



Eagle Health Supplies, Inc.
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Authorized Internet Dealer Program

As an Internet Dealer you are among one of the fastest and most exciting sales growth opportunities in the home medical equipment market. Eagle Health Supplies is encouraged by our sales growth in this market and looks forward to assisting you in further development of internet opportunities.

It is with this, we enthusiastically launch our Eagle Health Supplies Authorized Internet Dealer Program. The goal of this program is to develop a level playing field in the internet market thus protecting each of your interests. The program outlined below results from three basic principles:

1. Strict Minimum Advertised Pricing guidelines will be employed.
2. Ongoing and intense policing of these guidelines with serious penalties for violators.
3. Structured and mandatory participation of set-up and after sale service programs.

Why the strong language and emphasis, you ask? Currently there are hundreds, if not thousands, of individuals who have durable medical equipment on their websites. Many operate in a less than professional manner. This tarnishes our industry's image and drives away sales. It has also created somewhat of a runaway industry, which is simply not acceptable. So, the short answer is, "to protect the true professional internet player's integrity and profitability."

With that said, let's clearly lay out what must be done in order to qualify as an Eagle Health Supplies Authorized Internet Dealer.

1. Agree to Compliance - You will have to sign the attached Authorized Internet Dealer Registration Form stating that you agree with and will adhere to the program guidelines. Failure to do so will result in eliminating you as an Eagle Health Supplies Authorized Internet Dealer. The disadvantages of being an unauthorized dealer will become apparent as we outline this program further. Non-compliance will not be tolerated.

2. Customer service - As a dealer, you are expected to be able to serve your customer after the sale. We are not responsible for answering your customers' questions. If they have questions they should go to you, and you can come to us with those questions. That way, you can learn more about the products you are selling and be able to better serve your customers in the future. If we find that you are in repeat violation of this, we will be unable to continue to sell to you.

3. Website & Email Addresses - Each Eagle Health Supplies Authorized Internet Dealer will be required to submit all website addresses where they display & advertise any Eagle Health Supplies products. This will allow us to create a database listing all compliant dealers. A valid email address must also be supplied for communication purposes and to notify dealers of any revisions to the Minimum Advertised Pricing Guidelines.

4. Minimum Advertised Pricing - Eagle Health Supplies Authorized Internet Dealers agree to follow the minimum advertised pricing guidelines. Simply put, NO dealer will be allowed to advertise below the Minimum Advertised Pricing Guidelines anywhere on their site or 3rd party sites. The use of any tactic visibly communicating a reduction in the Minimum Advertised Price is prohibited and will result in termination from the program. As the manufacturer of these products, we reserve the right to restrict all advertised pricing under our Minimum Advertised Pricing Guidelines. Failure to adhere to this policy will result in termination of your account.

5. Drop Shipments - As an Eagle Health Supplies Authorized Internet Dealer, another benefit you will continue to enjoy is direct shipment to your customer. Eagle Health Supplies will use the least expensive freight carrier to provide you with an economical way to deliver our products directly to your customers (unless the order is a rush order).

6. Sending orders - We accept orders through phone, fax, or e-mail. In the case of drop-ship orders, they must be either faxed or e-mailed to us. Some companies repeatedly send over duplicate orders. There will be a \$5 fee for each duplicate order received as compensation for the time spent in processing these orders. There will also be a \$5 re-boxing fee for cartons damaged in transit when being returned to us as a duplicate order.

7. Return Policy - We do not accept any returns for any reason other than manufacturer's defect. Eagle Health Supplies must authorize the return of any products. Eagle Health Supplies will not accept any product back without a return authorization number attached.

8. Monitoring & Enforcement - Eagle Health Supplies will monitor this program using a team of individuals who will surf the Internet for non-compliant websites. Dealers hearing from potential customers about lower pricing may also provide feedback. Any dealer found not abiding by our Minimum Advertised Pricing Guidelines will be contacted immediately.

9. Repeat Violators - Any Internet Dealer that continues to advertise pricing under our Minimum Advertised Pricing Guidelines will lose their ability to purchase products from Eagle Health Supplies. A formal letter requesting all product images, specifications, trademarks, and logos proprietary to Eagle Health Supplies to be removed from the offending site will be sent to the corresponding dealer. Eagle Health Supplies reserves the right to take legal action for the unauthorized use of any of their proprietary items.

The intent of this agreement is very clear. Any Authorized Internet Dealer trying to circumvent the intent of this agreement will be terminated as an Authorized Dealer.

Note: Either party has the right to terminate the authorized selling of any and all Eagle Health Supplies products without cause.

Eagle Health Supplies recognizes that the Internet is a rapidly changing and developing market. As it develops, Eagle Health Supplies reserves the right to alter this program as necessary. Revisions to this program will be distributed with appropriate time frames for compliance. Working together, we will confidently build a market where there is equal opportunity for growing business at profit levels that reward our efforts. Please take the time to fill out the accompanying form and fax or mail a copy back to Eagle Health Supplies. We will be unable to sell to you unless we have received back the completed form.