



Value Added Distributor Agreement

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Revision History

Date	Change
3/7/2018	Change to MAPP from 20% to 5% (Page 8)

By establishing this distributor agreement (“Agreement”, “Distributor Agreement”) and making it part of your relationship with Oval Fire Products Corporation (“Oval”), we are acknowledging your critical role in defining and protecting our most valuable collective asset—the trust that our clients, investors, colleagues and communities place in Oval and our business associates.

Duties of the Distributor

Distributor shall purchase Oval Brand products directly from Oval for resale within the country where the reseller is located limited to North America (“Territory”) under the Terms and Conditions detailed below.

Distributor shall at its own expense:

1. Promote and increase the sale of Oval products throughout the Territory.
2. Provide at Oval’s request the final delivery destination for all products purchased from Oval.
3. Display the Oval name, logo and literature in accordance with Oval quality standards on Distributor website with equal or greater prominence as is given to other fire suppression product manufacturers’ names and logos.
4. Follow the Minimum Advertised Price policy (“MAPP”) detailed below.

Confidentiality

Unless otherwise authorized in writing, Oval and Distributor shall keep confidential all proprietary or non-public information and documentation received from or concerning the other party. Both parties agree that they shall take all reasonable means to prevent their employees and agents from divulging such information or documentation to anyone outside of their own organization and that their employees and agents will not use such information and documents for their own benefit. These obligations of non-disclosure and non-use shall survive any termination of this Agreement in perpetuity with respect to any trade secrets for a period of three (3) years with respect to all other information and documentation.

Term and Termination

The term of this Agreement is one (1) year commencing on the date this agreement is signed (“Effective Date”). The term hereof will automatically renew and be extended indefinitely for additional one (1) year periods; provided that either party shall be entitled to terminate this Agreement for any reason or for no reason by thirty (30) days’ notice to the other.

Upon any termination of this Agreement, Distributor shall cease to promote, advertise or market Oval products or to make any use of the Oval Trademarks other than for the purpose of selling any remaining inventory of Oval products.

Miscellaneous

Distributor acknowledges that all shipments by Oval are or may be subject to restrictions and limitations imposed by United States export controls, trade regulations and trade sanctions. Distributor will, at all times, comply with such sanctions, controls and regulations and will cause compliance with such sanctions, controls and regulations in its use and disposition of Oval products.



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Distributor will obtain and supply to Oval in writing all information required by Oval to obtain any U.S. export license, permit, approval or documentation applicable to Oval's shipments hereunder.

Product Pricing

Prices are subject to change without notice. Any sales, use, revenue, excise or other similar taxes, and any customs or duties, applicable to the purchase or sale of Oval products, are not included in such pricing. Oval shall use reasonable efforts to separately state any such amounts on its invoices. Distributor shall be responsible for payment of all such amounts. Please refer to the Distributor portal at <https://distributor.ovalfireproducts.com> for detailed product information including the most current price list.

Terms and Conditions

Please refer to website at <http://ovalfireproducts.com/terms> for the most current Terms and Conditions.

Quotations and Purchase Orders

Any quotation ("Quotation") from Oval and purchase order ("Purchase Order") from Distributor shall be subject to the terms and conditions set forth herein ("Terms and Conditions"). The Quotation, Purchase Order and Terms and Conditions are collectively referred to herein as the "Contract".

Distributor is responsible for the accuracy of information contained on Distributor's Purchase Order. Oval's acceptance of any offer to purchase by Distributor is expressly conditioned upon Distributor's acceptance of and agreement to the Terms and Conditions set forth herein. Such acceptance and agreement shall be deemed to have been given when Distributor signs a Quotation and/or issues a Purchase Order to Oval.

All Quotations are valid for a maximum of thirty (30) days from date of issue. In the event Distributor places the associated Purchase Order within said time frame, Oval shall ship the order within ninety (90) days of the Purchase Order date. Purchase Orders calling for delivery of products after ninety (90) days from the Purchase Order date will be invoiced at prices current at the time of shipment unless otherwise agreed to in writing by Oval on Purchase Order date.

If Oval's Quotation includes a Quotation number, Distributor shall include the Quotation number on the Purchase Order. If Distributor fails to include the Quotation number on the Purchase Order, then standard pricing shall apply. If Distributor provides Oval with a Purchase Order number, Oval shall use that number on all packing lists and invoices.

The standard terms of sale are "Net 30 Days", meaning, Distributor shall pay Oval in full on or before the 30th calendar day (including weekends and holidays) after goods are dispatched by Oval. Payments made by credit card will incur an additional fee of 2.9%, unless payment is made at the time of shipment. Distributor agrees to pay or reimburse Oval for all costs of collection, including reasonable attorney's fees, associated with the collection of any unpaid balances owed to Oval. Oval may recover interest on any unpaid balance at the rate of 18% per annum.

All delivery dates are subject to credit approval and account status at time shipment is to be made. No shipment will be made if Distributor's account is in arrears or if shipment would cause any applicable credit limit to be exceeded.

Returns and Cancellations

Distributor may not cancel an order or return any merchandise without the prior written consent of Oval, which Oval may withhold at Oval's sole discretion, and unless Distributor indemnifies Oval from any loss, damage and expense arising from such cancellation or return. No back charge for field corrections will be allowed without Oval's prior written authorization. Returns are limited to within ninety (90) days after the date of shipment from Oval to Distributor.

Oval reserves the right to make changes to designs, or to make additions to, or improvements to its products without incurring any obligations to incorporate or install such design changes, additions or improvements in or on products previously manufactured or sold.

Oval reserves the right to invoice Distributor for any or all finished products ready for shipment, when held at Distributor's request or because of any other reason beyond Oval's control. In the event Oval consents to a return, a 35% handling and restocking fee will be assessed for merchandise returned in good condition and Distributor will be responsible for freight costs incurred in said return; provided, however, that there will be no handling or restocking fee for the return of defective product. Any product returned freight collect will be rejected. Any credit issued by Oval shall expire if not used within one hundred eighty (180) days of credit date.

Use, Delivery and Installation

Distributor shall use the products sold by Oval in a careful and proper manner as directed. Distributor shall comply with all federal, state, or other applicable laws or ordinances related to use, installation, and operation of said products.

Unless otherwise provided for in the Quotation, products will be shipped F.O.B. Oval's designated shipping point and risk of loss shall pass to Distributor upon delivery of said products to a common carrier at such designated shipping point. Any freight estimate given is not guaranteed, as shipping rates change constantly. Handling and crating charges may apply.

Delivery is subject to Federal and State laws and regulations. Bills-of-lading will be enclosed with products shipped or mailed to the "ship to" address specified in the Purchase Order. Packing lists will be enclosed with shipped products.

Distributor is responsible for inspection of products received. Distributor hereby waives any claim or defense based on deficient quality, nonconformity (i.e., shortage of delivery) or errors in shipment unless Distributor notifies Oval of such alleged deficient quality, nonconformity or error within two (2) business days of delivery and holds such products subject to Oval's inspection. It is the sole responsibility of Distributor to inspect and report damaged or lost merchandise to both Oval and the delivering carrier at the time of delivery.

Oval assumes no risk of and shall not be liable for any loss or damage arising from delay in delivery due to acts of regulations or any government, manufacturing or unforeseen contingencies, acts of God, force majeure, or any cause beyond the control of Oval. Oval shall not be liable for any loss or incidental, special or consequential damages caused by delay in furnishing products contemplated by the Quotation or any other performance under or pursuant to the Contract and such delay shall not be considered a default under the Contract.

Warranty

Oval Fire Products Corporation warrants its fire extinguishers to be free from defects in material and workmanship from the date of purchase for a period of 6 (six) years for Dry Chemical, and 5 (five) years for Water and Wet Chemical fire extinguishers. During the warranty period, any such defects will be repaired or the defective extinguisher replaced IF THE ORIGINAL RED FACTORY TAMPER SEAL IS INTACT AND/OR IF ONLY FACTORY REPLACEMENT PARTS HAVE BEEN USED TO SERVICE THE EXTINGUISHER. This warranty does not cover defects resulting from modification, alteration, misuse, exposure to corrosive conditions, improper installation or maintenance.

ALL IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO, WARRANTIES OF FITNESS FOR PURPOSE AND MERCHANTABILITY, ARE LIMITED TO THE TIME PERIODS STATED ABOVE. IN NO EVENT SHALL OVAL FIRE PRODUCTS CORPORATION BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES.

Some states do not allow limitations on how long an implied warranty lasts or the exclusion or limitation of incidental or consequential damages, so the above limitations or exclusions may not apply to you. Oval Fire Products Corporation neither assumes nor authorizes any representative or other person to assume for it, any obligation or liability other than expressly set forth herein. This warranty gives you specific legal right and you may have other rights, which vary from state to state. To submit a warranty claim, write to Oval Fire Products Corporation., 115 West Lake Drive #300, Glendale Heights, IL 60139 USA for instructions.

Retail Locations, Representation and Sales

Distributor will maintain accurate and up-to-date company information and disclose all retail locations that carry Oval products throughout the term of this Agreement.

Qualifying retail locations include only the following: Distributor's physical brick and mortar store(s), Distributor's commerce-enabled website(s), Distributor's client facilities, or temporary storefronts (events, trade shows, pop up stores, etc.). Distributor must only take orders via publicly accessible ecommerce enabled web pages hosted on approved websites owned and operated by your company. Sales on third party sites (eBay, Amazon, Alibaba, etc.), drop-ship accounts (Buy.com, Newegg.com, Overstock.com, etc.), classified sites (Craigslist.com, Facebook Marketplace, etc.) or direct messages on forums is strictly prohibited.

Distributor must represent itself as an Oval Authorized Reseller in all online advertising and sales collateral.

Setting up businesses, registering domain names, or social media usernames that contain any of Oval's trademarks is strictly prohibited. Distributor must only use approved marketing materials for all Oval products.

Distributor may only sell to its end consumers and may not sell in any quantities to B2B accounts, wholesalers, or freight forwarders/drop shippers for other retailers.

Distributor may not alter original Oval packaging in any way prior to reselling Oval products. Removing Oval products from packaging and reselling Oval products in a different packaging or under a different name is strictly prohibited.



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List prices must be displayed and/or advertised as the published list price. List price and any additional shipping costs must be displayed or advertised as two separate costs (i.e. the displayed or advertised list price may not be bundled with shipping costs). In no event shall Distributor misrepresent the published list price.

Distributor must not re-SKU or bundle Oval products in its online assortments or data feeds without receiving prior written permission from Oval.

Distributor will not advertise, market, display, or demonstrate non-Oval products together with Oval products in a manner that would create the impression that the non-Oval products are made by, endorsed by, or associated with Oval.

General

The parties agree that the Contract shall be governed by the State of Illinois, without regard to its conflict of laws. In the event of a dispute, the parties agree to the exclusive venue of the Circuit Court of DuPage County, Illinois.

The Terms and Conditions shall survive the termination and performance of the Contract. Oval may assign this Contract and, in such event, Oval's assignee shall have the rights and remedies of Oval hereunder. Upon such assignment, Distributor agrees not to assert against an assignee any defense, setoff, claim or counterclaim that Distributor may have against Oval. Distributor shall not assign its rights or obligations under the Contract without Oval's prior written consent.

Distributor grants Oval a security interest in products supplied to Distributor under the Contract until the full purchase price is paid. Distributor authorizes Oval to file a financing statement with respect said products. Distributor shall pay any taxes or charges of any nature that may be required to be paid or collected under any existing or future law upon or applicable to the sale, purchase, manufacture, processing, transportation, delivery, use or consumption of any of Oval's products, whether levied or assessed against Oval, Distributor or the products supplied.

This Agreement constitutes the entire understanding between the parties with respect to the subject matter hereof and supersedes and preempts any prior understandings, agreements or representations by or between the parties, written or oral, which may have related in any manner to the subject matter hereof.

Minimum Advertised Price Policy (MAPP)

This policy is not intended to control, influence, determine, restrict or limit in any way the price at which any Distributor may sell our products. This policy is strictly limited to restrictions on advertising. Each Distributor remains entirely free to determine its own resale price for all Oval products.

Guidelines

The minimum advertised price for any Oval product shall not be more than 5% below the current list price for that particular product as stated in the OVAL Distributor Portal at <https://distributor.ovalfireproducts.com>.



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The MAPP applies to all advertisements of Oval products in media, including, but not limited to, flyers, posters, coupons, mailers, inserts, newspapers, magazines, catalogs, mail order catalogs, Internet or similar electronic media, television, radio and public signage.

The MAPP does not apply to a) any in-store advertising that is displayed only in the store and not distributed to any customer(s) outside of the store, or b) any email newsletters sent to your customer database.

This MAPP applies only to advertised prices and does not apply to the price at which the products are actually sold or offered for sale to an individual consumer within the reseller's retail location or over the phone.

This MAPP does not establish maximum advertised prices. All resellers may offer Oval products at any price in excess of the minimum advertised price.

Policy Enforcement

The MAPP will be enforced by Oval in its sole discretion and without notice. Distributors have no right to enforce this policy.

Oval reserves the right to cancel any pending orders, restrict future orders, or suspend the Distributor's account if Oval reasonably believes a) Distributor has violated the provisions of this policy; or b) Distributor intends to violate this policy.



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Signature Page

OVAL:

OVAL Fire Products Corporation

By: _____
 _____, _____

Address:
115 West Lake Drive
Suite 300
Glendale Heights, IL 60139

DISTRIBUTOR:

By: _____
 _____, _____

Address:

