

ZAGG
CANADA AUTHORIZED DIRECT INTERNET RESELLER AGREEMENT

THIS INTERNET RESELLER AGREEMENT (the “Agreement”) is made effective the date of its execution (the “Effective Date”), by and between ZAGG Inc, a Delaware corporation with principal offices at 910 West Legacy Center Way, Suite 500, Midvale, UT 84047 (“ZAGG”), and the authorized Internet reseller that has executed this Agreement (“Reseller”). ZAGG and Reseller are each sometimes referred to herein as a “party” or collectively as the “parties.” The parties agree as follows:

Definitions.

- Products: The (“Product(s)”) shall mean the approved ZAGG products and related accessories listed in Schedule A.
- Territory: The (“Territory”) shall mean the Countries and/or Regions listed in Schedule B.
- End-User: An (“End-User”) shall mean any purchaser of the Product(s) from the Reseller who is the ultimate consumer for whom the Product is designed and who does not intend to resell the Product(s) to a third-party.
- Licensed IP: The (“Licensed IP”) shall mean the trademarks, tradenames, product images, and/or marketing banners provided by ZAGG in writing in the approved image or form provided by ZAGG.
- Transship: (“Transship”) shall mean the sale of Product(s) to any entity other than an End-User.
- Term: The (“Term”) of this Agreement shall begin on the Effective Date and, unless sooner terminated as provided herein, continue in full force and effect for one (1) year from the Effective Date. This Agreement will automatically renew for consecutive one (1) year Terms thereafter.

1. Internet Appointment. ZAGG grants to the Reseller and the Reseller accepts the non-exclusive right to fulfill orders and to market, sell, and distribute the Products to End-Users located in the Territory only in brick and mortar locations and on the Internet URL locations listed in the then-current Internet Reseller Profile attached hereto as Schedule C and approved by ZAGG.

2. Third-Party Internet Marketplaces. Reseller, *ONLY if listed and approved by ZAGG in Schedule C*, shall be allowed to sell or advertise Products on certain approved third-party Internet marketplaces under certain approved names.

3. Transshipping. Reseller shall not knowingly transship the Products. Specifically, Reseller shall not sell or transfer any of the Products to any person or entity for resale. Reseller agrees to restrict, cease, or limit the sale of Products to anyone at the request of ZAGG. Reseller shall not sell or offer for sale any product bearing a trademark, copyright, patent, or name associated with ZAGG that Reseller purchased or obtained from a source other than directly from ZAGG. Reseller shall not obscure or alter any Product or its packaging in any fashion. Reseller shall not sell or otherwise transfer the Products to product liquidators, excess inventory companies, or similar parties.

4. Geographic Sales Boundary. Reseller may only sell and advertise for sale the Products within the Territory. ZAGG hereby expressly prohibits the Reseller from soliciting or consummating sales outside the Territory.

5. Commingled Inventory. Reseller shall not cause or allow the Products to be sold anywhere or in any manner, including a third-party Internet marketplace, where the Reseller is unable to certify that all Products purchased from Reseller are fulfilled with Products that the Reseller purchased from ZAGG.

6. Bundling. Reseller shall not offer for sale any product bundles containing any Product(s) without prior written permission from ZAGG.

7. Sales by Auction. Sales by the Reseller of Product(s) by way of online auction are prohibited without prior written permission from ZAGG.

8. **Liquidated Damages**. **For each occasion that Reseller breaches Sections 1, 2, 3, 4, 5, 6, or 7 of this Agreement by engaging in the unauthorized advertising, distribution, offering for sale, or sale of Products, in addition to all other remedies available to ZAGG under this Agreement and at law, Reseller agrees to pay ZAGG, as liquidated damages and not as a penalty, the greater of the following amounts: (i) the costs and fees associated with ZAGG’s investigation and enforcement regarding the unauthorized conduct, including, but not**

limited to, attorney's fees; or (ii) Five Hundred United States Dollars (\$500.00) per Product per unit of Product. The parties agree that these damages are not punitive.

9. Intellectual Property and Website Content. Reseller is granted a limited, non-exclusive, non-transferable, revocable license to use the Licensed IP for the sole purpose of advertising and promoting the sale of Products to End-Users within the Territory, subject to the restrictions and limitations described in Schedule D of this Agreement.

10. Reseller Obligations. During the Term of this Agreement, Reseller shall:

- a. promote, market, and sell the Products;
- b. maintain qualified personnel with knowledge of the specifications, features, and use of the Products;
- c. provide quality post-sale return support for all customers, including End-Users that purchase the Products;
- d. agree to restrict, cease, or limit sales to any customer at the request of ZAGG;
- e. preserve the reputation and goodwill of ZAGG and the Products and avoid any illegal or unethical actions, including, but not limited to, false advertising and "bait and switch" practices;
- f. comply with all quality control standards, including, but not limited to, advertising, storage, and shipping requirements, as announced from time to time by ZAGG;
- g. only use the current Licensed IP in association with the Products, unless Reseller obtains written permission from ZAGG;
- h. not bid on any current or future trademarks used or owned by ZAGG as keywords on Google Ads or similar paid search engine, including Internet marketplace paid search programs, without prior written permission from ZAGG;
- i. only use those Product images, descriptions, logos, marketing banners, and video clips provided or authorized in writing by ZAGG on any website, advertisement, sponsored link, or any other on-line marketing used, paid for, or associated with Reseller. Any marketing assets not provided by ZAGG must be approved, in writing, by ZAGG prior to use;
- j. maintain and retain the records regarding Products during the term of the Agreement and for three (3) years thereafter. Reseller will provide ZAGG, at ZAGG's request, with paper and electronic copies of documents and information reasonably necessary to verify Reseller's compliance with this Agreement, including point of sale information;
- k. conduct and maintain at all times its operation in compliance with all applicable Canada and United States federal, state, and province laws and regulations, FTC consent orders, county and city ordinances and regulations, and any other applicable law, regulation, or ordinance. Reseller agrees not to engage in any unfair trade practices. Reseller shall indemnify and hold ZAGG harmless from any cost or liability, including costs of litigation and attorney's fees as may be incurred in defending any civil, criminal, or administrative action brought against ZAGG or its officers, employees, or agents that may result from a violation of this paragraph;
- l. operate a physical street address and a landline telephone number for contact by its customers and must advise customers of this physical address and the landline telephone number. Post office boxes and mobile telephone numbers are not sufficient; and
- m. comply with additional terms of sale, including, but not limited to, the terms of sale set forth in Schedule E, and as such terms may change from time to time by ZAGG in its sole discretion.

11. Breach. Any violation of the terms of this Agreement shall be deemed a breach of the Agreement, entitling ZAGG to terminate the Agreement immediately or take any other action allowed under the law.

12. Termination. This Agreement may be terminated as follows:

- a. by ZAGG immediately upon notice to Reseller in the event of a breach of any of the terms of this Agreement; or
- b. by ZAGG or Reseller, without cause or liability, upon thirty (30) days' prior written notice to the other party.

13. Obligations Upon Expiration/Termination.

a. Authorization. Upon expiration or termination of this Agreement for any reason, Reseller will no longer be an authorized Internet reseller of ZAGG Products. Reseller shall immediately cease to purchase, advertise, and/or sell ZAGG products; cease to represent itself as an authorized reseller of ZAGG products; cease all use of ZAGG's intellectual property, and return to ZAGG all advertising, promotional, display, and other materials that have been furnished to Reseller by ZAGG. Reseller agrees to immediately remove any and all Internet listings of ZAGG products. The acceptance by ZAGG of a Reseller's purchase order after the expiration or termination of this Agreement shall not be deemed a renewal or extension of this Agreement, or a waiver of its termination or expiration or a waiver of any prior breach. However, ZAGG shall be under no obligation to fulfill any orders by Reseller after termination or notice of such termination.

b. Repurchase Option. Within ten (10) days of termination of this Agreement for any reason, Reseller agrees to provide ZAGG with a list of its inventory of the Products. ZAGG, at its option, will have the right to repurchase from Reseller any or all Products in Reseller's inventory by sending written notice of the exercise of such option within thirty (30) days from the effective date of expiration or termination or the date ZAGG receives the foregoing list, whichever last occurs. The purchase price of such Products will be at the net invoice prices at which the Products were originally purchased by Reseller, less any discounts or allowances that ZAGG may have given Reseller on account of such Products. If such option to repurchase is exercised by ZAGG, Reseller agrees, at Reseller's expense, to deliver Reseller's inventory of the Products to ZAGG in their original packages within thirty (30) days of receipt of ZAGG's notice of exercise. If such option to repurchase is not exercised by ZAGG, Reseller is prohibited from reselling its remaining inventory of the Products on the Internet.

14. Unilateral Policy. Reseller acknowledges that Reseller has been informed of ZAGG's Unilateral Policy as it applies to the advertisement for sale of ZAGG Products from resellers to End-Users in Canada. There is no agreement, express or implied, between ZAGG and Reseller with respect to the advertised or resale pricing of Products. If any director, officer, employee, representative, or other agent of ZAGG tries to coerce Reseller to agree to the price at which Reseller advertises or resells ZAGG Products, such action shall be considered void, unauthorized, and without effect and Reseller shall promptly notify ZAGG at brandprotection@zagg.com.

15. Amendments & Waivers.

a. Except as otherwise set forth in Section 15(b) of this Agreement, this Agreement may be amended, waived, or modified only by a written instrument signed by an authorized officer of both parties stating specifically that it is an amendment, waiver, or modification. No waiver of any provision at any particular time shall be deemed a permanent waiver of such provision, or a waiver of any other provision of this Agreement. Failure to enforce a provision shall not be deemed a waiver.

b. ZAGG may amend any Schedule in this Agreement by providing notice to the Reseller, and any such amendment shall become effective immediately upon delivery of such notice.

16. Entire Agreement. This Agreement, the Schedules, any additional terms and conditions of ZAGG. ZAGG's written invoices, and any and all personal guarantees or assurances of payment by Reseller set forth the entire understanding and agreement of the parties, and supersede any and all oral or written agreements or understandings between the parties as to the subject matter of this Agreement.

17. Limitation on Liability. RESELLER ACKNOWLEDGES AND AGREES THAT ZAGG SHALL NOT BE RESPONSIBLE FOR ANY DAMAGES THAT RESELLER MAY INCUR FROM DELAYED SHIPMENT, NON-SHIPMENT, OR PRODUCT SELECTION, WHETHER LIABILITY IS ASSERTED IN CONTRACT, TORT (INCLUDING NEGLIGENCE AND STRICT PRODUCT LIABILITY), WARRANTY, OR OTHERWISE. IN NO EVENT SHALL ZAGG BE LIABLE FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL OR SPECIAL DAMAGES OF ANY KIND (INCLUDING WITHOUT LIMITATION LOSS OF PROFITS OR LOSS OF USE), WHETHER OR NOT ZAGG SHALL BE OR SHOULD BE AWARE OF THE POSSIBILITY OF SUCH POTENTIAL LOSS OR DAMAGE. THIS SECTION SHALL SURVIVE EXPIRATION OR TERMINATION OF THIS AGREEMENT.

18. Law and Forum. This Agreement shall be deemed to have been entered into and fully performed in the State of Utah and shall be governed by and construed in accordance with the laws of the State of Utah without regard for the conflicts of laws rules thereof. Reseller agrees that all controversies, disputes, and claims arising out of this Agreement shall be adjudicated exclusively by a court of competent jurisdiction within Salt Lake County or the United

States District Court for the District of Utah, except that any judgment in any such action may be enforced in other jurisdictions by suit or in any other permitted manner. Reseller irrevocably consents to the jurisdiction and venue of the state and federal courts of Utah and waives any rights to seek a transfer of venue for any reason or to claim that the forum is inconvenient.

19. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

20. Choice of Language. The parties hereto confirm that it is their wish that this Agreement, as well as all other documents relating hereto, including notices, have been and shall be drawn up in the English language only.

Les parties aux présent confer ment leur volonté que cette convention de même que tous les documents, y compris tous avis, s'y rattachent, soient rédigés en anglais seulement.

21. Electronic Execution. In accordance with the federal Electronic Signatures in Global and National Commerce Act, 15 U.S.C. § 7001 *et seq.* (“ESIGN”), the Personal Information Protection Electronic Documents Act, SC 2000, c. 5 (“PIPEDA”), the Uniform Electronic Commerce Act (“UECA”), and the Quebec Act to Establish a Legal Framework for Information Technology, SQ 2001, c. 32, the parties hereby agree to execute this Agreement using electronic means including the use of electronic signatures by the parties, which the parties agree shall have the full force and legal effect as if the electronic signatures were traditional hand-written signatures. Reseller acknowledges that it has the ability to retain this Agreement either by printing or saving it.

Each signatory agrees that he or she has been authorized and has the authority to enter into the Agreement with an electronic signature on behalf of the applicable party and intends to sign this Agreement by applying his or her electronic signature as indicated.

SCHEDULE A

Products

Brand	Approved by ZAGG
ZAGG	[]
mophie	[]
InvisibleShield	[]
GEAR4	[]

SCHEDULE B

Territory

Territory	Approved by ZAGG
	<input type="checkbox"/>
	<input type="checkbox"/>

SCHEDULE C

URLs and/or Internet Marketplace and Seller ID

Internet URL or Marketplace/ Seller Name ID	Approved by ZAGG
	[]
	[]
	[]

SCHEDULE D

Intellectual Property Restrictions

A. General

1. Reseller shall ensure that the Licensed IP is:
 - a. used in conjunction with the ® or TM designations as directed by ZAGG;
 - b. not modified in any manner without the prior written consent of ZAGG;
 - c. used alone without any other terms, marks, or designs which may detract from the Licensed IP; and
 - d. displayed according to specifications which ZAGG may provide or amend from time to time.
2. Reseller shall perform all acts requested by ZAGG to ensure that the nature and quality of Reseller's use of the Licensed IP is consistent with and does not detract from the goodwill associated with the Licensed IP. Reseller is specifically prohibited from registering or using any domain name containing any ZAGG owned or licensed brand names or any other trademark used or owned by ZAGG.
3. Reseller shall have no right, title, or interest in the Licensed IP. All use of the Licensed IP and the goodwill associated therewith shall inure to the benefit of ZAGG. Reseller shall not do anything inconsistent with ZAGG's ownership of the Licensed IP, including, but not limited to, using, causing, or permitting another party to use the Licensed IP as any part of a uniform resource locator ("URL"), metadata tag, or as a keyword or search engine term. Reseller shall not, during the Term or thereafter, challenge the validity of the Licensed IP or ZAGG's title to or rights in the Licensed IP.
4. Reseller shall not use the Licensed IP in a manner that disparages ZAGG or the Products, blurs, dilutes, or otherwise diminishes the Licensed IP, or portrays ZAGG, its brands, or the Products in a false or poor light.
5. Upon termination of this Agreement, Reseller shall immediately discontinue and abandon its use of the Licensed IP, shall cease to advertise or represent itself as an authorized reseller, and shall cease to market, advertise, offer to sell, and/or sell the Products. Reseller must promptly return to ZAGG all confidential information, including, but not limited to, all documents and information concerning prices, marketing, advertising, and promotional activities (the "Confidential Information").
6. Reseller shall promptly inform ZAGG of any action or conduct of any person which may infringe upon any of ZAGG's intellectual property rights. Reseller shall cooperate fully with ZAGG in connection with any legal action taken by ZAGG in connection with any such infringement.

B. URLs/ Domains

Reseller's domain(s) and URL(s) must **not** contain the word "ZAGG" or any current or future trademarks or brands of ZAGG, including any variation or combination of these words or trademarks with each other or with other words. Examples of prohibited domain names and URLs:

www.joesZAGGheadquarters.com
www.joesZAGGshop.net

Exception: Trademarks authorized by ZAGG for online use by Reseller (the "Authorized Marks") may appear in the text to the right of the ".com/" extension. For example:

Allowed: www.joesshop.com/ZAGG.htm
Prohibited: www.joesshop.ZAGG.com/ZAGG.htm

C. Website Content and Online Advertisements

1. Reseller must not suggest or imply that its website, advertisement, sponsored link, or any other online marketing used or paid for by Reseller is in any way related to the official ZAGG website or any of its brands' websites that are owned and operated by ZAGG.

Examples of Prohibited Phrases: Terms such as “Official ZAGG Headquarters,” “ZAGG Home,” “ZAGG Official Store,” and “ZAGG.com” are always prohibited. Terms such as “ZAGG Headquarters,” “ZAGG Outlet,” “ZAGG Depot,” or “ZAGG Store” are prohibited except when clearly and conspicuously associated with Reseller (e.g., “ZAGG Store at Joe’s Shop,” or “Joe’s Authorized ZAGG Shop”) and only if approved in advance and in writing by ZAGG.

2. Reseller may not bid on any current or future trademarks used or owned by ZAGG as keywords on Google Ads or similar paid search engine, including Internet marketplace paid search programs, without prior written permission from ZAGG.

3. Reseller must not use superlatives to describe the quantity of inventory, the pricing of Products, or the online shopping experience, on any website, in any advertisement, sponsored link, or any other on-line marketing used, paid for, or associated with Reseller.

Examples of Prohibited Phrases: Phrases such as “largest available online offering of ZAGG,” “lowest prices – ZAGG,” or “best ZAGG website” are prohibited.

4. Reseller must accurately describe Products using the Authorized Marks. The Authorized Marks must always be followed by the generic word for the Product, such as “ZAGG® products.” They must never be used in the possessive or in the plural. The Authorized Marks must always be displayed in a way that distinguishes them from other surrounding words, e.g., by appearing in initial caps or full caps, such as ZAGG and used in conjunction with the ® or ™ designation as directed by ZAGG.

5. Reseller must use only those Product images, logos, marketing banners, and video clips provided or authorized in writing by ZAGG on any website, advertisement, sponsored link, or any other on-line marketing used, paid for, or associated with Reseller.

6. Reseller must not partner with any third-party that uses adware, spyware, or other software to engage in pop-up or pop-under advertising and/or generating non-user initiated activity (e.g., forced clicks or redirects). Pop-up or pop-under advertising and/or non-user initiated activity that is based on keyword searches, textual triggers, or screen-scraping associated with any trademark used or owned by ZAGG or any common misspelling or confusingly similar trademarks is strictly prohibited.

SCHEDULE E

Additional Terms and Conditions

1. **Purchase Orders.** All purchase orders for Products are subject to acceptance by ZAGG, and must meet the requirements in this Section 1 and as directed by ZAGG to Reseller from time to time, in ZAGG's sole discretion. No purchase order is binding upon ZAGG until accepted by ZAGG. All purchase orders are subject to ZAGG's credit approval.
 - a. **Terms of Purchase Orders.** Each purchase order shall be in writing and shall at least include the specific Product(s), the ZAGG part number(s), quantity, price, total purchase price, requested delivery date, "bill to" and "ship to" addresses, and any other special instructions. Reseller may submit purchase orders in any commercially reasonable manner that the Parties determine is appropriate, including facsimile or electronic submission.
 - b. **Acceptance of Purchase Orders.** ZAGG shall notify Reseller of its acceptance or rejection of a purchase order within three (3) business days of the date of the purchase order. Notice of acceptance shall include confirmation of requested quantities, dates and prices, consistent with the terms of this Agreement. In the event that ZAGG does not accept or reject a purchase order within three (3) business days, it shall be deemed accepted. ZAGG shall use commercially reasonable efforts to accommodate any changes to previously accepted purchase orders.
 - c. **Product Availability.** During the term of this Agreement, ZAGG may determine, at its entire discretion, what Products to manufacture, assemble, make and/or offer for sale. Reseller agrees that Products are subject to availability and ZAGG reserves the right to fill orders on a pro rata basis in accordance with Reseller's previous sales history if inventory shortages of Products arise. All delivery dates for the Products are best estimates based on prevailing conditions when given and ZAGG will not be in breach of this Agreement or otherwise liable to Reseller if it fails to meet any delivery dates.
 - d. **Cancellation or Modification of Purchase Orders.** Up to five (5) business days prior to shipment of Products, Reseller may modify or reschedule a purchase order, pending acceptance by ZAGG and an assessment of accumulated order costs. If a purchase order is modified or rescheduled, all fines or penalties due to late delivery shall be waived. Up to ten (10) business days prior to shipment of Products, Reseller may cancel a purchase order, except if the purchase order contains private label or other products developed uniquely for Reseller then Reseller may only cancel a purchase order up to sixty (60) days prior to shipment. All cancellations or modifications of purchase orders by Reseller shall be in writing.
2. **Price, Credit, and Taxes.**
 - a. **Price.** Prices and Minimum Order Quantities shall be provided by ZAGG to Reseller upon receipt of each purchase order from Reseller and are subject to change at any time by ZAGG until each order is finalized. Prices and Minimum Order Quantities shall be determined separately for each purchase order and constitute the final price of such Products. Any price dispute after a purchase order has been received by ZAGG must be resolved within thirty (30) days after payment terms have ended.
 - b. **Price Visibility.** Reseller agrees that prices for Products is Confidential Information (as defined below) hereunder and shall not be visible or disclosed to any third party.
 - c. **Price Reductions.** ZAGG reserves the right, in its sole discretion, to reduce the prices applicable to Products. For all Products that are on the current published Product list, Reseller shall receive the benefit of the new price and ZAGG shall issue Reseller a credit for the full amount of any ZAGG price reduction on all Products on order, in transit and in their inventory on the effective date of such price reduction. For any Products that are going to be End of Life (EOL), ZAGG shall give written notice to Reseller of any price change not less than sixty (60) days prior to the effective date. If ZAGG provides written notice of such price change, price protection shall not be provided for Products after the sixty (60) day notice and once the product has been deemed EOL.

- d. Credit. Reseller may be granted credit based upon its credit worthiness. Should credit be granted to Reseller, it shall be at ZAGG's sole discretion to adjust any such credit extended at any time based upon Reseller's credit worthiness and payment history.
 - e. Security Interest. Reseller grants to ZAGG a security interest in the Products purchased by Reseller and all proceeds of such Products until payment is received in order to secure Reseller's prompt payment of the purchase price for the Products. Reseller will execute suitable financing statements at the request of ZAGG. ZAGG may file this Agreement as a financing statement.
 - f. Taxes. Prices for Products do not include federal, state or local sales, use, excise, or similar taxes, and such tax or taxes will be added to the price if and where applicable.
3. Payment. Reseller shall pay for Products within thirty (30) days from the date of invoice, unless otherwise stated on ZAGG's invoice. Payment shall be made in U.S. Dollars and mailed to ZAGG or wired to a bank account in each case pursuant to written instructions provided by ZAGG to Reseller. Payments made later than the due date will accrue interest from the date due to the date paid at the maximum rate permitted by law. If Reseller fails to make payment when due or defaults in any way, (i) ZAGG reserves the right to withdraw credit and thereby suspend or cancel performance under any or all purchase orders, or reschedule or cancel the delivery of Products, (ii) ZAGG may recover all costs of collection including but not limited to reasonable attorney's fees, and/or (iii) any other rights and remedies as permitted by applicable law. Each shipment shall be separately invoiced and paid for without regard to other shipments.
4. Defective Returns.
- a. If Reseller utilizes the "made to PO" supply management practice, Reseller shall have the right to return defective products for ninety (90) days from date of invoice. For the purposes of this Agreement, "made to PO" is defined as ZAGG producing Products upon PO receipt.
 - b. If Reseller utilizes the "made to forecast" supply management practice, Reseller shall have the right to return defective products up to one (1) year from date of invoice. For the purposes of this Agreement, "made to forecast" is defined as ZAGG producing Products based on Distributor's weekly binding forecast and inventory reports
 - c. Reseller may, at ZAGG's request, destroy Product in lieu of returning defectives to ZAGG.
 - d. All Defective Products shall be returned according to the following terms:
 - i. All Products must be approved by ZAGG in writing and all return documentation must contain ZAGG's returned merchandise authorization ("RMA") number;
 - ii. Returned shipments not approved by ZAGG, or not properly identified in accordance with the terms of this Agreement, may be refused by ZAGG. Proper handling procedures must be used in the packing and shipping of all returned Products;
 - iii. Products must be returned in the same or equivalent container in which they were shipped with the RMA number clearly marked and visible on the outside of the package;
 - iv. Transportation charges on any Product returned from Reseller to ZAGG shall be at Reseller's expense. Products returned by Reseller must be shipped to ZAGG within thirty (30) days from the RMA number issuance date; and
 - v. ZAGG shall issue a credit to Reseller at the original invoice price minus any credits and discounts previously given by ZAGG to Reseller for such Products. Reseller may not apply any credit to Product purchases until ZAGG has counted the returned Product and issued a credit memo.
 - vi. If there is a discrepancy between the number of Products or the SKU indicated on the RMA and the actual Products returned, ZAGG shall notify Reseller within ten (10) business days from the expiration of the RMA.

5. Shipping. Unless otherwise agreed in writing, duly executed between the Parties, all shipments of Products under this Agreement shall be made FOB Destination. ZAGG will cover all shipping costs until the Products reach the agreed Destination; Reseller shall take full responsibility and title for the Products at the Destination and from that time on Reseller shall be solely responsible for all and any loss or damage to or deterioration in any Products which the Reseller has ordered from ZAGG.

a. Shipping or Packaging Modifications. All shipments of ZAGG Products under this Agreement shall be made in ZAGG's standard shipping packages, which packaging shall be suitable to permit shipment of the Products to and distribution within the Territory without damage or violation of applicable laws or regulations; provided, however, that if Reseller requests a modification of those procedures, including expedited shipping, ZAGG shall consider the requested modification and if accepted, Reseller shall bear any reasonable expenses incurred by ZAGG in complying with such modified procedures which are in excess of the expenses which ZAGG would have incurred in following its standard procedures. ZAGG agrees to comply with Reseller's reasonable written inbound shipping specifications provided that in so doing ZAGG shall not incur any additional cost or expense.

b. Inspection of Products. Reseller must inspect all Products within ten (10) days of receipt for defects in material or workmanship, damages, shortages, overages, and/or failure to conform to purchase order specifications and may reject any such Products that fail to meet the purchase order. Products not rejected by written notice to ZAGG within ten (10) days of receipt shall be deemed to have been accepted by Reseller. Reseller shall comply with ZAGG's return materials authorization ("RMA") process for the return of such rejected Product(s). Rejected Products shall be returned freight prepaid to ZAGG within ten (10) days of the date ZAGG authorizes return. As promptly as possible after receipt by ZAGG of properly rejected goods, ZAGG shall refund the purchase price to Reseller and costs of transportation incurred by Reseller in connection with the return to ZAGG of properly rejected Products. Reseller must pay transportation costs in both directions for improperly rejected Products.