

Quality Brand Products

12570 ROUTE 30, IRWIN, PA 15642 800-525-0988, FAX (724) 864-7567 www.Qbrand.com

DISTRIBUTOR POLICY INFORMATION
Revised August 15, 2019

Quality Brand products are manufactured and/or sold through various divisions of Quality Brand Products.

For the purpose of this Policy, they will collectively be referred to as "Quality Brand". This includes private brands as well as Quality Brand products.

POLICY INFORMATION

All sales by Quality Brand are subject to the following terms and conditions.

PLACING ORDERS

All orders should be addressed to Quality Brand Products, 12570 Route 30, Irwin, PA 15642. Customer Service may be contacted directly via phone at 800-525-0988 or by fax at 724-864-7567 or the contact listed on our website. Any additional correspondence should be addressed to the sales representative with which the Distributor regularly does business.

BILLING AND TERMS

Quality Brand will bill all sales at the prices in effect at the time of receipt of order. State and local sales or use taxes are not included in Quality Brand prices.

All backorders will be price protected for thirty (30) days from the date of the last price increase.

Normal terms, which are subject to approval by Quality Brand's Controller, are net 10th. Quality Brand's books close on the last day of the month.

All returns, allowances, sales policy adjustments and billing adjustments are issued by a credit memo or new invoice. No deductions from an invoice and/or statement may be made until such credit memo or new invoice has been issued.

Credit may, at Quality Brand's option, be altered or suspended when conditions or an account warrant such action. If credit has been suspended, it is possible, if mutually agreed to, for shipments to continue on a cash basis.

All remittances are to be forwarded to the address indicated on Quality Brand's invoice and/or statement.

PRICING

Quality Brand product pricing is based on specific volume requirements.

DELIVERY AND FREIGHT TERMS

All product programs include specific qualification for prepaid shipment. Any order not meeting this criteria, will be shipped freight collect, freight prepaid and billed to the Distributor or C.O.D.

SHIPPING/RECEIVING DISCREPANCIES

In the event of a shipping/receiving discrepancy, contact Quality Brand Customer Service at 800-525-0988. To facilitate a timely resolution, any shortage claims must be filed within 7 days of receipt of products.

DROP SHIPMENTS

Quality Brand products may be arranged for drop shipment to an alternate location. Qualifying orders must have the preapproval of the Distributor and our management prior to placement of the order. A handling fee may be assessed on qualifying drop shipments. All products will be invoiced to the servicing Distributor and it becomes the sole responsibility of the Distributor upon shipment. Quality Brand reserves the right to limit drop shipments.

RETURN POLICY

All returns must be made within 30 days from the original purchase date. Returns are subject to a 20% handling charge.

INVENTORY AND MERCHANDISE EXCHANGE POLICY

In accordance with Quality Brand policy of maximizing a Distributor's profitability by improving inventory turns, Quality Brand allows each Distributor the privilege of exchanging part numbers which have become slow moving for part numbers which are more popular in their local trade area. All merchandise is subject to the following conditions.

- **A.** Return is limited to two returns per year, with a maximum of 5% of previous year's net purchases of like product, purchased directly from Quality Brand, as identified by published price lists. An order of equal or greater value must be written to offset the return.
- B. Special order, obsolete part numbers and purchases over 12 months old are not returnable under this policy.
- **C.** All returns must have prior written authorization or they will be refused.
- **D.** Returned merchandise is subject to Quality Brand's inspection and count.
- E. All returns are to be forwarded freight prepaid to the location specified by Quality Brand.
- F. All merchandise returned must be in Quality Brand packaging and in resalable condition.

A one-time adjustment is allowed within 12 months of initial stocking of a new Distributor. This adjustment is only available to a Distributor that has paid for the all goods received on a timely basis and has not been "past due" on any purchases. These items will be credited at the original price paid, subject to a \$6,000 maximum return. An offsetting order is not required.

WARRANTY

Specific warranty information for any Quality Brand Product may be requested by contacting Customer Service at 800-525-0988 or consulting printed or online product warranty statements.

INDEMNITY

Except for either (1) any claim for punitive damages asserted against Distributor in whole or in part because of any alleged acts or omissions on the part of Distributor; or (2) any claim arising in whole or in part out of any negligent and/or intentional act or omission to act on the part of Distributor, Quality Brand agrees to defend and indemnify Distributor against any losses (including reasonable expenses and reasonable attorney fees) regarding any claim asserted against Distributor for bodily injury or property damage arising out of any defect in the goods sold hereunder caused solely by Quality Brand through no fault of Distributor, unless the goods have been modified, altered, misused, abused, misapplied, negligently handled or treated, or improperly maintained or improperly installed by buyer, in which case, Quality Brand is not obligated to, and does not, defend Distributor from any losses whatsoever regarding such claim.

If Distributor receives notice of any event which may give rise to a claim for indemnity under this provision, Distributor must notify Quality Brand of such event or claim within a reasonable period of time, not to exceed 30 days, after receipt of such notice by distributor. If notice is not so given to Quality Brand by Distributor, then Quality Brand has no obligation whatsoever to defend or indemnify Distributor.

Distributor agrees to defend and indemnify Quality Brand against any loss (including reasonable expenses and reasonable attorney's fees) relating to any claim asserted against Quality Brand for bodily injury or property damage arising out of any act, or omission to act, on the part of Distributor, to the extent that such claim is determined to be based in whole or in part upon Distributor's act, or omission to act, except for the act of selling the goods purchased hereunder for their proper application in the same condition as they were in when purchased from Quality Brand.

Except as expressly provided herein, Quality Brand shall have no liability to Distributor for any damages or injury caused by resulting from, or arising in connection with, products sold hereunder, whether in warranty or in contract, or in negligence or in other tort, or on any other basis whatsoever.

In no event shall Quality Brand be liable for any special, indirect, incidental or consequential damages.