# ASMODEE NORTH AMERICA USA DISTRIBUTOR SALES POLICY

This policy applies to sales by Asmodee North America dba Asmodee USA, to a Distributor, as defined below.

By purchasing products as a distributor, the company (hereafter "Distributor", as defined below) acknowledges and agrees to this unilateral **USA DISTRIBUTOR SALES POLICY** (hereafter "Distributor Sales Policy") of Asmodee North America, Inc., 1995 County Road B2 West, Roseville, Minnesota, 55113, U.S.A. (hereafter "ANA").

#### 1.0 Definitions

Unless otherwise defined herein, the following terms used in this Distributor Sales Policy are defined as follows:

<u>ANA Product:</u> Any product currently being offered and/or sold by ANA as part of its active product listing (available upon request from Distributor's ANA representative).

<u>Authorized Customer</u>: A business entity that has an approved account in good standing with Distributor, who purchases products from Distributor for sale to End-Users and who sells product within the permitted Territory and Sales Channel(s). Authorized Customers specifically exclude third-party marketplace sellers (e.g., sellers on Amazon, eBay, TCG Player, etc.), and online-only sellers.

If there is a question as to whether a particular customer is authorized to purchase ANA Products, including licensed products, ANA's determination shall be binding. ANA reserves the right to revoke authorization in whole or in part at any time, at ANA's sole discretion.

<u>Counterfeit Products:</u> Any product or item produced or offered for sale that is a copy, fake, substitute, or similar in appearance and/or function to any of the products offered by ANA.

<u>Defective Product:</u> An ANA Product damaged or faulty in manufacturing or otherwise. Defective Product only includes ANA Product(s) damaged or faulty in manufacturing or upon delivery to Distributor from ANA.

<u>Destruction:</u> The process of causing impairment of or damage to a product to such extent that its original purpose is no longer materially possible and safely disposing of the remaining materials to a general waste company.

<u>Disney Licensed Products</u>: Products governed under a licensing agreement between Disney and ANA.

<u>Distributor:</u> An intermediary entity that purchases ANA Product from ANA for resale to Authorized Customers. "Distributor" does not include a business entity that sells products directly to End-Users.

<u>End-User:</u> An individual customer located in the United States of America or its territories who purchases product intended for that customer's consumption and not for further resale.

<u>Licensed Products</u>: ANA Product in which ANA may be manufacturing and/or distributing under a license from a third party.

MSRP/SRP: Manufacturer's suggested retail price. ANA communicates the MSRP for each individual ANA Product on its websites, catalogs, and by various other communications, and as further described in Section 4.5.

<u>Sales Order:</u> A formal communication, provided by the Distributor, either in writing or verbally to ANA in which Distributor commits to purchase a designated quantity of one or more ANA Products at a designated purchase price. ANA's Sales Order Terms and Conditions are attached as Appendix A.

<u>Release Date:</u> The date specified by ANA, with a starting time of midnight on the specified date, on which the related ANA Product may be sold to Authorized Customers and End-Users.

<u>Restricted Products</u>: ANA will maintain on its website a "ANA Restricted Product List" where it will post and regularly update ANA Products that are restricted for sale in certain channels.

<u>Sample Copies:</u> A copy of ANA Product sold, or otherwise provided, to Distributor for the purpose of allowing Distributor to assess the function and value of the ANA Product.

<u>Territory</u>: ANA Products shall be sold only within the United States of America.

#### 2.0 Effective Date

This Distributor Sales Policy will take effect on April 1, 2023, and supersede any prior policy, if any. Distributors with a signed agreement for distribution of ANA Products ("Distribution Agreement") will be subject to this policy to the extent the terms in this policy do not conflict with the Distribution Agreement, whose terms will govern any conflict.

## 3.0 Business Requirements of Distributor

Distributor represents that:

- **3.1** Distributor is a company duly incorporated or organized in the United States of America or its territories, and is in good standing with the governmental body it is incorporated or organized in.
- **3.2** Distributor operates its business in accordance with all applicable local, state, and federal laws. This includes, where applicable, obtaining and maintaining a current business license, a resale certificate and sales tax certification.

Distributor represents that it will adhere to and comply with the requirements above as a condition of distributing ANA Products.

Upon ANA's request, Distributor will promptly provide ANA with one or both of the following:

- **3.2.1** A valid Resale Certificate or Sales Tax Certificate.
- **3.2.2** Any Code of Conduct, Vendor Guide, Routing Guide and Sales or Purchase Order Terms and Conditions, or similar.

ANA shall, at its sole discretion, determine whether Distributor is in compliance with the entirety of the requirements of Section 3.0.

## 4.0 Distributor's Conduct

Distributor will adhere to the following provisions governing its conduct and channels of sale the ANA Products may be sold into by Distributor.

#### **4.1** Channel(s) of Sale

Distributor shall only sell the ANA Products to Authorized Customers. Unless restricted, Distributor may sell the ANA Products to Authorized Customers through all of Distributor's normal sales channels, being its Brick-and-Mortar Store(s), and/or its wholly owned online webstore which offers

products for sale to Authorized Customers. Distributor shall not sell ANA Products directly to End-Users and/or to other excluded parties as detailed in section1.of this Distributor Sales Policy.

# **4.2** <u>Licensed Products</u>

i. Licensed products will be at ANA's sole and absolute discretion. In the event Licensed Products are available to the Distributor, Distributor agrees to adhere to any and all policies, restrictions, and direction by and from ANA regarding the sale of said Licensed Product(s).

## 4.3 Restricted Products

ANA will maintain on its website an "ANA Restricted Product List" where it will post and regularly update ANA Products that are restricted for sale in certain channels. It is the responsibility of the Distributor to check the Restricted ANA Product List regularly and prior to purchase. Such restrictions are monitored and strictly enforced by ANA.

### **4.4** Territories of Sale

Distributor shall only sell ANA Products to Authorized Customers located in the United States of America and its territories.

## 4.5 Minimum Advertised Price ("MAP")

Distributor shall not advertise the price of an ANA Product to be below that ANA Product's MAP in accordance with ANA's Minimum Advertised Price Policy (MAP Policy) available from Distributor's ANA representative and here: <a href="https://b2b-media-production-ana.s3.amazonaws.com/filer-public/91/b9/91b95de8-27b4-4cbf-9fc3-4720f7e9188e/map-policy\_2022.pdf">https://b2b-media-production-ana.s3.amazonaws.com/filer-public/91/b9/91b95de8-27b4-4cbf-9fc3-4720f7e9188e/map-policy\_2022.pdf</a> and as updated from time to time. Distributor shall require compliance of MAP by its customers and shall enforce ANA's MAP Policy when its customers violate MAP.

### **4.6** Adherence to Sales Order Terms and Conditions

Distributor acknowledges and hereby agrees to ANA's Sales Order Terms and Conditions which are attached as Appendix A.

This Distributor Sales Policy is a unilateral statement of ANA's preferences concerning the type of account to which ANA chooses to distribute the products that are subject to this Distribution Policy. It is not the intent or purpose of this Distributor Sales Policy to restrict, coerce, force, or reach agreement with a distributor, retailer, or Authorized Customer to charge a particular price for any ANA Product.

#### 5.0 Successors and Assigns

This Distributor Policy will be binding upon and inure to the benefit of the parties and their successors and permitted assigns.

## 6.0 Communication

Distributor will make a reasonable amount of time available for in person meetings, telephone conferences or other electronic communications with ANA to discuss the sale and marketing of ANA Products. Distributor acknowledges that such communications may be recorded and consents to such recording.

### 7.0 Adherence to Release Dates

Distributor will not sell or provide any ANA Product that has a Release Date prior to the date communicated by ANA as the product's Release Date. Notwithstanding anything to the contrary, at the latest, ANA Product may be sold any time after thirty (30) days from the date the Distributor and Authorized Customer receives a shipment of ANA Product with the exception of Disney Licensed Products. Pre-Orders are permitted on ANA Product. ANA Product, excluding any Disney Licensed Product, may be displayed but cannot be sold, given away, or in any way provided to Authorized Customers and their End-Users prior to the release date. Physical copies of Disney Licensed Product(s) may not be displayed prior to the Release Date.

### **8.0 Defective Product Returns**

As per the Sales Order Terms and Conditions attached in Appendix A, Distributor must, within seven (7) days from the original sale of an ANA Product to an Authorized Customer and provided Distributor is given reasonable proof of sale (such as a copy of the Distributor's receipt for the sale), accept Defective Product returns from such Authorized Customer.

Distributor will refund the Authorized Customer in the form of either a replacement, store credit, or cash refund according to Distributor's refund policies.

**8.1** Where an ANA Product has been sold by Distributor to an Authorized Customer by any method other than a face-to-face commercial resale transaction in an Authorized Customer's physical retail location(s), Distributor is obligated to pay for return-shipping costs from the Authorized customer in the event of a Defective Product return.

Distributor shall request a credit from ANA for each such valid Defective Product using the mechanism for handling damaged returns to ANA per ANA's terms of sale.

Notwithstanding the above, as identified by ANA at its sole discretion, should a substantial part of a production run of an ANA Product be considered Defective Product, or in the case where ANA issues a recall of an ANA Product, ANA shall, on a case-by-case basis, work with Distributor to wholly or partially defray the cost of repairing or returning the affected ANA Product.

## 9.0 Sample Copies

Sample Copies are intended for Distributor's product assessment purposes only. Resale or transfer of Sample Copies is expressly prohibited, as is any charge to the Authorized Customer(s) or End-User related to the use or enjoyment of Sample Copies.

## **10.0 Promotional and Marketing Materials**

## **10.1** Promotional Materials

From time to time, marketing and promotional materials may be provided to Distributor, or be made available for purchase by Distributor through ANA. Marketing and promotional materials may include, but are not limited to posters, playmats, dice, trophies, upgraded replacement components, display stands, and displays. Promotional Materials will be provided when available and at ANA's sole discretion.

Distributor must not sell, or abet the sale of, any promotional or marketing materials.

# **10.2** Marketing Materials

ANA will provide ANA Product images and other assets to Distributor to facilitate the sale of ANA Products. Distributor may offer the Marketing Materials to Authorized Customers to use only as provided herein. Alteration, modification, and/or unauthorized duplication of Marketing Materials is expressly forbidden.

## 11.0 Ordering ANA Product

Unless instructed otherwise by ANA, Distributor must procure ANA Product directly through ANA. Sales of ANA Products by a Distributor are initiated by Distributor issuing a Sales or Purchase Order for the desired ANA Products. Acceptance, whole or in part, of any order placed with ANA is at ANA's sole discretion.

# 12.0 No Conflicting Terms

No terms that conflict with this Distributor Sales Policy, communicated verbally or in writing with Distributor's Sales or Purchase Order or elsewhere, shall be valid in relation to the purchase of ANA Product, unless agreed to in writing and signed by a duly appointed officer of ANA.

#### 13.0 No Guarantee

ANA does not guarantee inventory availability for any ANA Product.

# 14.0 Distributor Reporting

Distributor understands that upon request by ANA, Distributor must provide ANA with frequent detailed reports outlining Distributor's ANA Product purchases and Distributor agrees to use all commercially reasonable efforts to cooperate with ANA in obtaining said report information.

## 15.0 Altering or Tampering with ANA Product

Distributor will not intentionally modify, tamper with, or alter ANA Product(s) in any way, except that Distributor may add its own pricing sticker to the packaging.

#### **16.0 Counterfeit Products**

Distributor shall purchase ANA Products exclusively from ANA. If Distributor purchases, is offered the opportunity to purchase or otherwise becomes aware of any Counterfeit Products the Distributor shall promptly notify ANA thereof. Distributor covenants and agrees not to procure, obtain, or purchase any Counterfeit Products, and the failure of Distributor to comply with the foregoing shall constitute grounds for immediate termination of Distributor's account by written notice to such effect sent by ANA.

# 17.0 Information Errors or Changes

ANA reserves the right, at its sole discretion, to change or correct information related to ANA Products, including but not limited to price, availability, release date, MSRP, SRP or case quantities. ANA will use commercially reasonable efforts to notify Distributor of such corrected or changed information and Distributor will uses all commercial reasonable efforts to notify Authorized Customers, as applicable. ANA will not honor previously released information which has been corrected or changed.

## 18.0 Reservation of Rights

ANA reserves the right, at its sole discretion, to sell or decline selling or offering any or all ANA Products, Marketing Materials, Promotional Materials, or Sample Copies.

### 19.0 Termination or Revocation

- **19.1** Termination or revocation of an ANA Distributor may occur by any of the following:
  - **19.1.1** Distributor may terminate its status as a Distributor under this Distributor Policy at any time at its sole discretion, upon written notice to ANA. Such written notice must be signed by a duly authorized officer of Distributor.
  - **19.1.2** ANA may terminate a Distributor's status as a Distributor under this Distributor Policy at any time at its sole discretion, upon written notice to Distributor by an authorized agent of ANA.
  - **19.1.3** This Distributor Policy shall be terminated on the effective date of any updated version of this Distribution Policy. Distributor will receive notice at least fifteen (15) days in advance of the effective date of any such updated version.
  - **19.1.4** Distributor's account application with ANA is rejected.

## **19.2** Effects of Termination

Distributor's application or account, if one exists, will be promptly deactivated and Distributor will no longer be able to procure or sell ANA Products without further notice from ANA. Any unfilled Sales or Purchase order will be cancelled, where possible. Any remaining stock in Distributor's possession must be destroyed or returned, at Distributor's cost, pursuant to written instruction from ANA, or a mutually agreed upon by the parties.

### 20.0 General

#### **20.1** No Warranty

UNLESS OTHERWISE EXPRESSLY SET FORTH ON THE PACKAGING OF THE GOODS, ANA MAKES NO WARRANTY OR CONDITION, EXPRESSED OR IMPLIED, WITH RESPECT TO ANY GIVEN ANA PRODUCT, SAMPLE COPY, OR SET OF PROMOTIONAL AND/OR MARKETING MATERIALS, AND ANA DISCLAIMS ANY AND ALL WARRANTIES AND CONDITIONS OF MERCHANTABILITY, FITNESS FOR A SPECIFIC PURPOSE, STABILITY, OR PERFORMANC.

# 20.2 ANA's Intellectual Property

All trademarks, copyrights, patents, or other intellectual property in the ANA Products (hereafter the "IP") are owned by ANA, its affiliates, or partners. Nothing herein, nor any activity or performance by Distributor hereunder, shall grant any right in the IP to Distributor or any Authorized Customer.

# 20.3 No Liability

In no event shall ANA be liable to Distributor in contract or tort, including negligence and strict liability, for any special, punitive, indirect, incidental, or consequential damages of any kind whatsoever, including but not limited to replacement of goods, loss of profits, commissions or production, loss of revenue or use of revenue, property damage, or expenses or damages incurred in connection with or arising out of ANA's performance or non-performance hereunder, whether suffered by Distributor or any third party, or for any loss or damage arising out of the sole or contributory negligence of Distributor, its employees, agents, officers, or any third party.

## **20.4** Independent Parties

Distributor's acknowledgment and compliance with this Distributor Sales Policy shall not be construed to create a partnership, joint enterprise, agency, or employment relationship between Distributor, any Authorized Customer and ANA.

### **20.5** No Authority

Neither Distributor nor ANA will have the authority to enter into agreements of any kind on behalf of the other or to bind or obligate the other in any manner to any third party.

### **20.6** Waiver

No waiver by ANA of any violation on the part of Distributor of this Distributor Policy shall constitute a waiver of any subsequent violation or of any violation of other policy provisions. ANA may choose, in its sole discretion, to provide written notification waiving an anticipated violation of a given policy provision to Distributor. Written waivers are exclusive to the party requesting the waiver.

## **20.7** Notifications and Notice

All notifications hereunder must be made in writing and delivered via one of the following methods: email, certified mail, or a recognized international delivery carrier. All notifications hereunder to ANA must be made to Distributor's designated ANA sales representative, or if no such designated ANA sales representative has been established, then to the Legal Department of ANA (legal@asmodeena.com).

## **20.8** Interpretation

The captions and headings of this Distributor Sales Policy are intended for ease of reference only and shall not be used in the interpretation of this Distributor Sales Policy. Should any provision of this Distributor Sales Policy be held by a court of competent jurisdiction to be void, invalid, or inoperative, the remaining provisions hereof shall not be affected and shall continue in effect as though such unenforceable provision(s) have been deleted. This Distributor Sales Policy will be interpreted and enforced under the laws of the State of Minnesota, USA, without regard to its conflict of laws provision. This Distributor Sales Policy shall be construed as a whole, according to its fair meaning, and not in favor of or against any party.

### 20.9 Force Majeure

Provided that nothing in this Section 20.9 shall serve to limit, absolve or delay the payment obligations of Distributor to timely pay for ANA Product actually received, neither ANA nor Distributor shall be liable to the other for failure to perform if the delay or failure was due to any cause beyond its control, including but not limited to: (i) acts of God, explosion, flood, tempest, fire, pandemic, or accident; (ii) war or threat of war, sabotage, insurrection, civil disturbance, or requisition; (iii) acts, restrictions, regulations, by-laws, prohibition, or measures of any kind on the party of any local or federal governmental authority.

### **20.10** Audits To conform/review

Distributor will maintain, at its executive offices, the comprehensive books of account and records concerning the purchase, sale, and inventory of ANA Product and other support for compliance with this Distributor Sales Policy. ANA or its designated representative may audit Distributor's books, records, and physical inventory in some or all of Distributor's warehouses to verify the accuracy of any provided statements and compliance with this Distributor Policy, either in-person or remotely. Such audits will take place during Distributor's normal business hours and upon reasonable written notice to Distributor. Distributor will fully cooperate with and help facilitate the audit. The cost of the audit will be borne by ANA unless the audit reveals Distributor to have been in material breach of this Distributor Sales Policy, in which case the cost of the audit will be borne by the Distributor. An audit may include, but is not limited to, verifying the accuracy of reports, confirming an Authorized Customer's (brick & mortar store, online sales, resale certificate(s), business registration(s), business licensing and sales tax certification, where applicable) and any applicable sales volume thresholds.

#### 20.11 Insurance

Without limiting Distributor's indemnification obligations under this Distributor Sales Policy, during the relationship Distributor shall, at its own expense, maintain and carry in full force and effect, (subject to appropriate levels of self-insurance), commercially reasonable types and amounts of insurance coverage. Upon request, Distributor shall provide ANA with copies of the certificates of insurance and policy endorsements for all insurance coverage and shall not do anything to invalidate such insurance.

## 21.0 Indemnification

**21.1** <u>Indemnification</u>. Each Party agrees to indemnify and hold harmless the other from and against any and all claims, including third party claims, losses, liabilities, damages, expenses, and costs, including reasonable attorneys' and expert witness fees and expenses (collectively "Claims") to the extent resulting from or arising out of a breach of any representation herein by the indemnifying party, including Claims incurred by the indemnified party in settlement or defense hererof; provided, however, that: (i) the indemnified party will give early and prompt written notice to the indemnifying party of any event that could lead to such Claims; (ii) the indemnifying party will have the right to control any response to such event at its own pace and expense, with counsel of its own choosing; and (iii) no indemnity will be required to the extent a claim or loss results from the other party's intentional act or omission (including recklessness or willful misconduct).

# Appendix A Sales Order Terms and Conditions

Absent a signed distribution or other applicable agreement, orders, or sales orders ("SO" or "SO's") accepted by Asmodee North America, Inc. dba Asmodee USA ("AUSA") are expressly conditioned on the terms below and as posted on its website. Buyer's or Retailer's (hereafter collectively "Buyer") signature on and/or submission of an SO or acceptance of products described on a SO or invoice will constitute acceptance of these "Terms and Conditions" or "Terms". Where a fully signed agreement conflicts with the terms below, the fully signed agreement shall prevail. Any additional or different terms and conditions contained in Buyer documents are hereby rejected and shall be of no force or effect unless mutually agreed upon in writing by duly authorized representatives of AUSA and Buyer.

Payment. Payment is to be received by AUSA at the address shown on the SO by the date shown under "terms" which shall commence running from the date of invoice. If AUSA does not receive payment by such date, Buyer agrees to pay to AUSA in addition to the total amount then due, reasonable attorney's fees and all costs and expenses of AUSA attempting to collect such sum, and a finance charge of 1-1/2% per month, or 18% per year, on the unpaid balance, commencing from the date payment was due until the balance is paid in full, such charges not to exceed the maximum charge permitted by law. Anything herein to the contrary notwithstanding, all sums due and owing to AUSA and any interest thereon shall be immediately due and payable in full to AUSA upon the occurrence of any of the following events: any transfer, whether in bulk or otherwise, or assignment of the business of Buyer, (of which Buyer hereby agrees to give AUSA at least 30 days written notice), upon the failure by Buyer to give such notice to AUSA, if any check tendered to AUSA by Buyer is dishonored by the bank upon which it was drawn for any reason whatsoever, if a petition in bankruptcy is filed by or against Buyer or if Buyer makes a general assignment for the benefit of creditors, or if the property of Buyer shall be attached by any legal or equitable process.

Credit Approval; AUSA Cancellation; Solvency. The acceptance of any SO by AUSA and terms of payment on all sales and orders is subject to approval of AUSA's credit department and AUSA's Payment and Credit Agreement. AUSA may at any time decline to make any shipment or delivery or perform any work except upon receipt of payment or security or upon terms and conditions satisfactory to AUSA's credit department. If Buyer fails to fulfill the terms of payment on any order, AUSA may defer further shipments until such payments are made, or may at its option, cancel the SO. Buyer hereby represents that it is solvent and on each delivery this representation shall be deemed renewed unless notice to the contrary is given in writing by Buyer to AUSA at or before delivery of goods.

Acceptance and Claims. Buyer must immediately inspect the products and shall notify AUSA in writing by filing a claim through the overages, shortages, and damages portal or "OSD Portal" within seven (7) calendar days of receipt of the goods for any claim whatsoever concerning the goods ("Claim"). Such Claim shall state with particularity each defect or problem with the goods and Buyer shall be precluded from relying on defects or problems not stated in the Claim as the basis for rejection or claiming breach. All goods shall be irrevocably accepted by Buyer seven (7) calendar days after Buyer's receipt of the goods except for goods which are the subject of a Claim. Buyer receives access to the OSD Portal through contacting Buyer's sales representative. Once a Claim is filed, it will be reviewed and approved or declined within a reasonable time period.

**Title and Risk of Loss.** Delivery terms are F.C.A. Buyer's warehouse or delivery point, unless specified otherwise by AUSA. Title shall pass from AUSA to Buyer upon delivery by the carrier. Acceptance by AUSA of any check, draft or any remittance except legal tender shall not constitute payment hereunder until such items are finally and fully paid; and until such time as full payment, AUSA shall be deemed to retain a security interest in all goods for which such remittances may be tendered. AUSA will contact the carrier for any loss or damage in shipment.

**Shipment Errors:** AUSA will have the right to issue call tags for any product shipped in error including any unauthorized licensed products. Buyer must return the product promptly or AUSA will have the right to charge Buyer for such product.

**Prices; Taxes**. Unless otherwise indicated, prices are exclusive of all city, state and federal taxes. Any taxes which AUSA may be required to pay or collect under any existing or future law upon or with respect to the sale, delivery, storage, processing, including taxes upon or measured by the receipts from the sale, shall be for the account of Buyer and Buyer shall promptly pay the amount thereof to AUSA upon demand. Any sales tax applicable to the sale by Buyer of the product and any tax, impost, levy, duty, or other charge hereafter imposed will be the responsibility of and paid by Buyer. Buyer must keep any resale certificates on file with AUSA current, otherwise sales tax will automatically be charged and collected by AUSA and remitted to sales tax authorities. AUSA will be unable to reimburse any such collected taxes.

Shipment. AUSA will use its discretion in employing the method of shipment for the goods ordered. Scheduled dates of shipment or delivery, if any, are determined from the date of AUSA's acceptance of any SO's placed by Buyer and are estimates of approximate dates of shipment or delivery, not a guaranty of a particular date or dates, and AUSA reserves the right to vary such dates free of any liability to Buyer. Buyer acknowledges that peak ordering seasons may cause delays in shipments and deliveries. AUSA shall also not be liable for any damages caused by failure or delay in shipping the goods described herein, if such failure or delay is due to any war, embargo, riot, fire, flood, accident, pandemic, strike or other labor difficulty, an act of Buyer, an act of God, an act of a governmental authority, transportation shortage or failure, inability to obtain sufficient fuel, labor, materials or manufacturing facilities or issues, or any other cause beyond the reasonable control of AUSA. In which case, AUSA may cancel an outstanding SO.

**Cancellation.** Orders accepted by AUSA are subject to cancellation by Buyer only upon the express written consent of AUSA. An Order shall not be binding on AUSA until shipped by AUSA and may be cancelled at AUSA's discretion for violation of policies, not meeting order requirements, sales channel and territory restrictions, product availability, or causes beyond its reasonable control. All

orders placed by Buyer with AUSA are accepted conditional upon Buyer's assent to these terms and conditions.

**Conflict with Applicable Law; Severability.** No term or condition herein shall be effective or binding to the extent that it may be illegal or require an illegal action. If any provision of these terms and conditions shall be judged by a court of competent jurisdiction to be invalid, illegal, or unenforceable in any respect, such adjudication shall not affect or modify any other provision of these terms and conditions and the effect thereof shall be confined to the provision as to which such adjudication is made.

**Non-Waiver; Governing Law.** Any failure or delay on the part of AUSA to exercise any of its rights hereunder shall not constitute a waiver of AUSA's rights to exercise same for that on any subsequent default. This agreement shall be governed by the laws of the State of Minnesota, without regard to its conflict of laws provisions, and the parties' consent to the exclusive jurisdiction of the courts of Hennepin and Ramsey counties.

**Credit Card Surcharge (Applicable to all non-consumer Buyers whether or not have a separate agreement).** Buyers classified as businesses in the AUSA system will be charged a credit card surcharge in addition to the purchase price and other charges that may apply, if they pay for their order using a credit card accepted by AUSA (except where prohibited by law). AUSA does not surcharge the use of a debit card. The credit card surcharge will not exceed AUSA's costs of acceptance and will equal approximately 2.5% of the amount charged, in accordance with the following table:

Charged Amounts					Charged Amounts			
From	То	<u>Surcharge</u>		From	То		<u>Surcharge</u>	
\$0	\$50.00	\$0			\$750.01	\$800.0	00 \$19.00	
50.01	100.00	1.00			800.01		850.00	
20.00								
100.01	150.0	0	3.00		850.0	)1	900.00	
	21.00							
150.01	200.0	0	4.00		900.0	)1	950.00	
	23.00							
200.01	250.0	0	5.00		950.0	)1		
1,000.	.00 24.00	)						
250.01	300.0	0	6.00		1,000	0.01	1,050.00	
25.00								
300.01	350.0	0	8.00		1,050	0.01	1,100.00	
26.00								
350.01	400.0	0	9.00		1,100	0.01	1,150.00	
28.00								
400.01	450.0	0	10.00		1,150	0.01	1,200.00	
29.00								
450.01	500.0	0	11.00		1,200	0.01	1,250.00	
30.00								
500.01	550.0	0	13.00		1,250	0.01	1,300.00	
31.00								

550.01	600.00	14.00	1,300.01	1,350.00
33.00				
600.01	650.00	15.00	1,350.01	1,400.00
34.00				
650.01	700.00	16.00	[Click link fo	or expanded table]
700.01	750.00	18.00		

The surcharge amount will be stated on the SO or invoice prior to confirming purchase. At such time, the Buyer will have the opportunity to change to a different method of payment.

Note: Except for the Credit Card Surcharge, these Terms apply only to U.S. Domestic retailers or distributors. International orders are governed under separate international terms obtained from an authorized AUSA representative or a separate written agreement with AUSA.