



LUXFER
GRAPHIC ARTS

DISTRIBUTION POLICIES

INTRODUCTION

Magnesium Elektron North America, Inc., d.b.a. Luxfer Graphic Arts, partners with a network of financially healthy, highly professional and successful independent authorized Dealers for the sale of our products to customers. We value our relationships with our Dealers and have found that the partnership mutually enhances the customer's buying experience and maximizes growth and profitability when everyone in the sales process operates according to a uniform set of policies. Accordingly, the following policies and procedures for our operations with our Dealers will be established and adhered to. It is noted that the Policy maybe updated from time to time to meet market or other business goals. If we do so, we will provide no less than least fifteen (15) days notice before any change takes effect. To remain an authorized Dealer and be eligible for certain incentives and discounts, Dealers must comply with these Policies.

OUR COMMITMENTS TO DEALERS

COMMITMENT

Our Dealers are a key component of our distribution channel. We use commercially reasonable efforts to support our dealers, as outlined in this Policy. We encourage open communication on any issue that may impact the business or to enhance our relationships with our Dealers.

PRODUCT SOLUTIONS

We provide products of high quality and value that are competitive in the Graphic Arts marketplace and offer the potential for profit to our Dealers. Each Dealer will have specific Products that it can promote and sell in its local market; see below for further definitions of this.

MANUFACTURE, SHIPMENT AND DELIVERY

Luxfer Graphic Arts is focused on meeting or exceeding delivery goal dates, providing complete shipments, and maintaining high quality standards for all Products. Although we strive to deliver Products to the Dealer on a timely basis, we cannot, and do not, guarantee delivery dates, and we are not responsible for any amounts or damages resulting from a failure to deliver product by a date certain.

MARKETING

We build brand value by investing in marketing and promotional materials. Examples include, but are not limited to, ad campaigns, trade show displays, product literature, market and product research information, and special discounting on products. We will prepare certain materials and make them available to the Dealer for adaptation and use in the local market. Dealer will bear its own expenses converting any marketing or promotional activities for use in its market, including those related to translating the materials or getting them registered, if necessary, prior to release.

INCENTIVE PROGRAMS

Provided that Dealers do not sell any competitive product, as determined in our sole discretion, Luxfer Graphic Arts provides sales incentive programs designed to recognize and reward our Dealers.

COMMUNICATION

Luxfer Graphic Arts uses a variety of communication channels for sharing information across our Dealer network, as well as listening to and learning from our Dealers. We share critical business information via live Dealer conferences and regional meetings, along with virtual conference and targeted emails. We will send all such information to our Dealers per contact information identified by the Dealer in writing, or via other electronic means generally available to the Dealer.

DEALER RESPONSIBILITIES

MARKET COVERAGE

Dealers play a key role helping Luxfer Graphic Arts reach customers. Each Authorized Dealer is appointed to be primarily responsible to develop customer opportunities and meet annual sales growth and market share objectives for a defined market area. This zone within which the Dealer's sales performance will be measured is referred to as an "Area of Performance Responsibility" ("APR"). Each Dealer appointment is non-exclusive. The APR will be defined at Luxfer Graphic Arts' discretion. Dealers will focus their selling efforts on opportunities within their APR and should restrict their sales activities to their own APR.

LOCAL MANAGEMENT AND PRESENCE

Adequate representation of Luxfer Graphic Arts requires Dealers to have a presence and involvement in the local business communities within the APR they serve. Dealers must have sufficient personnel and facilities to continuously support local sales efforts and pursue new customer opportunities. Each Dealer will take all steps to ensure that they comply with all applicable law and regulations in the territory, as well as the Anti-Terrorism

laws of the United States. Each Dealer will also gain and maintain any local governmental approvals needed to do business in their APR and local territory. Under no circumstances will any Dealer register or attempt to register as a Commercial Agent in any territory, unless expressly authorized, in writing, by Luxfer Graphic Arts.

SALES PROCESS

Dealers will focus on achieving annual sales goals and executing strategic sales objectives set for the APR by Luxfer Graphic Arts. Dealers will implement, at its expense, marketing programs and sales support for the market.

Dealer will submit purchase orders for Products using our written forms and in accordance with our Terms & Conditions of Sale. All other terms and conditions will be rejected and have no application. The purchase orders will set the quantities, delivery dates, and payment terms for the Products ordered.

PRICING

We sell to our Dealers at the prices stated on our Dealer Price List, which is provided to the Dealer from time to time. If we make any changes to the Dealer Price List, we will provide our Dealers with notice of the change at least thirty (30) days before it becomes effective. The Dealer prices are net and do not include taxes, other charges or shipping costs, all of which is the responsibility of the Dealer, unless discounts apply per the incentive program. Dealers are free to independently determine the price at which they resell products to end-user customers based on market conditions.

DISCOUNT PROGRAMS

From time to time, we grant special discounting to incentivize and reward Dealer performance. Dealer must be in full compliance with all Policies, including refraining from selling any competitive products, in order to be eligible to participate in any special pricing or incentive programs. These programs will be made available on request.

NO COMPETITIVE PRODUCTS.

We rely on our Dealers' commitment to promote and sell our Products at every appropriate opportunity in their APR. Dealers will refrain from selling any product that is competitive with any Luxfer Graphic Arts Product, as determined by us in our sole discretion. If any Dealer sells competing products, we reserve the right, again in our sole discretion, to terminate the relationship with the Dealer, or to refuse the dealer to participate in programs or incentives provided to the Dealer.

PERFORMANCE EVALUATION

Authorized Dealers will use their best efforts to achieve the agreed-upon sales objectives that result from local market planning. These objectives are based on sales and market penetration goals, including targeted market share for each dealer's APR. We evaluate

Dealer performance against sales objectives and other requirements identified and reviewed in the sales planning process.

PRODUCT SUPPORT

Customers depend on Dealers to provide support for the products in the local markets. Dealers must provide such support to the best of their abilities.

Risk in the Products passes to Dealer upon delivery. If Dealer becomes aware of any potential claim that any Product is defective, Dealer must promptly provide us with notice of the allegations.

USE OF INTELLECTUAL PROPERTY

Dealers will not use as part of their trade names our name or any variations of such names or any other trade names, trademarks, logos or other words or symbols identifying our products or our business (the "Marks") and will not use any name so nearly like that of any of the Marks as would likely lead third parties to confusion or uncertainty. The ownership of all Marks, goodwill, patents, patent rights and licenses pertaining to our Products or our business ("Intellectual Property") will be and will remain the exclusive property of Magnesium Elektron North America Inc. Dealers will not appropriate the same or at any time do anything that impairs or tends to impair the rights of Magnesium Elektron North America Inc. in and to such Intellectual Property.

CONFIDENTIALITY

Dealers may come into information about Luxfer Graphic Arts' Products, pricing or promotional strategies, or the business in general. Dealers must keep all such information strictly confidential.

CONCLUSION

These Policies reflect our mutual understanding and commitment to the distribution philosophy and relationship that Luxfer Graphic Arts enjoys with its authorized Dealers. These Policies, together with other agreements and course of dealing between Luxfer Graphic Arts and the Dealer, shall govern the relationship between Luxfer Graphic Arts and the Dealer. Luxfer Graphic Arts. may update, amend or supplement these Policies, or any of its programs or terms and conditions, in its sole and unlimited discretion. Any such changes to these Policies will be communicated to the Dealers in the method that the parties conduct normal business communications.

Signed:

Date: May 10th 2019



Bruce Davis, VP of Sales and Marketing