



Retail Distribution Agreement

This agreement is made by and between Wooden Mallet, Inc., 2916 Idea Avenue, Aberdeen, South Dakota 57401 (herein after referred to as "WMI") and Insert RETAILER Name, Address, City, State and ZIP (herein after referred to as "RETAILER")

WHEREAS:

- A. WMI is the manufacturer and the wholesale supplier of literature displays, reception seating, coat racks, luggage racks and other office furnishings and accessories that are designated in the price sheet and catalog (herein after collectively referred to as the "PRODUCTS").
- B. RETAILER has represented they are:
 1. capable of performing under the terms and conditions of this agreement;
 2. has sufficient number of trained personnel and adequate facilities to sell the PRODUCTS;
 3. has adequate financial resources to perform to monetary obligations herein.
- C. RETAILER desires to become an authorized RETAILER for the sale of the PRODUCTS and WMI desires to appoint RETAILER as a RETAILER for the PRODUCTS all in accordance with the terms and conditions of the agreement.

RETAILER AGREES TO:

1. Maintain full-time personnel knowledgeable in the proper use and the operation of the PRODUCTS, including service and installation.
2. Promote the PRODUCTS covered by this agreement through various channels including Internet, catalog, direct sales, trade shows, media, direct marketing, etc, selling directly to the end user.
3. Provide the first line of customer service to all customers.
4. Be a non-exclusive RETAILER for the PRODUCTS.
5. Require its sales representatives to maintain routine and regular contact with existing and potential users to promote sales of the PRODUCTS.
6. Acknowledge and agree that it is an independent contractor and shall bear all of its own expenses in connection with this agreement. RETAILER shall have

no authority, whether express or implied to assume or create any obligation on behalf of WMI. RETAILER not shall issue or cause to be issued any price quotation, prepare any proposals, letters or agreements over the name of WMI, but rather shall use its own name for such purposes.

WMI AGREES TO:

1. Sell RETAILER the complete line of PRODUCTS on the terms and conditions herein subject to such changes in such terms and conditions of sales as may be made from time to time within WMI's sole discretion. WMI reserves the right, at any time, to delete any PRODUCTS from such catalog or to change the price(s) thereof as WMI deems appropriate. WMI also reserves the right to allocate its production and shipments at its discretion.
2. Provide to RETAILER at no charge and upon request, a sufficient number of data sheets and/or other promotional materials for the purpose of promoting the sale of the PRODUCTS. If RETAILER desires large quantities of data sheets or other materials for special promotions, WMI shall use its best efforts to accommodate RETAILER, but may require RETAILER to pay for a portion of the costs involved.
3. Make PRODUCTS available to RETAILER at the prices indicated on the most current wholesale price list.

CREDIT POLICY

- WMI will extend credit to approved RETAILERS with current accounts.
- New RETAILERS must submit signed credit application including bank and trade references with current email addresses.
- Upon credit approval, initial order will ship, subject to approved credit limits.
- Subsequent orders will be shipped on open credit,



subject to approved credit limits and account status.

PRICE LIST

- WMI's Official Wholesale Price List is published annually on September 1 and is valid January 1 – December 31.

As a courtesy to RETAILERS, WMI is happy to fill out RETAILER data spreadsheet. In the case of discrepancies between RETAILER spreadsheet and WMI price list, WMI will honor the prices on WMI price list. Please compare the two, as WMI does not accept responsibility for errors in RETAILER files.

ORDERING

- WMI PRODUCTS are sold through authorized RETAILERS only.
- All purchase orders must be submitted IN WRITING with a purchase order reference number.
- When placing order please specify quantity and full SKU.
- Orders may be submitted by email to orders@woodenmallet.com.

PRODUCTION TIMES

- Standard orders must be received by 7:00 AM for shipment that day. All orders received after 7:00 AM will go into production for shipment the following business day.
- Semi-custom upholstered orders must be received by 3:00 PM for the 72-hour production timeline to begin. Orders received after 3:00 PM will go into production the following day.
- Large quantity orders will follow adjusted production timelines. Call for information.
- Orders ship complete – if an order contains upholstered and non-upholstered items, or large quantities the order will follow the longest production timeline.
- RETAILER understands and agrees that the lead-time for fulfillment of orders may vary according to manufacturing and other conditions; therefore any and all delivery dates are estimates.
- Under no circumstances shall WMI be liable to RETAILER or its agents, customers or any other persons for late delivery or non-delivery, for any special or consequential damages whether based on lost goodwill, lost profits, work stoppage, the impairment of other goods, breach of contracts,

negligence or such other actions as may be deemed or alleged to be the cause of a loss or damage to such a person.

- RETAILER shall indemnify and hold harmless WMI from all loss, costs, damages, cost proceeding, suits and claims arising from or in connection with RETAILER's delivery, service or installation of Product.

ORDER CHANGES/CANCELLATIONS

- Most orders ship within 24 hours of purchase order receipt. Call WMI immediately to inquire about the possibility of making changes/cancellations.
- Changes/cancellations must be confirmed IN WRITING. Cancellations may not be made after an order ships.
- Semi-custom upholstered orders will incur a cancellation fee if production has started.

SHIPPING/FREIGHT

- RETAILER agrees to receive delivery by WMI of all PRODUCTS, accessories and parts for which orders are accepted by WMI, F.O.B. point of the WMI warehouse, Aberdeen, SD 57401.
- RETAILER may designate the carrier and WMI will not be liable for any costs or losses incurred by RETAILER with regard to selection of such carrier by WMI.
- RETAILER agrees to inspect all PRODUCT immediately upon delivery and give written notice to WMI within 7 days of receipt of any claim that the PRODUCT does not conform to the terms of the order.
- If RETAILER fails to give such notice, RETAILER shall be deemed to have accepted the PRODUCT and will be bound to pay in accordance with the terms of this agreement. RETAILER expressly waives any right to revoke acceptance after the expiration of said 7-day period.
- All shipments will be ground best way unless otherwise requested by RETAILER on the Purchase Order. This includes all air shipments, FEDEX, NEXT DAY UPS, 2-Day UPS, 3-Day UPS, etc.
- WMI utilizes product-specific packaging techniques. This has kept WMI damage rates well below industry average. In the rare event that damage does occur during shipping, contact WMI and replacement parts



will be shipped.

- Shipping damage claims to WMI require photo evidence of both the damaged item and the damaged packaging. Please include original purchase order number when sending images of damaged items.
- Damaged items may be picked up or inspected by the shipping carrier. Customer will be required to hold the damaged item for 10 business days. If the product has not been inspected or picked up within that timeframe customer may discard the item.
- Liability for damaged merchandise is limited to the replacement or repair of that merchandise. WMI is not liable for other damages, losses or costs.
- All WMI PRODUCTS ship Small Parcel. Many PRODUCTS ship in multiple boxes.
- WMI will choose the most cost effective shipping method unless RETAILER indicates a preference on purchase order.
- Freight charges will be prepaid and added to RETAILER'S invoice.
- Freight estimates may be requested in writing. These are only estimates based on the date of request and not a guarantee of final charges.

ADDITIONAL CHARGES

- WMI reserves the right to pass along any unforeseen shipping chargebacks, such as address correction fees, and return freight for undeliverable orders.

RETURNS

- RETAILER agrees to obtain Return Authorization (RA) number from WMI to return PRODUCTS. Please reference original purchase order number when you request RA. Request RA via email to orders@woodenmallet.com.
- RA number must be written on the outside of the return packaging in order to match return for credit.
- RETAILER will pay freight charges on all returned shipments.
- All returns must be shipped freight prepaid to:
Wooden Mallet, 2916 Idea Avenue
Aberdeen, SD 57401-3340
- PRODUCTS returned to WMI without authorization will not be accepted by WMI.
- The assigned RA number is valid for (30) days. WMI

is not required to accept returns after the expiration date. WMI is not required to accept returned PRODUCTS from RETAILER.

- RETAILER agrees to pay a restocking charge of WMI's original invoice amount on approved PRODUCT returned, excluding custom options. Restocking fees are modest. Upholstered items and large orders incur higher restocking fees. Restocking fees will be quoted at time of RA request.
- Approved returned PRODUCTS from RETAILER will only be credited for future purchases.
- Credit for the full cost, minus fees and shipping charges (where applicable), will be issued to RETAILER upon receipt of the returned merchandise.
- The issued Credit Memo is good for (6) months, unless approved by WMI. Custom options listed on the PRODUCTS price list are not returnable.
- Customer remorse returns are accepted within 30 days of shipment.
- Returned items must be in reusable condition – any item which displays obvious use will not be accepted for return. All items are inspected for damages when they are received at WMI warehouse. If an item is returned with damage, no credit will be issued.

FABRIC

- WMI offers a large selection of fabric and healthcare approved antimicrobial vinyl.
- Fabric/vinyl samples are available to ship upon request via USPS First Class at no cost to RETAILER.

SEATING WEIGHT CAPACITY

- All standard WMI seating has a weight capacity of 400 pounds per seat.
- All bariatric seating has a weight capacity of 800 pounds per seat.

FABRIC COMBINATIONS

- WMI offers fabric combinations as a custom item for additional fees. Call for more information.
- Many seating items may be selected with multiple upholstery covers on a single unit, such as vinyl seat and fabric back or two vinyl chairs and two fabric chairs in a sofa. WMI will accommodate these special requests as outlined below.
- Indicate clearly on the original order the



combination of desired fabrics as follows:

- Chair Model
- Finish
- Seat Fabric
- Back Fabric
- For multi-chairs/sofas indicate by seat number (left to right when facing)
- Pricing is per seat added to the highest grade fabric included on the piece.
- Combinations are available on standard and designer fabrics at standard production times.

UPHOLSTERED SEATING FIRE CODES

- All WMI seating meets the requirements of the CAL117 fire code.
- CAL133 fire code is not available.

COM (Customer's Own Material)

- Custom COM service is available.
- See WMI COM specifications sheet for specific information.

WOOD FINISHES

- WMI's state-of-the-art triple coat finishing process is available in four colors – Black, Light Oak, Medium Oak and Mahogany.
- WMI finishes all product components before assembly to assure an even finish in all joints, and hidden spaces.
- Light finishes contain no pigmentation, thus the natural shading of the wood will show through.
- Due to differences in their nature, solid wood and veneers may not always match exactly.
- Wood Finish Chips are available to ship upon request via USPS First Class at no cost to RETAILER.
- A limited number of SKUs are available as a custom unfinished option for customer stain applications. Call for more information.

DIMENSIONS

Product and shipping container dimensions are available at woodenmallet.com or via spreadsheet upon request to sales@woodenmallet.com.

WOODEN MALLET ONE YEAR LIMITED WARRANTY

Wooden Mallet warrants that its PRODUCTS shall be free from defects in original material and workmanship for a period of one year from the original shipment date. This warranty shall not apply to normal wear and tear or in the event PRODUCTS are damaged as a result of misuse, abuse, vandalism, neglect, accident, improper application, and modification or repair by persons not authorized by Wooden Mallet. Wooden Mallet will, at its discretion, repair or replace any defects. Any repair or replacement must be approved in advance by the factory before any action is taken. There are no implied warranties of fitness or merchantability, and there are no other express warranties beyond the warranties expressed here.

WARRANTY CLAIMS

Warranty claims should be directed to WMI at 605-225-5081 or orders@woodenmallet.com.



LASER ENGRAVING

- WMI offers laser engraving of a wide variety of fonts and graphic symbols on the following PRODUCTS. Custom logos are available at an additional charge. Contact us for information.
- Single engravable panel:
 - BR24-4
 - MR24-4
 - MR36-7
 - MR48-1
 - MR7-FS
 - MR10-FS
 - PCH15-1
 - PCH24-3
 - PCH36-5
 - CH15-1
 - CH14-1
 - CHD15-1
 - CH14-2
 - CH14-3
 - CH14-5
 - CH14-10
 - CH10-FS
 - OCHS15-1
 - OCHO20-1
 - XR-1
- Two engravable panels:
 - MR24-8
 - MR48-20
 - MR36-14
 - MR14-FS
 - MR20-FS
 - Only the bottom panels are engravable on multi-pocket items.
 - Indicate Right/Left panel when facing rack.
- Engraving Upcharges
 - Per panel – Graphic OR Text
 - Per panel – Graphic AND Text
- Graphic AND Text Engraving Options
 - Graphic Left/Text Right
 - Text Left/Graphic Right
 - Text Top/Graphic Bottom
 - Graphic Top/Text Bottom
- Proofs must be requested and are provided at no cost.
- Standard production time is 48 hours on engraved items. Delayed response on proofs will affect shipment times.

GENERAL

- Open account payment terms are not granted as part of this agreement. If RETAILER wishes to establish open account terms, RETAILER must apply and be approved for such terms with WMI's credit department, under the policies of WMI. RETAILERS who are granted TERMS will have invoices emailed to them within 24 hours after the shipment leaves WMI's premises. Full payment is due thirty days from the date of the invoice, unless otherwise specified. If WMI has to contract with a collection agency for the lack of RETAILER payments, RETAILER agrees to pay any and all costs incurred by WMI in the collection of any amounts owed to WMI from RETAILER. Should WMI bring suit against RETAILER for collection of monies owed, RETAILER shall be responsible for all cost of suit and collection including reasonable attorney's fees incurred by WMI.
- If RETAILER does not qualify for a terms account, or RETAILER ceases to qualify for terms with WMI, RETAILER shall pay the purchase price for the PRODUCTS in advance.
- This agreement is personal and rights hereunder are not assignable nor are the obligations imposed upon RETAILER delegable without the written consent of WMI.
- No modification or waiver of any of the provisions herein or any future representation, promises or conditions in connection with the subject matter hereof shall be binding upon WMI unless made in writing and signed on its behalf. A mere acknowledgement or acceptance of any order inconsistent with the terms of this agreement, with the making of deliveries pursuant thereto, shall not be deemed an acceptance or approval of any such inconsistent provisions.
- This agreement shall be governed by and construed under the laws of the State of South Dakota and any suit to enforce any of the terms hereof shall be brought in the District Court, City and County of Brown, State of South Dakota and for this purpose, each party hereby expressly and irrevocably consents to the jurisdiction of said court.
- This agreement shall continue for a term of 18 months. At the expiration of this term, RETAILER will



be asked to sign a new Retail Distribution Agreement and submit a signed Bank Reference Release Form. Upon verification, RETAILER will be notified of WMI's decision to extend RETAILER status for another 18 months or until such time as either party terminates this agreement pursuant to this section. If RETAILER has established TERMS with WMI, RETAILER will be asked to submit new credit information for verification. This agreement may be terminated by

either party at any time for any reason, or for no reason whatsoever by giving written notice of termination to the other. Notwithstanding the termination of the agreement, each party's obligations under this agreement shall continue insofar as PRODUCTS have been ordered and delivered by WMI to RETAILER.

IN WITNESS WHEREOF, these parties hereto have executed this agreement as of the date set forth below by the authorized signatures of RETAILER and WMI. Your signature below indicates acceptance of the Retail Distribution Agreement outlined above.

RETAILER

Authorized Signature

Representative Name (type or print)

Title (type or print)

Authorized Signature Date

WOODEN MALLET, INC.

WMI


Authorized Signature

Jennifer Slaight-Hansen

Name

Director of Business Development

Title

1/1/2019

Authorized Signature Date