

## Pioneering Policy and Definition of Distributor Accounts

In order to protect the brand equity and perceived value of its product line to its authorized distributors, Geerpres has initiated a Pioneering Policy intended to reduce or eliminate disputes arising from its distribution network. Disputes arising from the dissatisfaction of an end-user customer will be addressed with the end-user and the distributor, and will be at the sole discretion of the manufacturer.

### Definitions:

1. **Established Accounts:** The authorized Distributor, operating within their assigned territory, shall be the exclusive Distributor of Geerpres products to certain customers herein defined as “Exclusive Accounts”.
2. **Excluded Accounts:** The authorized Distributor shall not sell, market, solicit, or distribute Geerpres to customers herein defined as “Excluded Accounts”.
3. **Established Accounts** are defined as customers of the authorized distributor that meet the following criteria:
  - a. The customer has, and continues to purchase on a regular basis, as derived from billing, purchase orders and shipping documentation as maintained by the Distributor.
  - b. The customer has either implemented Geerpres products throughout its entire facility, is in the process of actively converting to the use of Geerpres products or has testing/evaluation processes in place approved by the customer’s management and that such testing has not ceased.
  - c. Preliminary sales activity, such as literature, samples, or exploratory conversation does not constitute testing for the purposes of defining an Established Customer.
4. **Excluded Accounts** are customer accounts that may be present in a Distributor’s territory but are either “Established Accounts” of another Distributor or are “National or Regional Accounts” of the manufacturer or another distributor.
5. **National or Regional Accounts** are accounts that may be OEM accounts of the manufacturer, assigned National Accounts based on end-user preference, or may be accounts of a Distributor with multiple locations that cross territorial boundaries.

6. The Pioneering Policy is effective when the Pioneering Form, located on the Geerpres Sales Portal, is submitted to Geerpres management, and will be captured by electronic means by Geerpres. The Pioneering Policy is not intended to be perpetual, and the Distributor must re-qualify any activity within the account for any timeframe to be extended. Pioneering expires six calendar months from the date of submission but may be extended in six-month intervals. Determination of qualification is at the sole discretion of Geerpres management. National or Regional account registration is required as is any other account and must be re-qualified in the same manner.
7. In the event of any dispute between the Distributor and any other authorized Distributor with respect to the sale of product to an Established Account, Distributor must provide notice to the manufacturer; the manufacturer or its duly-appointed manufacturer's representative will endeavor to resolve the dispute but shall have no liability whatsoever in such disputes. Distributor acknowledges that registration of accounts as provided through the Pioneering Policy process outlined in section 6 will serve to establish the relationship of disputed accounts and help to ensure a favorable outcome. The final resolution of repeated disputes originating with an authorized Distributor will be at the sole discretion of the manufacturer.