



TERMS & CONDITIONS

PURCHASE ORDERS – ISSUANCE AND ACCEPTANCE

All products shall be specifically purchased through a written purchase order. Notwithstanding any preprinted terms or conditions on Distributor purchase orders, the terms and conditions of this agreement shall apply to and govern all purchase orders. The purchase order will be deemed to be accepted by Swidget unless Swidget notifies Distributor, within a reasonable time from the date of the purchase order, that Swidget does not accept the purchase order.

Swidget shall deliver product to Distributor at the location shown on the applicable purchase order and by the date as shown on the applicable purchase order or by an otherwise agreed upon date, subject to the freight policy indicated below.

PAYMENT & TERMS

Upon credit approval, Swidget Corp. customer payment terms are NET-30 days from the date of the invoice. Any payment not received within the set terms shall be considered late and past due. Past due invoices shall be subject to an interest rate charge of 1.5% per month, or fraction thereof, or the maximum permitted by law, whichever is less. In the event that it becomes a necessity for Swidget to employ an attorney or incur other costs in relation to the collection of past due payments, the customer agrees to pay all reasonable costs incurred for such collection.

MINIMUM BILLING

Minimum charge on any order will be \$100.00 net, unless otherwise authorized.

FREIGHT POLICY

For single shipments valued at \$500 or greater, excluding taxes, the freight cost will be paid by Swidget (prepaid), and the mode of transportation and carrier will be at Swidget's discretion. The freight cost for shipments of less than \$500, taxes excluded, will be the responsibility of Distributor (freight collect). When product is shipped freight prepaid, title and risk of loss or damage to products shall pass to Distributor at the time the products are delivered to the Distributor warehouse (FOB Distributor warehouse). When product is shipped freight collect, title and risk of loss or damage to products shall pass when the product leaves the shipping point (FOB Swidget warehouse).

After a reasonable time to inspect the product from each shipment, Distributor will have accepted the product if all necessary documentation is in accordance with the original purchase order. Any product not ordered or not otherwise in accordance with the purchase order can be returned to Swidget at Swidget's expense. Distributor will notify Swidget within a reasonable time of any shortages, mis-shipments or damaged product.

RETURNS

Distributor shall request an RMA from Swidget to return defective products. Subject to review and approval, Swidget shall grant an RMA for return of product to Swidget or destruction of product at Distributor warehouse. Swidget shall pay for all transportation charges, as necessary, only from Distributor to Swidget.

Defective product will be destroyed by Distributor on a periodic basis only after approval and verification. Distributor will submit the appropriate paperwork including a certificate of destruction to Swidget for the destroyed product. If Swidget requests that product is to be returned to Swidget, Swidget shall pay all costs of handling, shipping and other incidental charges to return product to Swidget's warehouse. If any variance is noted upon Swidget's receipt of the product from that of the paperwork supplied by Distributor, Swidget must notify Distributor in writing within a reasonable amount of time.



CANCELLATION & HELD ORDERS

Cancellation charges may result when an order is cancelled. Cancellation charges are at the discretion of the Swidget factory location and will be based on % of completion to offset costs for parts and labour. Hold for release and deferred orders will be invoiced at the price in effect on the date of release.

PRICING

Price increases must be submitted to Distributor by Swidget not less than 60 days prior to the effective date. All purchase orders, for immediate shipment, placed prior to the effective date of the increase will be honored by Swidget at the lower price. Swidget will also grant Distributor full credit for the amount of any price decrease (Price Protections) on all products on order, in transit and in Distributor warehouse. Distributor is responsible to provide Swidget all inventory reports to substantiate any credit amounts.

MINIMUM ADVERTISED PRICE

The MAP for all Swidget products shall be no less than the MSRP established by Swidget and may be adjusted by Swidget at its sole discretion.

The MAP policy applies to all advertisements of Swidget products in any and all media, including, but not limited to, flyers, posters, coupons, mailers, inserts, newspapers, magazines, catalogs, mail order catalogs, email newsletters, email solicitations, Internet or similar electronic media, television, radio, and public signage.

The MAP policy is not applicable to any in-store advertising that is displayed only in the store and not distributed to any customer(s).

The inclusion in advertising of free or discounted products (whether made by Swidget or another manufacturer) with a product covered by the MAP policy would be contrary to the policy if it has the effect of discounting the advertised price of the covered product below the MAP.

If pricing is displayed, any strike-through or other alteration of the Minimum Advertised Price is prohibited.

MAP applies only to advertised prices and does not apply to the price at which the products are sold or offered for sale to an individual consumer within the dealer's retail location or over the telephone. Swidget dealers and sales representatives remain free to sell these products at any prices they choose.

MAP does not establish maximum advertised prices. All dealers and sales representatives may offer Swidget products at any price in excess of the MAP.