



Dealer Agreement

This Territorial Dealership Agreement ("Agreement") is made and effective this **June 1st, 2019**, by and between ("Dealer") **YOUR INFO** and ("Manufacturer") Illumination Enterprises 4572 West Long Leaf Drive, West Jordan, Utah 84088. Manufacturer desires to appoint Dealer, and Dealer desires to accept appointment, as a Dealer of Manufacturer's products within a defined area as set forth herein.

Therefore, in consideration of the mutual agreements and promises set forth herein, it is agreed:

1. Rights Granted.

Manufacturer hereby grants to Dealer the right, on the terms and conditions set forth herein, to purchase, inventory, promote and resell "Manufacturer's Products" (as defined below) within the following area described in postal Code Directory included on this form: Nothing herein shall prohibit Manufacturer from selling any of Manufacturer's Products directly to the customers within described territories as defined in the Postal Code Directory, although Manufacturer hereby acts in good faith to avoid selling within described territory without direct knowledge of the said Dealer. Said territory defined by the postal codes below may also include more than one Dealer depending the size of the dealership and potential of the given territory.

2. Products.

The term "Manufacturer's Products," in this Agreement, shall mean the products, related service parts and accessories manufactured and/or sold by Manufacturer as follows: Trimlight Contractor Pro Product Line, and any improvements thereon.

3. Terms of Sale.

All sales of Manufacturer's Products to Dealer shall be made pursuant to this Agreement at such prices and on such terms, as Manufacturer shall establish from time to time with at least thirty (30) days written notice. All prices are FOB Manufacturer's plant or warehouse location, unless otherwise stated in this Agreement. Risk of loss due to damage or destruction of Manufacturer's Products shall be the responsibility of the Dealer after delivery to the carrier for shipment. Manufacturer will select the shipper unless Dealer requests a reasonable alternative. All orders are subject to acceptance by Manufacturer. Except as otherwise expressly agreed by Manufacturer in advance, this Agreement shall control all aspects of the dealings between the parties with respect to the Manufacturer's Products and any additional or different terms in any Dealer order are hereby rejected unless the parties specifically agree to them in advance of shipment and mutually sign another agreement to that effect.

4. Payment.

Dealer shall pay all charges due hereunder by the date of shipping to Dealer location. Payment shall be made as shown on the invoice. Manufacturer may offer payment terms to dealer upon the capabilities of the Manufacturer to offer terms. Manufacturer may impose a late payment charge of one and a half percent (1.5%) per month on any overdue unpaid balances.

5. Marketing Policies.

Dealer will at all times maintain adequate marketing and advertising to promote vigorously and effectively the sale of Manufacturer's Products through all channels of distribution prevailing in the Territory, in conformity with Manufacturer's established marketing policies and programs. Dealer will use its best efforts to sell Manufacturer's Products to any and all property owners within specified territory providing satisfactory customer service throughout Dealer's primary marketing area. Dealer is authorized to enter into written agreements with its customers relating to the purchase and service of Manufacturer's Products on forms approved by Manufacturer for this purpose. The risk of collection from dealers, however, is entirely the risk undertaken by the Dealer. The Dealer may not, under any circumstances, chargeback Manufacturer for unpaid invoices by a property owner or customer.

6. Dealer's General Duties.

A. Dealer shall provide maintenance service on Manufacturer's Products sold in the Territory, using qualified personnel and subject to service policies satisfactory to Manufacturer. Qualified personnel are individuals with characteristics or abilities gained through theory and training and/or experience as measured against the manufacturer's established requirements.

B. Dealer shall at its desire hire sales personnel or appoint representatives to introduce, promote, market and sell Manufacturer's Products in the Territory. Dealer shall adequately train such personnel and/or representatives. Dealer shall employ sufficient numbers of sales personnel and/or representatives to market Manufacturer's Products in the Territory.

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C. Dealer agrees not to engage in the distribution promotion, marketing or sale of any goods or products that compete or conflict with Manufacturer's Products. Dealer agrees to supply to Manufacturer a list of items handled by Dealer following Manufacturer's request to ensure that no conflict exists.

7. Sales Policies.

A. Sales quotas, giving reasonable regard to past performance and market potential of the manufacturer's Products, may be established by Manufacturer from time to time. Dealer agrees to terms of agreement stating the minimum quantity of manufacturer's Products that should be purchased per calendar year according to the reasonable quota set forth by the manufacturer based on the quantities of postal codes within the dealer's territory. Dealer agrees to employ sales personnel of demonstrated capacity to attain such quotas and consents to rewards directly to such personnel by Manufacturer in recognition of superior performance. The amount of the quota is based on the below amount and expected nominal growth each year. The quota amount below supersedes any amount mentioned in the Policies and Guidelines document.

B. Manufacturer will provide Dealer with merchandising assistance from time to time in the form of advertising programs, product and sales training, and field sales assistance.

C. Dealer agrees to use such assistance in carrying out Manufacturer's merchandising and sales promotion policies.

D. Dealer agrees to not offer any other product line that is in direct competition to Trimlight products without written consent from the Manufacturer. All other services or products offered by Dealer or any other entity related to the dealer and/or management must be approved by Illumination Enterprises.

8. Advertising Policies.

Manufacturer will cooperate with Dealer in helping to provide any logos or advertising information for continuous and effective advertising and promotion of Manufacturer's Products throughout the Territory, and Dealer agrees at Dealer's expense to participate in, actively promote and faithfully comply with the terms and conditions of such cooperative advertising and merchandising programs as Manufacturer may establish and offer to Dealer from time to time. The Dealer will be required to separately advertise and market the Manufacturer's Products within the Territory, provided the form and content of the advertising or marketing materials are approved by Manufacturer in advance. The required marketing and advertising budget for the dealer is based upon a minimum amount of investment according to the quantity of postal codes included in the postal Code Directory. For every postal code within a given territory, the dealer will be required to have a minimum monetary value of \$3.25, each fiscal year. Receipts and advertising proofs will be submitted to and audited by the Manufacturer each year at the discretion of the Manufacturer.

9. Warranty Policies.

If any of Manufacturer's Products are proven to Manufacturer's satisfaction to have been defective at time of sale to Dealer, Manufacturer will make an appropriate adjustment in the original sales price of such product or, at Manufacturer's election, replace the defective product. Manufacturer shall provide to Dealer information with respect to Manufacturer's limited warranty extended to the original consumer of Manufacturer's Products. MANUFACTURER MAKES NO WARRANTY TO DEALER, OR ITS CUSTOMERS, WITH RESPECT TO THE PRODUCTS, EITHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE THAT ARE NOT EXPRESSLY WRITTEN IN THE MANUFACTURERS PUBLISHED WARRANTY.

10. Indemnification.

A. Manufacturer agrees to protect Dealer and hold Dealer harmless from any loss or claim arising out of inherent defects in any of Manufacturer's Products existing at the time such product is sold by Manufacturer to Dealer, provided that Dealer gives Manufacturer immediate notice of any such loss or claim and cooperates fully with Manufacturer in the handling thereof.

B. Dealer agrees to protect Manufacturer and hold Manufacturer harmless from any loss or claim arising out of the negligence of Dealer, Dealer's agents, employees or representatives in the installation, use, sale or servicing of Manufacturer's Products or arising out of any representation or warranty made by Dealer, its agents, employees or representations with respect to Manufacturer's Products that exceeds Manufacturer's limited warranty. Further, in the event that any of Dealer's dealers shall, with respect to any of Manufacturer's Products purchased from Dealer, fail to discharge the dealer's obligations to the original consumer pursuant to the terms and conditions of Manufacturer's product warranty and consumer service policies, Dealer agrees to discharge promptly such unfulfilled obligations.

11. Order Processing and Returns.

A. Manufacturer will employ its best efforts to fill Dealer's orders promptly on acceptance, but reserves the right to allot available inventories among Dealers and end user customers at its discretion.

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B. Except for Manufacturer's products that are defective at the time of sale to Dealer, Manufacturer shall not be obligated to accept any of Manufacturer's Products that are returned. In the event such returns are accepted, Manufacturer may impose a reasonable restocking charge.

12. Financial Policies.

Dealer acknowledges the importance to Manufacturer of Dealer's sound financial operation and Dealer expressly agrees that it will:

A. Maintain and employ in connection with Dealer's business and operations under this Agreement such working capital and net worth as may be required to enable Dealer to properly carry out and perform all of Dealer's duties, obligations and responsibilities under this Agreement;

B. Pay promptly all amounts due Manufacturer in accordance with terms of sale extended by Manufacturer from time to time;

C. Furnish Manufacturer with financial statements in such form as Manufacturer may reasonably require from time to time for credit purposes; and

D. Furnish, at Manufacturer's request, a detailed reconciliation of Manufacturer's statements of account with Dealer's records, listing all differences, and showing net amount Dealer acknowledges to be due Manufacturer.

In addition to any other right or remedy to which Manufacturer may be entitled, shipments may be suspended at Manufacturer's discretion in the event that Dealer fails to promptly and faithfully discharge each and every obligation in this Section.

13. Use of Manufacturer's Name.

Dealer will not use, authorize or permit the use of, the name or any other trademark or trade name owned by Manufacturer as part of its firm, corporate or business name in any way without explicit consent from the manufacturer. Dealer shall not contest the right of Manufacturer to use of any trademark or trade name used or claimed by Manufacturer. Dealer may, subject to Manufacturer's policies regarding reproduction of same, utilize Manufacturer's name, trademarks and logos in advertising, on stationery and business cards, or on its website. Dealer shall not rebrand the products supplied by Manufacturer to incorporate any name other than "Trimlight". All marketing and/or day to day business operations shall utilize the Trimlight name in conjunction to the business name of the said Dealer. The Dealer will be known as "An authorized dealer of Trimlight".

14. Relationship of the Parties.

The relationship between Manufacturer and Dealer is that of vendor and vendee. Dealer, its agents and employees shall, under no circumstances, be deemed employees, agents or representatives of Manufacturer. Dealer will not modify any of Manufacturer's Products without written permission from Manufacturer. Neither Dealer nor Manufacturer shall have any right to enter into any contract or commitment in the name of, or on behalf of the other, or to bind the other in any respect whatsoever.

A. Dealer hereby agrees that all liability formed from doing business will not be subjected to Illumination Enterprises.

15. Business Operations and Ethical Requirements.

The following business operations and guiding rules shall be followed in accordance to this agreement. At anytime that these rules are not followed shall immediately allow Illumination Enterprises to terminate the relationship between the Dealer and the Manufacturer. All applicable termination rules will follow and be enforced.

A. During all times of business operation, all liability of the installation shall be the sole responsibility of the dealer. At no time during the business relationship shall the liability of an installation, sales methods, employee management, hiring practices, financial management, customer management be a financial liability or any cost to incur on manufacturer. If any cost incurs upon manufacturer for poor installation or poor business management from the dealer and manufacturer incurs a financial burden to repair or correct the related issues, dealer hereby agrees to reimburse all costs and potential losses to Manufacturer.

B. A professional and ethical relationship shall be the highest priority between Manufacturer to the Dealer, Dealer to the End User and any other party that may be involved. At anytime during the course of business that said End User is unable or unwilling to work amicably with the said Dealer, Illumination Enterprises hereby gives notice of intention to work directly with the End User or through a secondary party to correct the situation that has stopped the End User from working directly with the Dealer. Any costs associated with these type of transactions will be paid by the Dealer.

16. Territory Agreement

A. Some territories may include more than one dealer at any given time. All territories that may contain a high population of residents may be subjected to dividing the territory into smaller sections to allow more dealers to enter the market and service a larger percentage of the population. All dealers within the given territory or surrounding areas shall agree that multiple dealers can market, advertise, perform sales, install, and perform business operations within the said territory. Any city or territory that is deemed by Manufacturer to be under performing according to the aforementioned quota shall be open to a

X_____ Dealer Initials



territory realignment to allow another dealer to enter into a contract as a Dealer for the Manufacturer within any or all postal codes associated with this agreement.

B. All dealers within a given territory or those dealers that are current with a dealership contract with IE shall show professionalism and respect to other dealers. At no time during this valid contractual time frame will the dealer use slander, unethical business practices, and/or negative marketing and selling techniques against any other dealer that is under a contract with Manufacturer.

17. Term and Termination.

Unless earlier terminated as provided below, the term of this Agreement shall commence on **June 1st, 2019** and shall continue until either party breaches this contract. At the end of the term, the Agreement shall continue until terminated by either party on at least 30 Days prior notice.

A. Manufacturer may terminate at any time by written notice given to Dealer not less than ninety (90) days prior to the effective date of such notice in the event Manufacturer decides to terminate all outstanding Dealer agreements for Manufacturer's Products and to offer a new or amended form of Dealer agreement.

B. Manufacturer may terminate this Agreement upon notice to Dealer on any of the following events: (1) failure of Dealer to fulfill or perform any one of the duties, obligations or responsibilities of Dealer in this Agreement, which failure not cured within 30 Days notice from Manufacturer; (2) any assignment by Dealer of any interest in this agreement or delegation of Dealer's obligations without Manufacturer's written consent; (3) any sale, transfer or relinquishment, voluntary or involuntary, by operation of law or otherwise, of a material interest in the direct or indirect ownership or any change in the managers of Dealer; (4) failure of Dealer for any reason to function in the ordinary course of business; (5) conviction in a court of competent jurisdiction of Dealer, or of a significant partner, principal officer or major stockholder of Dealer for any violation of law that, in Manufacturer's opinion, to adversely affect the operation or business of Dealer or the good name, goodwill, or reputation of Manufacturer, products of Manufacturer, or Dealer; or (6) submission by Dealer to Manufacturer of fraudulent reports or statements, including, without limitation, claims for any refund, credit, rebate, incentive, allowance, discount, reimbursement or other payment by Manufacturer.

18. Obligations on Termination.

On termination of this Agreement, Dealer shall cease to be an authorized Dealer.

All amounts owing by Dealer to Manufacturer shall, notwithstanding prior terms of sale, become immediately due and payable;

A. All unshipped orders shall be cancelled without liability of either party to the other;

B. Dealer will resell and deliver to Manufacturer on demand, free and clear of liens and encumbrances, such of Manufacturer's Products and materials bearing Manufacturer's name as Manufacturer shall elect to repurchase, at a mutually agree price, but not in excess of Manufacturer's current price to Dealers for such products and materials, provided that Manufacturer shall not be obligated to pay Dealer for any item originally provided free of charge;

C. Neither party shall be liable to the other because of such termination for compensation, reimbursement or damages on account of the loss of prospective profits or anticipated sales, or on account of expenditures, investments, lease or commitments in connection with the business or goodwill of Manufacturer or Dealer or for any other reason whatsoever growing out of such termination.

D. In sum, both parties acknowledge that termination of this Agreement at some point is highly probable and should be treated in the ordinary course of business with both parties exerting their best efforts to end the relationship amicably.

E. Dealer agrees to not offer a competing line of product that would directly compete against the Trimlight product line for a minimum of (3) three years from the date of the termination or during the period of an active dealership contract without written consent from Illumination Enterprises. Any violation of this stipulation holds the dealer liable for monetary damages to Illumination Enterprises.

19. Notices.

Any notice required by this Agreement or given in connection with it, shall be in writing and shall be given to the appropriate party by personal delivery or recognized overnight services such as Federal Express.

If to Manufacturer: Illumination Enterprises, 4572 W. Long Leaf Drive West Jordan, Utah 84088.

If to Dealer: **ADDRESS**

20. No Waiver.

The waiver or failure of either party to exercise in any respect any right provided in this agreement shall not be deemed a waiver of any other right or remedy to which the party may be entitled.

21. Attorney's Fees and Costs.

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If a suit, action, arbitration or other proceeding of any nature whatsoever is instituted in connection with any controversy arising out of this Agreement or to interpret or enforce any rights under this Agreement, the prevailing party may recover attorney's fees and costs.

21. Entirety of Agreement.

The terms and conditions set forth herein constitute the entire agreement between the parties and supersede any communications or previous agreements with respect to the subject matter of this Agreement. There are no written or oral understandings directly or indirectly related to this Agreement that are not set forth herein. No change can be made to this Agreement other than in writing and signed by both parties.

22. Governing Law.

This Agreement shall be construed and enforced according to the laws of the State of Utah and any dispute under this Agreement must be brought in this venue and no other.

23. Headings in this Agreement

The headings in this Agreement are for convenience only, confirm no rights or obligations in either party, and do not alter any terms of this Agreement.

24. Severability.

If any term of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, then this Agreement, including all of the remaining terms, will remain in full force and effect as if such invalid or unenforceable term had never been included.

In Witness whereof, the parties have executed this Agreement as of the date first written above.

25. Exclusivity in the Territory.

Due to the diversity of the population of **CANADA**. The following territory will be exclusive. No other dealer will be added to this territory unless the current dealer experiences a breach of contract or unable to fulfill commitments that are mentioned within the guidelines and policies packet this includes ethical violations, unable to properly meet the quota, etc.

Dealer

Date

Manufacturer

Date

\$3500

1876

3,335 L.F.

Initial Dealership Package

Qty. of postal Codes

2nd Year

Quota



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