



BRIGHTON-BEST INTERNATIONAL

5855 Obispo Ave. Long Beach, California 90805 U.S.A.
Tel. (562) 808-8000 • Fax: (562) 808-8105 • www.brightonbest.com

Dear Valued Distributor,

Thank you for your interest in BBI's vending machine program. We are excited to launch this program again to help service your vending needs.

We have made it our business to help you succeed. This program is intended to help you gain access not only to vending machines, but also the financing to help you rationalize these machines over time. In addition, BBI will provide field support to help placement of these machines, training support to understand how to operate these machines, and most importantly, products to sell in these machines.

We hope you use BBI as a window into this technology. If you are already using a vending supplier, that's fantastic! Let us help you fill up those machines with products you can sell. In the end, BBI's purpose is to help you sell more products to generate a continuous income stream from vending machines.

Please see below for a list of terms and conditions.

- As part of this program, the Distributor agree to a 3 year commitment per Vending Machine. If termination is decided before the expiration of 3 years, then the Distributor will be responsible for paying any months left on the initial 36 month commitment * \$300-per month. This will be tracked by each machine.
- BBI will require \$4500 per quarter per Machine in Proffered or Ironclad Glove sales in family codes that begin with M / C / S / T / G / WM / WT and 031 / 032. These are BBI's safety consumable / cutting tool / hand tool / welding consumables / Ironclad Performance Wear products. BBI is constantly increasing the range and stock of these product families, so please check our website and with your BBI account manager for any updates. Credited sales will be net of returns
- If the Distributor is unable to achieve \$4500 per quarter per machine in qualified sales, then a \$900 per quarter per machine charge will be assessed.
- BBI will maintain the monthly software service / wireless card access fees.



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- At the end of the initial 3 year term, A 30 day notice of termination will be required, otherwise the program will continue until cancelled by either party. At termination, the Distributor will be responsible for sending the machine back to the closest BBI Regional Warehouse facility. ○ The Distributor can also offer to purchase the vending machine from BBI at the end of the 3 year term. The residual purchase value will be:

Machine Type	Purchase Price at the end of Lease
Preferred C3 Coil	\$400
Preferred C5 Coil	\$ 400
Preferred Locker Host	\$400
Preferred Locker Satellite	\$ 100

- After transfer of ownership, BBI will no longer be responsible for the machine nor for the payment of the monthly software service fee.
- BBI will not make any requirements on selling BBI products through the BBI Vending Machines. The Distributor will have full discretion to sell what works in each machine.
- Any additional options selected for each machines will be charged for and paid for in full at time of purchase. The cost of options are not part of any monthly schedule of payments.
- Any additional accessories needed apart from the initial setup (additional motors or coils) will be made available for purchase. BBI will not exchange motors or coils.
- BBI has the sole discretion to provide a vending machine - or not - based on purchasing thresholds of qualified products. BBI is providing vending machines as a service and not as an obligation for meeting purchasing thresholds of qualified products.



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- BBI will be continuously monitoring machines for usage. If a machine has remained inactive or under-utilized for 3 month or more, BBI has the option and sole discretion to cancel the contract and require payment for the remaining portion of the contract.
- The Distributor shall carry general liability insurance in an amount not less than \$1,000,000 per occurrence / \$2,000,000 in the aggregate, product/completed operations liability in an amount not less than \$1,000,000 per occurrence / \$2,000,000 in the aggregate, commercial automobile liability of not less than \$1,000,000 per occurrence, and an umbrella policy in an amount not less than \$3,000,000. Distributor's insurance shall be primary and non-contributory. Distributor shall maintain Worker's compensation insurance in accordance with statutory law and employer's liability insurance of not less than \$1,000,000 per accident and \$1,000,000 disease limit per employee.
- The Distributor further agrees to indemnify and hold harmless Brighton-Best International, Inc., and any of its affiliated companies, directors, officers, employees, and parent entity, from any and all liabilities arising from Distributor's or its end user's installation, operation, use, maintenance, restocking, relocation, or removal of the vending machines. In addition, Distributor agrees to indemnify and hold Brighton-Best International, Inc., and any of its affiliate companies, directors, officers, employees, and parent entity from any and all liabilities arising from Distributor or its end user's stocking and/or sale of products that are not Brighton-Best International, Inc., products. Distributor herein waive any rights of subrogation against Brighton Best International, Inc., or its insurance companies.

BBI Responsibilities:

- BBI will cover the delivery cost of the vending machines from the factory to the Distributor's warehouse or one address of the Distributor's choosing in the continental United States.
- BBI will provide software training for how to use the machines: user set-up, usage reports, inventory replenishment reports, planogram changes, etc...
- BBI will map out vendible Proferred or Ironclad products along with coil configurations for quicker ramp up time.
- BBI will provide 1 year warranty on the vending machine and parts against normal use.
 - Any maintenance and fixes required after 1 year will be the responsibility of the distributor.
- The maximum liability to BBI in any situation will be the full replacement cost of the vending machine.

Distributor's responsibilities:

- To send the machine to the end user site.
- To repack and refill products to vending appropriate sizes.
- Maintenance of the vending machines.



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- Maintenance of user access rights will be the responsibility of the Distributor.
- Distributor will be responsible for all invoicing to end users.
- If the machine breaks down due to abuse, a flat fee will be assessed:
 - \$14,000 for the Proferred Locker Satellite Machines.
 - \$15,000 for the Proferred C5 Coil, Proferred C3 Coil and Proferred Locker Host Machines.
- Distributor can co-brand their logos on the Vending machines, but any co-branding will need to be vinyl or removable, and at Distributor's cost.

Please Note: BBI will maintain rights to access all data from the Vending machines while under BBI ownership.



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Distributor Name: _____ / BBI Customer No: _____, Branch No. _____

Distributor Rep Signature

Brighton-Best International, Inc. (BBI) Rep Signature

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Email: _____

Email: _____

Phone #: _____

Phone#: _____

Signatory certifies that he/she has the authority to authorize and sign on behalf of their respective parties.



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Appendix A:

Distributor Address: _____

City _____ State _____, Zip _____

Machine Type	# of Units Requested	Quarterly Spend Volume Required (Per Unit)	Serial #
Preferred C3 Coil (SD3000 – Up to 43 Items)		\$4,500	
Preferred C5 Coil (SD5000 – Up to 60 Items)		\$4,500	
Preferred Adjustable Locker Host - SL 18 Window Doors		\$4,500	
Preferred Adjustable Locker Satellite - SL 20 Window Doors		\$4,500	
Combo – SD3000 + SL 20 Satellite Adjustable Locker		\$9,000	
Combo – SD5000 + SL 20 Satellite Adjustable Locker		\$9,000	

*All Host Machines will have the Cellular Connection Device Installed as part of Package.



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Distributor Rep Signature

BBI Rep Signature
