, Snapchat, etc.) and any flyers, posters, or coupons. Price matching statements are acceptable for so long as MAP is not violated.



8.4. Internet Pricing. Dealer is responsible for ensuring its pricing is at or above MAP on internet search engines. **WARNING:** Online sales and marketing strategies that result in Dealer's advertised pricing being displayed as below MAP are prohibited. For example, in certain cases, the "add to cart" or "click here to see our low price" strategies will result in MAP violations because Google Checkout will advertise the last price paid for a product. Therefore, when IPI products are sold at prices below MAP, an advertising event is created to the next consumer because they see the product and the "last price sold" without having to "add to cart". This type of inadvertent price dissemination is NOT PERMITTED and Dealer must proactively monitor all such activity.

8.5. Free offers. Dealer may offer free shipping and/or handling, 0% financing, and offer to pay a customer's Taxes or Customs, if applicable. Dealers may give away a single IPI product per customer as a "sample" as part of a promotion of Dealer's other products.

8.6. Failure to Comply with MAP. Dealer's violation of the MAP Policy, whether unintentional or intentional and/or by a single occurrence or several occurrences may result in termination of this Agreement.

9. **Limited Warranty to Dealer's Customers**

9.1. Each original end-user of IPI products (hereafter the "Original Customer") shall have the Limited Customer Warranty as it appears on IPI's website at the time of Original Customer's purchase of the product from Dealer or as such Limited Customer Warranty may be set forth in any packaging or materials given by Dealer to the Original Customer at purchase. As of the Effective Date of this Agreement, IPI's current Limited Customer Warranty is as set forth on IPI's website, which Limited Customer Warranty as it exists now and as it may be modified over time by IPI is incorporated into and made a part of this Agreement. The Limited Customer Warranty is subject to change without notice.

10. **Limited Warranty to Dealer**

10.1. Inspections. Dealer must inspect all products received within thirty (30) days of receipt of shipment and within that time frame notify IPI by email of any issues concerning defects in product materials and workmanship.

10.2. Generally. IPI warrants to Dealer that all IPI products sold to Dealer are free from defects in material or workmanship. This limited warranty is limited to twelve (12) months from the date of delivery of the products to Dealer. IPI's obligations to Dealer under this limited warranty and the sole remedy for its breach are limited to repair, at IPI's manufacturing or assembly facility, of any part or parts of the product which are proven to be defective or, in IPI's sole discretion, refund or replacement of such product.

10.3. Other Provisions. This limited warranty to Dealer is subject to the same Limitations and Exclusions; Claims Procedure; Review Process, and Miscellaneous provisions as set forth in IPI's Limited Customer Warranty, as it exists at the time the IPI products in question were delivered to Dealer.

11. **Voluntary Returns**

11.1. Dealer may return products to IPI, not otherwise subject to a warranty claim only with the advanced agreement of IPI. To the extent IPI agrees to accept return of such product, Dealer shall return the product to IPI with all original packaging, tags, stickers, paperwork, and other related contents; with shipping pre-paid by Dealer (and insured by Dealer as Dealer may decide); and with proof of purchase of said products reflecting the purchase price paid by Dealer. Within 4-6 weeks of receipt by IPI of the products which IPI has agreed to accept return, IPI will refund or issue credit to Dealer for Dealer's purchase price less a twenty percent (20%) re-stocking fee.



11.2. To gain pre-approval for any return, Dealer should email such request to IPI at support@magneticmic.com. All approved returns should be shipped to: Innovative Products, Inc. Attn: Returns, 564 E Hines Hill Rd., Building B, Hudson, OH 44236.

11.3. Returning merchandise nullifies Dealer's ability to take advantage of any associated promotions or rebates applicable to said products.

12. **Proprietary Rights – License**

12.1. The function, design, trade-dress, and appearance of all IPI products, whether /subject to patent are not, are features proprietary to IPI. Dealer shall not (nor allow others to) copy, replicate, or reverse engineer IPI's products.

12.2. All product names, logos, and trade-dress for IPI's products, whether federally registered or not, are features proprietary to IPI.

12.3. Dealer is granted an "at-will" non-exclusive license to use IPI's product names, logos, and trade-dress in Dealer's promotions, marketing, and advertising. In referencing IPI's patented or patent pending products, Dealer shall reflect such patent information. In referencing IPI's product names, Dealer shall place the moniker "TM" beside such names, or in the case of a federally registered trademark, the "circle R." This license shall be deemed revoked on the termination of this Agreement.

12.4. Any improvements or accessions made to the IPI products by Dealer (whether made before Dealer became a Dealer, while Dealer is a Dealer, or subsequent to the termination of this Agreement) shall become the property of IPI.

13. **Credit Terms**

13.1. After twelve (12) months from the Effective Date of this Agreement, Dealer may submit a request to IPI for Dealer's account to be considered for Credit Terms. Dealer shall submit the request to IPI via email and have completed the Credit Terms and Policies Application as found on IPI's website.

13.2. If approved, IPI shall allow Dealer to purchase product on credit terms pursuant to IPI's Credit Terms and Policies agreed to by Dealer with the submission of the application and as may be amended between IPI and Dealer or as published thereafter on IPI's website.

13.3. In the event Dealer is granted credit terms, the Credit Application and the accompanying Credit Terms and Policies will constitute an amendment to this Agreement.

14. **Termination**

14.1. This Agreement may be terminated by any Party for any reason by providing notice to the other party as provided by this Agreement. Termination by Dealer may be effective immediately or at some later date. Termination by IPI may be effective no sooner than ten (10) days from said notice.

14.2. In the event of a termination, Dealer may no longer buy product from IPI. However, Dealer may continue to sell its existing IPI product inventory.



15. **Notices and Communications**

15.1. Any notification required by this Agreement to be sent to IPI shall be sent via email to support@magneticmic.com.

15.2. Any notification required by this Agreement to be sent via US Mail or email to Dealer. Dealer must provide an "official notification email address".

15.3. All communications between the Parties shall be in English.

16. **Miscellaneous**

16.1. Integration. This Agreement represents the entire agreement of the Parties concerning the subject matter of this Agreement and supersedes all prior discussions, promises, representations, and negotiations.

16.2. Other Documents/Conflicts. Documents which may be connected with the relationship between IPI and Dealer include this Agreement, IPI's website Privacy Policy and Terms of Service, and IPI's Credit Terms and Policies. As regards any conflict between the provisions of any of these documents, the terms of this Agreement shall control in the first instance, the Credit Terms and Policies second, and then the website Privacy Policy and Terms of Service.

16.3. Disputes. This Agreement shall be construed and interpreted in accordance with the laws of the state of Tennessee, USA. Any dispute concerning the applicability or enforcement of this Agreement, and claims based upon discussions and negotiations leading up to this Agreement, shall be made only by filing suit in courts located in Knox County, Tennessee. THE PARTIES EACH WAIVE TRIAL BY JURY. However, in IPI's sole discretion, a claim may be brought against Dealer where Dealer may be located. In the event IPI engages an attorney to enforce its rights under this Agreement, or to collect any amount due from Dealer, Dealer shall pay IPI's reasonable attorney's fees and collection costs.

16.4. Severability. Should any provision of this Agreement be deemed unenforceable, then said provision shall be stricken and all other terms of this Agreement shall remain valid and enforceable.

16.5. Survival. The financial, confidentiality, and warranty rights and obligations between the Parties set forth in this Agreement shall survive the termination of this Agreement along with any other covenant which, by its fair meaning, was intended to survive termination.

16.6. Amendments. IPI reserves the right to change or amend this Agreement, Dealer's Pricing Sheet, Credit Terms, if any, and the Limited Customer Warranty at any time. Dealer will be notified of the changes at which time Dealer may opt to terminate the Agreement and provide email notice to IPI within fourteen (14) days, otherwise the amendment shall be deemed accepted by Dealer.

16.7. Dueling Purchase Orders. As regards any conflict in the terms of this Agreement, any attachment to this Agreement, document referenced by this Agreement, or invoice generated to Dealer AND any purchase order issued by Dealer to IPI, the terms of this Agreement and all such related documents shall control regardless of the timing of any Dealer purchase order occurring after this Agreement or related documents and any such purchase order issued by Dealer to IPI.

16.8. Binding Effect. This Agreement inures to the benefit of, and is binding upon, the allowed heirs, successors, and assigns of the Parties (as applicable). By application of the signature of Dealer or Dealer's authorized representative, Dealer acknowledges that it has read, understands, and agrees to abide by the terms and conditions of this Agreement.



16.9. Limitation of Liability. In the event of late delivery or product defects, IPI's liability and DEALER's recovery shall be limited to repair or replacement, but in no event will IPI be responsible for costs of cover or consequential damages, including lost profits.

16.10. Internet Sales. The Dealer is prohibited from selling the IPI's product(s) on ecommerce sites such as Amazon.com, ebay, facebook, web based selling platforms, social media sites, mobile applications, or similar. The Dealer may only sell IPI's product(s) on a website that is owned by, registered to, controlled by the Dealer.

16.11. Used Product. The Dealer is prohibited from reselling product that has previously been sold, known to have been used, or shows sign of wear.

DEALER

INNOVATIVE PRODUCTS, INC.

Signature

Signature

Title

Title

Official Notification Email Address:

Please provide an email address where updates, changes, and ammendments to this agreement should be sent.



Company Information

Company _____ Phone _____
Billing Address _____ City _____ State _____ Zip _____
Shipping Address _____ City _____ State _____ Zip _____
Number of Employees _____ Years in Business _____ Website _____
Tennessee Sales Tax # _____ Ohio Tax Account # _____
(only if applicable) (only if applicable)

Sales Contact

Please provide the primary sales contact information.

Primary Sales Contact

Phone #

Title

Email

Purchasing Contact

Please provide the primary purchasing contact information.

Primary Purchasing Contact

Phone #

Title

Email

Accounts Payable Contact

Please provide the primary accounts payable contact information.

Primary Accounts Payable Contact

Phone #

Title

Email