Fulfillment Services Agreement

Section 1 – Identification

This Agreement between Speaker Fulfillment Services, Inc. (“VENDOR”) and ____________________ (“COMPANY”) is made for the purpose of setting forth the terms and conditions under which VENDOR will provide product fulfillment services for COMPANY.

The term of this Agreement shall commence on the effective date specified in the COMPANY signature section of this Agreement and shall continue in effect for one year and automatically renew for one year terms, unless and until this Agreement is terminated, during any term, as outlined in Section 4 of this Agreement.

Section 2 – VENDOR Activities

2A. VENDOR will provide product fulfillment services on behalf of COMPANY.

VENDOR will warehouse and then ship sold products as requested by COMPANY.

VENDOR will pick and package products on orders received.

VENDOR will use appropriate packaging material (i.e. bubble mailers or boxes with void fill) at its discretion.

2B. VENDOR will include, at company request, a COMPANY branded packaging slip with all product orders.

2C. VENDOR will process, package, and ship all orders within 1 business day of receiving order.

2D. VENDOR will provide COMPANY weekly ledger summarizing all orders received and shipped. This ledger will be provided to COMPANY no more than 2 business days from the end of the prior week.
2E. VENDOR will store all COMPANY products in a temperature controlled warehouse. VENDOR shall at all times hold sufficient insurance to restore at replacement value all COMPANY inventory currently held by VENDOR.

2F. Unless otherwise notified, VENDOR will ship COMPANY products via United States Postal Service (USPS) or any of its agents, partners or affiliates.

VENDOR shall utilize stealth postage and delivery confirmation services for every order that these services are available.

2G. VENDOR will not do or permit anything to be done to prejudice the market image of COMPANY.

2H. Confidentiality. VENDOR agrees to treat confidential any and all information provided by COMPANY and shall not disclose or permit to be disclosed any information to any person or entity except employees, agents, and contractors with a need to know in the normal course of their work, or in accordance with state and federal laws and regulations.

VENDOR shall take steps necessary to ensure the confidentiality of said records and information.

VENDOR agrees not to disclose the negotiated rates and/or the compensation payable to VENDOR pursuant to the terms of this Agreement.

Section 3 – COMPANY Activities

3A. COMPANY will supply each product to VENDOR in pallet bulk at the VENDOR address shown below.

SPEAKER FULFILLMENT SERVICES
2001 N. HUNT STREET
TERRE HAUTE, IN 47805

Any items shipped to VENDOR must include a packing list indicating items in shipments along with quantities of each.
Section 4 – Remedies

This Agreement may be terminated upon forty-five (45) days prior written notice by either party. If termination is cause, a statement shall be given to the breaching party specifying the nature of the material breach and requesting that it be corrected within fifteen (15) days from the written request for corrective action. If sufficient correction is not made, termination may be immediate.

Section 5 – Compensation

5A. COMPANY agrees to pay an initial deposit of $300 to VENDOR to offset shipping costs that will incur when fulfillment begins.

5B. COMPANY agrees to replenish shipping account when it drops below the $50 level to amount equal to the average shipping costs incurred over the previous three (3) month period.

5C VENDOR will bill COMPANY weekly for prior week’s shipping and fulfillment fees. COMPANY will pay VENDOR upon receipt of invoice.

5D. COMPANY will pay VENDOR a fee in the amount of $2.00 per order plus shipping costs for single product orders shipped domestically. The above fee includes processing and packaging of order and any packing materials.

VENDOR shall charge COMPANY no more than lowest prevailing shipping rates.

5E. COMPANY will pay VENDOR a fee in the amount of $3.00 per order plus shipping costs for any multiple product orders or for any order shipped internationally. The above fee includes processing and packaging of order along with packing materials.

VENDOR shall charge COMPANY no more than lowest prevailing shipping rates.

5F. COMPANY will pay VENDOR a fee in the amount of $12.00 per pallet (4’ x 4’ x 4’) per month that is stored in VENDOR warehouse.
Section 6 – Miscellaneous

6A. The parties duly acknowledge that this Agreement contains all of the understandings between them. There have been no promises or warranties given or received, except as mentioned in the Agreement. Each of the parties herein mentioned is fully capable and ready to fulfill its commitments under this Agreement.

6B. Both parties hereby agree to indemnify, defend and hold each other harmless from loss, damage or expense arising out of their material breach.

6C. The parties agree to submit any dispute under $1,000 to binding mediation within thirty (30) days of first notice of the dispute. In the event that the parties cannot resolve a dispute greater than $1,000 through non-binding mediation, the matter may then be resolved through the use of the court system. Attorney fees and costs may only be charged and awarded if the mediator or court determines that a party has unreasonable failed to mediate a claim or caused unnecessary expense or delay in proceedings.

6D. This Agreement shall be governed by Indiana law.
Section 7 – Signatures

IN WITNESS WHEREOF, the parties hereto have hereunto affixed their separate hands and seals the day and year written below.

FOR VENDOR:

VENDOR REPRESENTATIVE
________________________________ (Printed Name)
________________________________ (Signature)

WITNESS FOR VENDOR REPRESENTATIVE
__________________________________ (Printed Name)
__________________________________ (Signature)

FOR COMPANY:

COMPANY REPRESENTATIVE
__________________________________ (Printed Name)
__________________________________ (Signature)

WITNESS FOR COMPANY REPRESENTATIVE
__________________________________ (Printed Name)
__________________________________ (Signature)

Date: ____________________________