

MFX



Microflex Distributor Business Practices

As a valued member of the Microflex family of distributors, Microflex provides the following Distributor Business Practices to assist you in understanding the basic business requirements between Microflex and its distribution partners. These Business Practices apply to customers and shipments within the United States of America. If you need additional assistance please contact our Sales Support Department, toll free, at (877) 750-6110 (Industrial) or (877) 750-6115 (Medical).

Distributor Partner Account Inception

It is expected that at the time of initial application, that Distributor, as a potential new Microflex Partner, will agree to these business practices in writing, complete a credit application, and provide Microflex with reasonable and satisfactory information of Distributor's credit history. No pricing will be given nor purchase orders accepted until Distributor's credit has approved and Distributor's account has been set up.

Terms of Sale: Microflex's standard terms of sales are Net-30 days from receipt of goods. If the terms and conditions stated on your purchase order differ from those stated on your invoice and you do not notify us of such within 15 days it shall signify your acceptance of the terms stated on your invoice. An authorized distributor of Microflex Corporation must agree in writing to any changes in the terms contained herein, before becoming binding to either party. Your Company is not permitted to take any offsets from amounts owed including but not limited to deductions for cash discounts or any other reason without prior written approval from Microflex Corporation. In the event that a refund is warranted, Microflex will issue a credit memo to you for proper reference on subsequent remittance.

Purchase orders that do not properly reflect Microflex's standard or pre-approved terms of sale will be required to either be amended or re-issued prior to being accepted. In addition, any departure from the standard or stated terms is subject to prior approval by Microflex at its sole discretion.

Remittance is expected in a timely manner and is not subject to any discount terms. Any account with outstanding short payments, deductions, or unauthorized cash discounts is subject to the account being placed on credit hold pending the prompt resolution or reimbursement of those items or other appropriate action.

Products and Pricing

Distributor will be offered in-to-stock pricing for Microflex products. Distributor will have access only to those products, which appear on Distributor's price list. In-to-stock pricing is the price Distributor will pay, on invoice, for all orders and shipments of each Microflex product.

Microflex monitors pricing which Distributor places on purchase orders. If the price per product is different on Distributor's purchase order, that price will not override the Microflex established price. Microflex determines pricing per product, on a full-case only basis, and will not accept orders for partial case quantities. Microflex reserves the right to change in-to-stock pricing anytime, at its sole discretion.

Freight

Microflex agrees to pay freight on orders of 48 cases or more on a single purchase order for shipment to a single location. Orders meeting Microflex's minimum order of 48 cases, of any product for prepaid freight, will be shipped FOB destination. Microflex reserves the right to make all carrier and routing decisions when it pays the freight. For any orders less than 48 cases, Microflex will ship best-way and



charge Distributor actual freight. Consignee collect shipments will be allowed using Distributor's carrier and account number.

Minimum Orders

Microflex will accept orders for and ship in full case quantities only. Orders between 1 and 47 cases will incur a freight charge in accordance with the freight policy noted above.

Expedited orders

Upon request, Microflex will do its best to expedite orders based on distributor needs, however Microflex reserves the right pass on any related expenses incurred.

Customer Pick ups

Microflex will allow distributor to pick up product at a designated Microflex warehouse upon prior written approval only. No discount to distributor pricing will be allowed or granted due to customer pick-up.

Drop Shipments

Standard Microflex policy is to not allow drop shipments. Exceptions may be considered at Microflex's sole discretion. In the event a drop shipment is required in support of a new end user account, Microflex may allow a drop shipment direct to the end user in which case the standard freight policy will apply.

Shipment Damage

It is Distributor's responsibility to sign the bill of lading "Damaged Product" if damage is visible at the time of delivery. Discrepancies, damaged product, or short shipment must be reported to our Sales Support Department at (800) 876-6866 within 15 days of receipt of product.

Returns

Returns will only be accepted with a valid Return Merchandise Authorization (RMA) number, which can be obtained through the Microflex Sales Support Department. Returns will be accepted for full cases quantities only and the product must not be more than six (6) months old. RMA's are valid for thirty (30) days. If the product is not received at the designated distribution center within that period, the RMA will be cancelled and a credit will not be issued. A re-stock fee may be assessed, at the discretion of Microflex. The fee will not exceed 15% of the amount to be credited.

Credit Hold

A credit hold status on a Distributors account will prevent the shipment of new, existing, and back orders.

Reasons for Credit hold status on Distributor's account may include, but is not limited to the following:

- A) Your account is past due. An account is considered past due when it contains unpaid invoices over 15 days late with no satisfactory resolution. Credit limits will only be waived at the discretion of Finance.
- B) Microflex receives adverse or questionable credit information regarding your account or status. The Microflex Credit Manager reserves the right to revoke an assigned credit limit or place your Company on temporary credit hold without prior notice.



Warranty

Microflex warrants its gloves against defects in material and workmanship under normal use for 30 days from receipt. THE FOREGOING WARRANTY IS IN LIEU OF ALL WARRANTIES EXPRESSED, IMPLIED, OR STATUTORY, INCLUDING, BUT NOT LIMITED TO THE IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AND OF ALL OTHER OBLIGATIONS OR LIABILITIES ON THE PART OF MICROFLEX. Microflex's obligations to Distributor under this limited warranty are limited, at its sole option to 1) replacing, 2) repairing, or 3) giving credit for any gloves which, within the applicable warranty period, are returned to Microflex, transportation charges prepaid, and, determined by Microflex to be defective. Prior to returning any gloves to Microflex, Distributor must request and obtain written return authorization from Microflex. In no event shall Microflex's liability exceed the purchase price paid for the products.

MICROFLEX SHALL NOT BE LIABLE FOR DIRECT, INDIRECT, SPECIAL, CONSEQUENTIAL, OR INCIDENTAL DAMAGES, REGARDLESS OF THE FORM OF ACTION OR THEORY OF LIABILITY RELATING TO THE PURCHASE OR USE OF ITS PRODUCTS. IN NO EVENT SHALL MICROFLEX'S LIABILITY EXCEED THE PURCHASE PRICE PAID FOR THE PRODUCTS.

EDI

The Microflex preferred format for purchase order transmission is EDI (Electronic Data Interchange) ANSI 4010. EDI can be transmitted daily. If you are interested in establishing this or other EDI exchanges with Microflex, please contact the Sales Support Department @ 1 800-876-6866.

Distributor Partner Changes

Microflex requests thirty (30) days advance written notice of address changes, telephone and fax number changes, name changes and any mergers and/or acquisitions that your Company may experience.

Hours of Operation

For your convenience, Microflex Corporation is open for business Monday through Friday 6:00 am to 5:00 pm Pacific Time.

All orders will be entered within 24 hours of receipt. Shipment will normally be effected from the appropriate warehouse within two business days based on product availability.

Governing Law

This agreement shall be governed by and enforced in accordance with the internal laws of the State of Nevada without regard to conflict of law provisions thereof. The Federal and/or State courts of Nevada shall have exclusive personal and subject matter jurisdiction over, and the parties each hereby submit to the venue of such courts with respect to any dispute arising out of or relating to the purchase or use of Microflex's products, and all objections to such jurisdiction are waived. Distributor consents to the service of process permitted under Nevada law or by certified mail, return receipt requested.

Distributor Representative: _____

Date: _____

Microflex: _____

Date: _____