

THIS IS YOUR COVER PAGE

Please initial, sign and fax to _____. Sales Person: _____. All orders have a \$300 Minimum

The following agreement is between Arthur Andrew Medical, Inc. ("AAM") and the Retailer. AAM has unilaterally implemented a formal authorization policy and procedure for all current and prospective vendors of its products. All retailers purchasing AAM products for the purposes of reselling must be officially authorized and licensed vendors. This policy applies to all retailers purchasing directly from AAM or through an authorized distributor. The duties and restrictions of authorized retailers are listed below and outline AAM's "Retail Policy."

Retailers Scope of Commerce

AAM products may never be advertised on mass market, classified, or auction websites such as Amazon, eBay, Beezid or Craigslist. Retailers are only authorized to advertise and sell AAM's products directly to consumers or end-users from private, external websites registered with and approved by AAM. Retailers are strictly prohibited from reselling AAM's products to any other retailer or distributor, whether authorized by AAM or not.

Minimum Advertised Price "MAP"

Our MAP policy serves to protect the investment made by vendors by ensuring profitability in the marketplace. AAM's products MUST NOT be advertised lower than (MAP) shown in Schedule A. "Advertised" includes any public audio, video, online or printed displayed sales price. This includes combining products in bundles other than those approved by AAM or offering free products with the purchase of an AAM product. Prices may not be concealed below MAP in internet shopping carts by using click-through practices, such as "too low to show" or "add to cart to view price."

Actual Sales Price

The ultimate price for which AAM items are sold may be independently set at any price at the discretion of the retailer. Discounting the sale of products below MAP may only be done through private mailings, POS purchases, phone and email correspondences. Please note that the prices listed in Schedule A are for publicly advertised pricing only. AAM ultimately safeguards the MAP price while the actual sales price can be established at the discretion of the retailer.

Rights and Restrictions

During the term of this Agreement, authorized Retailers may use AAM's trademarks in relation to selling AAM's products. AAM retains all rights, title and interest in and to its trademarks and other intellectual property. Retailer shall not register or attempt to register any of AAM's trademarks as a trademark or Internet domain without the prior written authorization of AAM. Retailer understands that significant goodwill is associated with AAM's trademarks, and therefore, promises to operate its business consistent with the highest integrity and good business standards.

Initial Here

Retailer shall not make any warranties or representations about AAM's products that have not been approved by AAM. Should Retailer make an unauthorized warranty or representation, Retailer shall indemnify and hold harmless AAM for, from and against any and all damages, costs or expenses (including attorneys' fees) that may arise therefrom.

Distributor Indemnification Clause

Retailer agrees that authorized distributors directly selling products to retailers are bound by other terms and conditions and are otherwise indemnified from any actions that may arise as a result of this agreement.

Breach of Contract

Retailers who breach any of these policies will be given written notice of the breach and forty-eight (48) hours to correct the breach. Should Retailer fail to cure the breach in that time, AAM may terminate this Agreement immediately upon written notice to Retailer.

Termination of Contract

Either party may terminate this agreement at any time by giving the other party thirty (30) days written notice of its intent to terminate. Upon termination, Retailer shall have thirty (30) days to sell off any unexpired inventory consistent with AAM's MAP Policy. Thereafter, Retailer shall not: (i) advertise or sell AAM's products; (ii) purchase any of AAM's products from any of AAM's authorized distributors; (iii) use any of AAM's trademarks or terms confusingly similar to AAM's trademarks for any reason whatsoever; (iv) purchase any of AAM's trademarks or any terms confusingly similar to AAM's trademarks as keywords for the purpose of Internet advertising; and (v) use or connect its web site to any links or back links that directly reference any of AAM's trademarks. These obligations shall survive termination of the agreement or denial of application.

Approval Process

The completion of this agreement does not guarantee acceptance as an authorized vendor. Each application is reviewed by AAM's staff. Applications may be denied for past breach of contract, unfavorable business practices, or lack of business credentials.

On the accompanying document, Retailer must identify every business name (legal name, aliases, d/b/a) and website it uses to conduct business. Retailer is prohibited from advertising or selling AAM's products under any name or web site not identified or separately submitted in writing to AAM. Retailer agrees that advertising under non-authorized entities is considered a breach of this agreement and may result in immediate suspension or termination of the account.