



Shoreview Distribution Dealer Agreement

Agreement made this ___ day of _____, 200_ by and *between* Shoreview Distribution, Inc. ("Seller") a Massachusetts Corporation with its principal office at 69 Elm Street Foxboro, MA 02035 and _____ ("Buyer") and if incorporated, incorporated in the state of _____ with its principal office at _____.

1. SALE-Seller has agreed to sell and Buyer has agreed to purchase audio, video, or electronic equipment (Hereinafter "Goods") in accordance with the plans and specifications set forth in the Terms and Conditions of Sale listed in this agreement.

PRICE - The total price to be paid to the Seller by the Buyer for the Goods shall be listed on our website and shall be subject to change at any time. It is further agreed that such price does not include freight, handling, delivery and insurance costs, which shall be the sole responsibility of the Buyer.

- (A) Payment shall be made as follows: The entire amount due by Buyer shall be paid in full, to seller, not later than 30 days after receipt by Buyer of the goods purchased.
 - (B) In the event that the Buyer fail to pay the Seller within said thirty day period, the Buyer agrees to pay the Seller a set fee of 1.5% per month on the unpaid amount due Seller, plus all costs of collection including but not limited to reasonable attorney's fees and costs.
 - (C) Should denial of payment by customer's bank occur for insufficient funds customer agrees to pay \$25.00 as a Handling Fee for each item returned.
 - (D) A Handling Fee of \$7.50 will be added to each order under \$1,500. All orders placed online will have the handling fee waived.
 - (E) All checks are to be made payable to Shoreview Distribution, Inc.
3. MINIMUM ADVERTISED PRICING ("MAP")
 - (A) Shoreview Distribution, Inc. hereby unilaterally sets the Minimum Advertised Price ("MAP") on any and all products by all means of solicitation, including electronic or print means, including facsimile, Internet Web Site, On-Line Service, Newspaper, Magazine, Newsletter, Direct Mailing, or similar means.
 - (B) This MAP pricing is listed on all price lists from Shoreview Distribution, Inc.
 - (C) MAP pricing does not in any way restrict the actual price that the dealer may sell the product for, nor does it restrict price quotes sent in reply to written solicitations to bid.
 - (D) Dealers who advertise products below MAP pricing will be terminated immediately.

4. ORDERING/DELIVERY SHIPPING

All orders and correspondence should be faxed, mailed, or emailed directly to Shoreview Distribution, Inc. at the number or address listed below.

- (A) All orders are subject to approval by Shoreview Distribution, Inc.
- (B) Terms are Net 30 days with prior credit approval for accounts in good standing.
- (C) New orders will not be shipped until past due invoices have been paid in full.
- (F) It is understood and agreed that the Seller cannot guarantee shipping dates and times for the goods in as much as it is under the control of our manufacturers who are not a party to this agreement.
- (F) Shipment of the Goods purchased shall be UPS Ground unless otherwise specified in writing.
- (G) Orders will ship from Foxboro, MA or San Jose, CA except *for* orders to one location totaling \$5,000 or *more*. (TVs not included).

69 Elm Street Foxboro, MA 02035

1.800.558.3877

WWW.SHOREVIEWDISTRIBUTION.COM

(FAX) 781.784.4680

- (H) Buyer shall examine each shipment promptly and shall, within twenty-four hours of receipt of each shipment advise Seller in writing of each item, which is being rejected and the reason(s) for rejection. All items not accepted shall be returned to Seller at the Buyer's expense in original factory boxes and materials and in the same condition as each item was received. Any item not returned within ten days of the notification of rejection to Seller by Buyer pursuant to this paragraph shall be deemed accepted by the Buyer and paid for in full pursuant to the terms of paragraph 2.
- (I) Only verified defective units may be returned for credit. *Documentation from an authorized Service Center must be included to obtain credit.
- (J) All returns must have prior authorization from Shoreview Distribution, Inc.
- (K) Merchandise returned without return authorization from Shoreview Distribution, Inc. will be refused or charged a 15% restocking fee.
- (L) A 15% restocking fee may apply to returns.
- (M) It is agreed that Shoreview Distribution, Inc. has rights/ownership to all products invoiced/shipped until the full invoice is paid in full.
- (N) Service Information: All service and repairs should be directed to the closest authorized Service Center. A complete list of Authorized Service Centers is available on our website www.shoreviewdistribution.com.

5. TERMINATION- It is agreed that the Seller may terminate this contract for any reason provided the Seller give the Buyer thirty days written notice. Such termination shall not relieve the Buyers obligation to pay the Seller all sums due under this agreement, including the Buyers obligations pursuant to Paragraph 2 of this agreement.
6. BUYERS DEFAULT- In the event that the Buyer fails to comply with any term of this Agreement, the Seller shall have the right to terminate this agreement, forthwith and the Buyer shall remain obligated to the Seller for all sums due seller under this agreement.
7. WAIVER- A waiver of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach.
8. VALIDITY- This Agreement shall be construed under the laws of the Commonwealth of Massachusetts. If any part of this agreement shall be invalid or unenforceable, it shall not affect the validity of the balance of this Agreement. The parties agree and confer jurisdiction upon the Norfolk County Superior or District Court in Dedham, Massachusetts for the resolution of all disputes and or claims between the parties arising from this Agreement.

IN WITNESS WHEREOF, the parties have signed this Agreement on the date first written above.

Shoreview Distribution, Inc.
69 Elm Street Foxboro, MA 02035

Shoreview Distribution, Inc.

BY _____ DATE
(Seller)

BY _____ DATE
(Buyer)

Addendum for Sony Customers

- (a) To maintain a display of the key models of the Products and promotional material pertaining thereto;
- (b) To resell the products, except as otherwise provided in sub-section (f) below of this paragraph 6, only to bona fide end users at and only at retail locations within the Territory, provided however that the Customer may solicit sales from, and ship Products to, purchasers located in the continental United States or Alaska provided further that the Customer may not export Products outside of the United States;
- (c) Not to engage in any unfair competitive practices including, but not limited to product disparagement and bait and switch practices;
- (d) To sell refurbished Products, if any are sold by the Distributor-Reseller to the Customer, only as such and not as new Products;
- (e) If the Customer sells or advertises any Products on the Internet, to agree to advertise and sell same only in accordance with the additional requirements set forth on the attached "Exhibit 1-Customer Internet Advertising and Sales Requirements"; the Customer must also agree that Consumer Products identified as such on the Division's Price List may not be sold on the Internet. Additionally the Distributor-Reseller may notify the Customer of other Products which may not be sold on the Internet in accordance with notices as may from time to time be provided to the Distributor-Reseller from the Division;
- (f) To sell Consumer and/or General Products, identified as either in the Division's Price Lists, only to business, professional/hobbyist, educational or industrial end users and not for personal, family or household use, and to value-added resellers ("VARs") that meet the following criteria: (i) the VAR must be located within the continental United States or Alaska, (ii) the VAR must purchase Products only for resale as either (a) an integrated part of a system that results from the addition of significant added value to such Products through the VAR's combination of such Products with products or accessories manufactured and/or assembled by or for the VAR for resale (a "System"), or (b) additions to, or substitutions in, an existing System sold by the VAR. Further each Customer of the Distributor Reseller must agree to advertise the Consumer Products only in the continental United States and Alaska and only through conventional business and industrial advertising media directed to business, professional/hobbyist, educational or industrial end users. Each advertisement of such Products must contain a description of the Consumer Product containing at least the following: (i) model number and general description of each such Product; and (ii) description/listing of major features/specifications of each such Product. If a picture of a Consumer Product(s) is included in any advertisement, the picture must be a "catalog" picture or depict a business, professional/hobbyist, educational or industrial application as opposed to personal, family or household application;
- (g) To arrange to service the Products by referral of end-user purchasers to an authorized Sony Service facility authorized for the Products requiring Service.

EXHIBIT 1

CUSTOMER INTERNET ADVERTISING AND SALES REQUIREMENTS FOR SONY

ARTICLE V – PROFESSIONAL AUDIO DISTRIBUTOR

- 1. In connection with the advertisement of the Products and sale of the Products permitted to be sold on the Customer's website (hereinafter "Internet Products"), the Customer must agree with the Distributor-Customer to:
- 2.
 - (a) Create a section in the Customer's website identified as the Customer's site for Sony Broadcast and Professional products in a manner and with a name and URL (IP or Internet address) approved by Sony Electronics Inc. in writing (hereinafter the "Customer's Sony Site"). The Customer's Sony Site shall only contain images and information about the Products and explain how to purchase the Internet Products from the Customer (including "shopping cart" access through or from the Customer's Sony Site). The Customer's Sony Site will provide the ability to search for the Products by name, model number and product category within the Customer's Sony Site. The Products must also be able to be located via any product or product category search tool or other locator tool provided in the

Customer's website. All the Products data and images may also be displayed with any competitive product offered by the Customer on the Customer's website, but outside of the Customer's Sony Site, as part of any product category comparison or listing;

- (b) Prominently state in the Customer's Sony Site and at the point the Customer obtains customer shipping information that the Internet Products are available for sale only to bona fide end user Customers and will only be shipped to addresses within Territory;
- (c) Fully comply with the requirements of the Division's Ad Kit, as posted on the Distributor-Reseller's Website, in the advertisement of the Products on the Customer's Website;
- (d) Provide at least the following customer services:
 - (i) A toll-free customer telephone number to answer customer inquiries regarding the Products, their use and related matters, for at least ten (10) hours a day, five (5) days a week, which is adequately staffed with enough individuals to meet anticipated demand and who, in the aggregate, have been trained in the operation, features and benefits of all Products then offered on the Customer's Website or, the functional equivalent provided by some other means;
 - (ii) Conspicuously post on the Customer's Website, at all places where Customer and other personal information is collected, a clear and conspicuous statement of the Customer's privacy including, at a minimum: (a) what personal information may be collected and by what means; (b) who, if anyone, is collecting the personal information; (c) how this information may be used, including with whom, if anyone, it might be shared; (d) the consequences, if any, if the Customer elects not to provide personal information; (e) how Customers can access and, if necessary, change the personal information maintained by the Customer; (f) a general statement about how data security, quality and integrity is ensured; and (g) where and how to ask questions or file complaints;
 - (iii) A secure means of ordering the Internet Products online, including a prominent statement of the level of security provided for such transactions displayed at least on the ordering page(s) of the Customer's Website;
 - (iv) Internet Products order status information (acceptance or rejection) and product availability status within twelve (12) hours of the submission of each order and, if not immediately available, provide the customer with the option of canceling the order;
 - (v) Shipment of the Internet Products so ordered within forty-eight (48) hours of order acceptance; and,
 - (vi) Use one or more reliable delivery service providers capable of proper and safe delivery of the Internet Products ordered to all locations within the United States.

Not conduct auctions of the Products nor sell the Product by auction or substantially similar means from the Customer's Website or through any third-party auction site or facility; Submit to Sony Electronics Inc. for its review, the Customer's Sony Site and any pages of the Customer's Website, referencing, depicting for describing the Products or the Customer's relationship to Sony Electronics Inc. ("SEL") in advance of initially placing such pages on-line to the general public. Any changes to such approved pages thereafter must be submitted to SEL for review and approval unless the changes made by the Customer are only to incorporate, any change, material, data or pictures supplied to the Customer by SEL or the Distributor-Reseller as authorized by SEL, in which event no submission for review and approval is required. In all cases in which review and approval of content by SEL is required under this provision, the SEL's review and approval shall not be unreasonably withheld or delayed and shall be limited to a review of (i) proper usage of Sony trademarks, logos and trade names, (ii) compliance with the graphical picture quality resolution standard referred to above; (iii) Product performance claims; (iv) verification of offering of only the Products authorized hereby; and, (v) any language or depictions which in the sole opinion of the Division is potentially injurious to the Division's good name, image or reputation.

- (g) NOT ADVERTISE OR SELL VIA THE CUSTOMER'S WEBSITE ANY PRODUCTS IDENTIFIED AS "CONSUMER PRODUCTS" IN THE DISTRIBUTOR-RESELLER'S PRICE LISTS UNLESS SPECIFICALLY AUTHORIZED TO DO SO PURSUANT TO A SEPARATE AGREEMENT BETWEEN THE CUSTOMER AND SONY ELECTRONICS INC., IN WHICH CASE ALL ADVERTIZING AND SELLING OF SUCH CONSUMER PRODUCTS SHALL BE DONE ONLY AS AUTHORIZED IN, AND IN STRICT ACCORDANCE WITH, ANY SUCH SEPARATE AGREEMENT;

(h) Not post or otherwise communicate on the Customer's Website price quotes for Products that do not comply with the Division's CO-OP MAP guidelines then in effect, if any, although the Customer may communicate such price quotes via e-mail, facsimile, telephone, "snail mail" and other means other than the Customer's Website.

IN WITNESS WHEREOF, the parties have signed this Agreement on the date first written above.

Shoreview Distribution, Inc.

69 Elm Street
Foxboro MA 02035

Shoreview Distribution, Inc.

BY _____ DATE
(Seller)

BY _____ DATE
(Buyer)