



Terms of Sale

Opening an Account

GTS Distribution is a Wholesale Distributor, we sell only to retailers and other distributors buying our products for resale. Retailers and distributors wishing to open an account with GTS Distribution must fax a fully completed and signed Account Application (available on www.GTSDistribution.com), together with copies of current, valid resale certificates for each applicable state to 425-513-9338. Our application is in Adobe Acrobat file format or a fill-in Word Document. If you have trouble viewing it, please contact us at newaccounts@gtsdistribution.com.

Once your application has been approved, GTS Distribution will send you (Customer) an e-mail with a 'Customer Account Number'. The Customer Account Number will be valid at all GTS Distribution locations and for online purchases. Customer will be able to log on to www.GTSDistribution.com and create a Password. Customer must use both the Customer Account Number and Password to successfully log in to access pricing and purchase online.

Please allow 72 hours for processing of your application. If your application is not approved, you will be asked to provide additional information or will be referred to a retail store within your local area.

GTS DISTRIBUTION RESERVES THE RIGHT TO ACCEPT OR REJECT ACCOUNT APPLICATIONS IN ITS SOLE DISCRETION.

If signing on behalf of a corporation or other business entity, the person signing the Account Application warrants that he or she has full authority to do so.

Pricing

Effective January 01, 2008, all listed, quoted or posted prices - either online or in warehouse showrooms - will be our CASH DISCOUNT prices, reflective of 2% off of our regular Domestic pricing, and 3% off of our regular International pricing.

All GTS Distribution locations currently accept the following non-cash forms of payment: Visa, MasterCard, American Express, Discover, and payment via PayPal.

Ordering

By placing an order with GTS Distribution, Customer attests that he or she is of legal age or is otherwise legally authorized to open an account with GTS Distribution and to purchase the items which the Customer is ordering. Orders will be accepted only from authorized representatives of Customer. However, all persons in possession of and using Customer's Customer Account Number and/or password will be conclusively presumed to be authorized representatives of Customer.

Online Ordering

Pre-Sale Product Orders

Because of the nature of our industry, pre-sale orders for products not yet released are not accepted on the GTS Distribution website. Please contact your local GTS Distribution Sales Account Representative.

All orders submitted on www.GTSDistribution.com will be submitted to an Account Representative for review and approval. This is necessary due to issues such as stock levels, new release order due dates, product allocations, etc. Once approved, all online orders are final. Although GTS Distribution puts forth every effort to provide the most current pricing and availability online, product content, price and availability are subject to change without prior notice. GTS Distribution is not responsible for typographical errors. We will attempt to notify you within 24 hours if there is a problem with accepting your order.

Customer is responsible for maintaining the confidentiality of his/her Customer Account Number and Password, and Customer further agrees to accept responsibility for all activities under said account. Failure to comply with agreed purchase(s) may result in loss of privileges at www.GTSDistribution.com and/or GTS Distribution locations.

Product Allocations

At its sole discretion, GTS Distribution reserves the right to allocate limited availability products among its customers at any time for any reason.

Changing and/or Canceling Orders

All orders, once approved, are final. However, GTS Distribution may agree to change or cancel an order in its sole discretion. To request change or cancellation of an order, please contact your Account Representative.

GTS Distribution may find it necessary to change the pricing after Customer's orders are received. In these rare instances, an authorized Sales Account Representative will contact Customer before processing the order and Customer shall have the right to reduce and/or cancel orders for those items affected. Such reductions and/or cancellations must be requested by Customer within 24 hours of the notice of the change.

GTS Distribution reserves the right to cancel orders, at any time, for any merchandise, without responsibility therefore, in whole or in part, for any reason in its sole discretion.

Duplicate Orders

Submission by Customer of duplicate orders is not the responsibility of GTS Distribution. If you have inadvertently placed an order more than once, you will be accountable for all applicable charges unless a change or cancellation is approved by your Sales Account Representative.

Shipping Charges

If incorrect addresses, such as suite number, zip codes, etc. is given to GTS Distribution, Customer will be liable for correction fees from the carrier and re-shipping amounts if required.

For payment by COD an additional \$12.50 will be added to your total. In the event shipping rates change, GTS Distribution reserves the right to adjust accordingly.

Shipping Turnaround Times

The time to fulfill your order may vary due to availability of products and other circumstances beyond control of GTS Distribution. Normal orders ship the same day when received before 2 pm local time.

Payment & Credit Terms:

- All listed, quoted or posted prices reflect our CASH DISCOUNT prices of 2% off of our regular Domestic pricing, and 3% off of our regular International pricing.
- Initial orders are processed on Cash on Delivery or Credit Card basis unless prior approval is given.
- Payment in full is required within the designated terms.
- Accounts with outstanding invoices more than 7 days past their terms are considered 'past due' and may be placed on Credit Hold.
- Accounts with outstanding invoices more than 21 days past their terms will be subject to interest at the rate of 1.5% per month (18% per annum) on outstanding balance. On approval, product may be shipped COD Cash, until account is current.
- Accounts with outstanding invoices more than 35 days will be subject to interest at the rate of 1.5% per month (18% per annum) on outstanding balance and will be referred to a collection agency. **Customers will be liable for additional costs and/or expenses incurred by GTS Distribution, including reasonable attorneys' fees, resulting from collection efforts.**
- Returned Checks - All returned checks incur a \$25.00 service charge. Returned checks may result in suspension or cancellation of shipments and/or check writing privileges. GTS Distribution reserves the right to reduce, reject or cancel orders from any customer due to insufficient credit history, delinquent payments and any other reasons as determined by GTS Distribution.

Refused and/or Returning Orders

GTS Distribution does not accept returns unless:

1. Damaged Product Damaged Product must be reported with 24 hours of receiving the shipment. If the package is clearly damaged, this should be noted with the carrier at the time of delivery.

Upon issuance of a return authorization from a GTS Distribution Sales Account Representative or other authorized GTS Distribution employee, damaged product must be returned to the appropriate GTS Distribution location within regular Ground shipping time plus 24 hours. Damaged product will be inspected upon arrival at the proper GTS Distribution location to ensure damaged property is the same item that was shipped. If damaged product is not reported within 24 hours, GTS Distribution is not responsible for the replacement or reimbursement of the item(s).

OR

2. **Prior arrangements have been made with your GTS Distribution Sales Account Representative AND the return has been authorized by the location's Facility Business Manager.** Approved returns will incur a 20% re-stocking fee.

Customer may not refuse or fail to tender appropriate payment for COD orders. Such refusal or failure may result in the loss of privileges at www.GTSDistribution.com and/or at GTS Distribution locations. Account Suspension or Termination
GTS Distribution reserves the right to temporarily suspend or permanently terminate any Customer Account for any of the following reasons:

1. Non-Payment
2. Late payment
3. Exhaustion of Customer's available Account Credit Limit (ACL) as established from time to time by GTS Distribution
4. Customer providing false information in its credit application or otherwise
5. The actual or potential bankruptcy or insolvency of customer
6. For any reason, or for no reason, as may be determined by GTS Distribution in its sole discretion.

Liability Disclaimer

The information contained in www.GTSDistribution.com or in other publications by GTS Distribution, including but not limited to prices, content, availability, suitability for non-mature users, product safety and release or shipment dates is based solely on information GTS Distribution receives from the manufacturers and/or suppliers of the products. GTS Distribution makes no representation or warranty as to the accuracy of this information, and is not liable for any claims or losses resulting from inaccuracies contained therein or Customer's sale of the product. All warranties, conditions, representations, indemnities and guarantees, whether expressed or implied, arising by customer, prior oral or written statements by GTS Distribution or otherwise (including but not limited to, any warranty of merchantability or fitness for a particular purpose) are expressly excluded and disclaimed.

GTS Distribution reserves the right to cancel orders, at any time, for any merchandise, without responsibility therefore, in whole or in part, for good cause including manufacturers' cancellation, unacceptable delays, poor quality, or insufficient orders.

Hold Harmless

Customer hereby agrees to indemnify and hold GTS Distribution, its agents, affiliates and subsidiaries, harmless from and against any loss, damage or expense suffered by GTS Distribution, including reasonable attorney's fees and costs, by reason of (i) breach by Customer of any warranties or agreements contained herein, (ii) any act or omission of Customer, (iii) any claim, cause of action or lawsuit arising from the sale, use, storage, transportation of handling of the merchandise sold hereunder, or (iv) any settlement, judgment or payment with respect to any of items (i), (ii), or (iii) hereof.

Governing Law, Jurisdiction, and Venue

All legal disputes or claims arising from or in any way related to any transactions between Customer and GTS Distribution will be governed and settled by the laws of the State of California, excluding the conflict of law rules of that state. Customer agrees that jurisdiction and venue of such disputes or claims shall rest exclusively within the Superior Court of California, County of Contra Costa.

Entire Agreement

These Terms of Sale, together with the Terms of Usage posted on www.GTSDistribution.com, and the ACCOUNT APPLICATION and/or CREDIT APPLICATION are intended to be the final, exclusive and complete statement of the terms of the agreement between the Customer and GTS Distribution. Neither trade usage nor any terms and conditions that may be contained in any acknowledgment, purchase order or other documentation of Customer, nor course of prior dealing between parties shall affect or modify these Terms of Sale. Upon receipt by GTS Distribution of Customer's order, these Terms of Sale shall constitute the entire agreement between the parties and may not be modified or rescinded except by a writing signed by both parties. If any part, term, or provisions of these Terms of Sale are held to be invalid or unenforceable, the validity of the remaining portions shall not be affected and the invalid provision shall be deemed excluded from the Terms of Sale.