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Cayuga, ND 58013

Dakota Micro, Inc. Dealer Policy

Dakota Micro, Inc. has developed the below policies and procedures for all authorized dealers, within the Continental United States and Canada, to establish appropriate dealership locations and create the best possible experience for dealers and end customers. Dakota Micro, Inc may make updates and change this policy from time to time.

1. <u>REQUIREMENTS</u>

- a) Dealers are required to complete a Credit Application that authorizes Dakota Micro to make inquiries into banking and trade references supplied.
- b) Dealers are required to have a storefront location and/or an approved online presence with ability to display Dakota Micro, Inc. products to customers.
- c) Dealers are required to have an active email address.
- d) Dealers are highly encouraged to have and maintain a website, business Facebook page, and other social media profiles.
- e) Dealers are required to purchase a minimum of \$2,000/year to remain listed as a dealer on the Dakota Micro, Inc. dealer locator.
- f) If a dealer does not place an order for 24 consecutive months, the dealer will be deactivated and required to re-submit a credit application to re-establish their dealership status prior to placing any orders.
- g) Dealers must agree to being placed on Dakota Micro's email lists for dealer communications.

2. DEALER DISCOUNTS

- a) Discount Levels are published in the "Dakota Micro Discount Level Structure". In summary the dealer discount structure includes:
 - i. DNET20 Up to \$10,000
 - ii. DNET25 \$10,001 \$30,000
 - iii. DNET30 \$30,001 \$50,000
 - iv. DNET35 \$50,001 \$150,000
 - v. DNET37 \$150,001 \$250,000
 - vi. DNET39 \$250,001 +
- b) Discount levels may be increased or decreased, based upon dealer business volumes and business conditions at any time.
- c) Discounts are reviewed quarterly to determine if a dealer should be graduated to a higher tier.
- d) Discounts are reviewed every 6 months to determine if the dealer is on pace to meet their current discount level.
- e) Dealers who fall below their current discount tier revenue minimums will be alerted to the potential of their discount level being adjusted to meet their actual revenue contribution as outlined in the "Dakota Micro Discount Level Structure".

3. MINIMUM ADVERTISED PRICE (MAP)

- To maintain brand value and promote fairness across all dealers, Dakota Micro has established a Minimum Advertised Price (MAP) for all Dakota Micro products, including the trademarks of Dakota Micro, AgCam, EnduraCam, Overview, RazerCam and InnoPro.
- b) MAP applies to advertised prices, not the actual price a dealer may sell or offer to sell Dakota Micro products to an individual in-store or over the telephone.
- c) Dakota Micro recognizes that dealers are free to make their own decisions regarding the price at which they sell Dakota Micro products.
- d) MAP pricing does not apply to in-store or on-premises advertising that is not distributed to customers. Nor does MAP apply to customer-initiated responses to "Call for Price" or "Email for Price", or use of similar language, specifically with respect to Dakota Micro products so long as the price is not listed.
- e) Dakota Micro may modify or suspend MAP pricing on certain products from time to time for defined periods of time. If this happens, Dakota Micro will communicate, in advance, with all Dealers in the event MAP pricing is adjusted for a product and/or period.
- f) MAP Pricing will be published on current price lists, which are available in the Dakota Micro Dealer Portal for each dealer to reference.
- g) Dakota Micro reserves the right to discontinue doing business with any dealer, and any associated locations, that advertises any product(s) covered by Dakota Micro MAP at a price lower than the established MAP price.

4. ONLINE SALES

- a) Dealers full legal name or DBA must be available including mailing address, email address and contact phone number and must be included with any shipment. Anonymous online sales are prohibited.
- Resellers are responsible to ensure all applicable privacy, accessibility, and data security laws, regulations, and industry standards are met.
- c) All images used in online listings must be supplied by Dakota Micro, Inc. or approved by Dakota Micro, Inc. in writing.
- d) Dealers are highly encouraged to display the "Dakota Micro Authorized Reseller" logo on their website(s) and social media profiles.

Management System Registered to ISO 9001

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www.dakotamicro.com

- e) Customer support contact information must be provided by the dealer, for customers, including publishing phone numbers and/or email addresses for contact. Customer support is to be of a quality acceptable to Dakota Micro, Inc.
- f) Reseller must offer only genuine Dakota Micro components and cables for use with Dakota Micro products.

5. ORDERS & PAYMENT

- a) Order Minimum of \$50 is in effect for all Dakota Micro, Inc. domestic customers (US & Canada), unless otherwise contracted.
- b) For orders placed that are under the \$50 threshold, dealers will automatically be charged the difference between the \$50 minimum and their order value.
- c) Order Minimum of \$500 is in effect for all Dakota Micro, Inc. international dealers, unless otherwise contracted. See "DM International Dealer Policy" for details.
- d) Dealers are required to pay all invoices within 30 days from the date of invoice.
- e) Dealers will be charged a late payment finance charge of 1.5% per month on all late payments. (Note: Does not apply to repairs that have a Dakota Micro, Inc. issued RA# associated with the order.)
- f) If payment is made via wire transfer, the dealer is responsible for any bank transfer fees from their bank. Dakota Micro, Inc. is responsible for all bank charges from its own financial institution.
- g) All orders must be paid in full in USD, regardless of currency exchange issues resulting between the time of invoice generation and payment received. It is the dealer's responsibility to verify, with their financial institution/bank, that Dakota Micro, Inc. will be receiving the billed amount in USD.
- h) Any changes to orders after the order has been processed and packaged for shipping (a change consists of product additions, product removal, partial shipment, order cancellation, etc.), an order adjustment fee of \$40 will be assessed for each change in addition to any additional freight costs and/or cost of added products.

6. <u>FREIGHT</u>

- a) Dakota Micro, Inc. ships all domestic and international orders via the United Parcel Service (UPS); unless pickup is arranged alternatively by customer.
- b) Dakota Micro, Inc. will add freight costs to invoices.
- c) If Customer prefers to utilize their own UPS Account number, shipping charges may be billed directly to their account.

7. ADDITIONAL RELATED POLICES

- a) Shipping: "DM Policy Shipping"
- b) Warranty Repair: "DM Policy Warranty Repair"
- c) Product Returns: Refer to "DM Policy New Product Return Credit"
- d) International Dealers: Refer to "DM Policy International Dealer"

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