

Retail Distributorship Terms of Sale & Pricing: RETAIL STOCKING

Thank you for your interest in becoming a distributor/reseller of our RapidAir Compressed Air Piping Systems.

Retail Stocking: Under our RETAIL DISTRIBUTOR pricing level, the following is anticipated:

- Orders in case or partial case quantities below; minimum annual \$5,000 in PO's
- Annual review of sales activity assessed to maintain price level

RapidAir Home Garage System:

- Master kits/tubing = 4 units/case
- Outlet kits/manifold kits = 10 units/case or partial cases: 5 units
- Fittings/pipe clips = 50 units/case or partial cases: 10 units

Maxline system:

- Master kits/tubing= 2 units/case
- Outlet kits= 10 units/case or partial cases: 5 units
- Fittings/pipe clips= ¾" size: 20 units/case or partial cases: 10 units
- Fittings/pipe clips=1/2" size: 40 units/case or partial cases: 10 units

Accessories:

- Regulators: 3/8" size: 12/case, ½", ¾" & 1": 9/case or partial cases: 3 units
- Couplers: 40/case or partial cases: 10 units
- Hoses: 10/case or partial cases: 5 units

We have a MAP (Minimum Advertised Pricing) program for select products, see Page 3

Bar codes, anti-theft tags, retail packaging available, literature and signage displays available upon Request.

Pricing program is set up for you to sell on your website, or at your B&M location, and to monitor integrity of the Rapidair Brand, is not designated for third party selling programs (Craigs list, E Bay, Amazon, etc.).

Terms of sale are found on our website <u>www.rapidairproducts.com</u> and may be negotiated to your company's Vendor Agreement if agreed upon in advance & in writing.



Retail Terms of Sale:

Full Terms of sale can be found at www.rapidairproducts.com

Returns: As a distributor, we are anticipating repeat projects, and would not expect a large amount or frequent returns. However, we know that there are times when returns are necessary, so we adapted the returns policy to make it more conducive to distributors. Returned products, as defined, are accepted within 3 months of the sale date. To make a return, go to our website under contact and follow the returns instructions. Below are considerations for returns.

Returns: Eligible products may be returned for credit within 90 days of the original sale date. There will be a 20% restock fee on eligible returned items, unless specified otherwise, in writing, from Seller. Items not eligible for return are: -Fastpipe Rigid Aluminum Pipe -Rapidair or Maxline coiled tubing -parts leftover from a "kit" -Installation tools such as tool kits, wrenches, straightening or bending tools, deburr tools, pipe sealant -Custom ordered components or drop shipped items from the manufacturer Return credit will be in the form of a product credit on a future order. This may be paid out at the end of the calendar year in the form of a check.

Related to the risking quality and lack of authenticity of the product, we are not accepting any new distribution accounts of our products on venues such as E Bay, Amazon, Craig's List.

Your company, however defined to us, as a stocking location or installer, will be given referrals for potential customers who contact us looking for Rapid air products or installers in their area. Hopefully, they will bless your business but if your workload does not permit, or if the referrals are not in the scope of your industry, they are completely at your discretion.

Your pricing does not go into effect until you place your first order with us. For your first order ESPECIALLY, make sure you submit it with your discounted pricing, to Danielle McDonald at dmcdonald@rapidairproducts.com. This will ensure we get your pricing set up correctly in our system. If your first order is not set up properly with discounted pricing, it runs the risk of processing at full list price. If that occurs, the only correction is a product credit towards a future purchase.

Please feel free to contact us at any time, for tech support, questions, and more. Ideally, we would like to visit your company as time and travel permits. At a minimum, we would like to check in with you with a phone call at least once a year for a quick call to find out if you have any needs, suggestions, or concerns about anything, and to review your company's account.

We are so grateful for your interest in Rapid Air Products. We are looking forward to working with you.



Retail/E-Commerce & Published Minimum Advertised Price Policy

Engineered Specialties is dedicated to having the very best quality and innovation in compressed airpiping systems. Similarly, we want to ensure that our retail partners offer the best products from our company to their customers, while maintaining the profits needed to run a lasting business.

It is the expectation of Engineered Specialties that our retail partners stay at or above the Minimum Advertised Price (MAP) levels as detailed below for our most common offerings before shipping costs are added.

While it is the right for each retailer to disregard this policy and offer our products at any price, we also have the right to choose to whom we sell our products too. We wish to do business with retail partners that are aligned with our goal of offering prices that will support the brand and provide sufficient margin for our retail partners.

The MAP only applies to the current items we identify below. Please note, they are subject to change without notice.

Product	#:	90500	M3800	M7500	M7580	F28070	F28090	F28235
MAP Pric	e:	\$94.99	\$188.99	\$219.99	\$514.99	\$456.99	\$609.99	\$1,099.99

If a violation in the Minimum Advertised Policy occurs, the following steps will be taken to insure the enforcement of the MAP process:

- <u>First offense:</u> written communication to the seller, requiring the correction be made within 5 business days. If correction has not been made within the specified time frame, the account will be placed on **HOLD**.
- <u>Second offense:</u> account is placed on **HOLD** immediately until a written plan to follow MAP from the offender is submitted and approved by Engineered Specialties.
- Third offense: account is terminated or on hold indefinitely.

We take the MAP process very seriously and will consider a retailer's adherence to its pricing policy as an important factor when evaluating the relationship with that retailer.

Note: This is not an agreement between Engineered Specialties or any retailer. We have unilaterally adopted this policy to support our brand and will not negotiate specific retail prices or remedies with individual retailers. We will consider the advertised price to be the price offered on any website or digital media or similar publication. On-shelf only promotions are in store only and are not part of this policy.

Thank you for your support and your commitment to adhering to the MAP Policy.