



MUSIC SHIP LLC DEALER AGREEMENT

1. **Sale of Products.** Reseller / Dealer commits to carrying for sale the following Music Ship LLC (the “Company”) brands, by checking those that apply:

AER Amplification Outlaw Effects Animals Pedals

2. **No International Sales.** Dealer shall sell Company brands only in the United States, and not to Canada or any other country outside of the United States. Dealer shall indemnify, defend, and hold Company harmless for any lawsuits, claims or causes of action arising from violation of this provision and/or international laws.

3. **Mutual Covenants.** Dealer agrees to display, demonstrate, promote, and sell Company’s brands to their customers. Company will provide available marketing material, collateral, and support of Dealer’s efforts wherever possible for mutual success.

4. **Trans-shipping.** Authorized Dealers may not trans-ship Company’s brands to other dealers, wholesalers, or distributors.

5. **Terms of Payment.** Dealer agrees to maintain its payment account in good standing with Company at all times. All invoices past due 30 days may be charged interest at the rate of 1.5% per month, 18% per annum.

6. **MAP Policy.** The brand’s individual published MAP price is the lowest price permitted for all forms of public-facing advertising by Company’s dealers. Please refer to the Company’s MAP policy for details.

7. **Product Returns.** Returns of Company’s branded products will be charged a 15% restocking fee. Returned merchandise shall be shipped freight prepaid by Dealer. Returned merchandise (other than products returned for repair or replacement pursuant to individual brand warranty terms) will be subject to a minimum handling charge, and additional charges may be made depending upon the condition of such merchandise following inspection by Company.

8. **Drop-shipping.** Authorized Dealers may request drop-shipping of Company’s branded products, only if core inventory models are maintained in Dealer stock. Freight on drop-ship orders is the exclusive responsibility of the Dealer. Any drop-shipped item that is canceled while in transit to the end-user will be diverted to the dealer’s place of business or charged a 15% restocking fee if returned to the Company. Any exceptions to the drop-shipping policy must be made in writing between the Dealer and Company.

9. Payment for Company's branded Products:

- Payment shall be made upon shipment via secure credit card, per Invoice
- Net 30-day terms available to creditworthy customers, paid exclusively by ACH or check
- Checks shall be made payable to "Music Ship LLC" and mailed to:

Music Ship LLC
P.O. Box 94
Red Hill, PA 18076

10. **Prices, Payments and Terms.** Company's prices, payment terms, discounts and freight charges are subject to change without prior notice, and Company reserves the right to invoice for all products at the price prevailing at the time of shipment. Company will determine the method of transportation and the carrier to be used on all shipments where the freight is prepaid by Company. Shipping dates are estimated only and are not guaranteed.

11. **Jurisdiction.** This Agreement shall be governed by the laws of the United States and the State of Pennsylvania. Dealer submits to venue in any court of competent jurisdiction in the State of Pennsylvania.

12. **Term.** The term of this Agreement is January 1, 2022, through December 31, 2022, at which time auto-renewal will occur unless either party terminates the auto-renewal in writing, 30 days prior to the auto-renewal date. Company will advise dealer in advance of any changes to the Dealer Agreement.

13. **Termination.** Company shall have the right to terminate this Agreement at any time during the term of this Agreement. Termination will occur at the Company's sole discretion if Dealer has engaged in activities or actions that have or are likely to have a negative impact on Company's goodwill and/or reputation, Company's Intellectual Property, or that otherwise constitute a material breach of the obligations contained herein, including without limitation, disclosure of Company's Confidential Information. Either party may terminate this Agreement without cause with thirty (30) days written notice to the other.

14. **No Agency.** Dealer shall not function as an agent or partner of Company. Company shall not be held liable for any claims and/or guarantees, either expressed or implied by the Dealer, that are not specifications or policies of Company or Company's individual brands.

15. Compliance with the Law

(a) Within the scope of this Agreement, Dealer is obliged to comply with all relevant legal and official regulations. Dealer is responsible for complying with all statutory provisions and laws regarding its business operations, sale of products, employees, and activities.

(b) Dealer is obliged to refrain from any acts that can lead to criminal liability such as fraud or deception, insolvency offences, criminal offences against the competition, granting advantages and/or corruptibility of persons employed by Dealer or third party.

(c) In case of a breach of obligations in Sections (a) and (b), Company shall be entitled to terminate the Agreement with immediate effect.

16. **Indemnity.** Dealer shall defend, indemnify and hold Company harmless against any claim, cost, expense, damage, or liability, and reasonable expenses (including reasonable attorney's fees and costs) ("Claim") arising from any Dealer breach of any of its obligations set forth in this Dealer Agreement.

17. **Confidential.** All Company's intellectual property, financial records, business plans, product descriptions, designs, schematics, specifications, price lists, instructions and/or all other proprietary information ("Confidential Information") shall be held in strict confidence by Dealer and shall not be disclosed to any third parties without the specific written consent of Company.

18. **Modification.** The terms and conditions may not be modified, amended, altered, or changed except by a written agreement signed by both Company and Dealer.

By authorized signature below, Dealer understands and agrees to the terms and conditions stated in this Agreement.

Dealer Name: _____

Dealer Primary Place of Business, telephone and contact email address:

Telephone _____ Email _____

Signature By: _____ Date: _____

(Print Name): _____ Title: _____