Authorized Retailer Terms & Conditions

(effective as of October 1, 2020)

To protect and promote our brand and reputation for providing high-quality products, Sisu, Inc. ("<u>Sisu</u>") has established these Authorized Retailer Terms & Conditions (the "<u>Terms</u>"), which apply to authorized retailers in Canada of Sisu products (the "<u>Products</u>"). Unless otherwise agreed to in a written agreement between you ("<u>Retailer</u>") and Sisu, by purchasing products from Sisu for retail sale, you agree to adhere to the following terms and condition. Please read these Terms carefully.

- 1. Purchase Orders. Orders for Products made by Retailer shall be handled pursuant to the thencurrent product order, shipment, payment and return procedures, which may be amended by Sisu at any time in its sole and absolute discretion. Sisu reserves the right to reject any orders, in whole or in part, for any reason. Any additional or different terms proposed by Retailer (including, without limitation, any terms contained in any document incorporated by reference into a purchase order) are rejected and will be deemed a material alteration hereof, unless expressly agreed to in writing by Sisu. Furthermore, Sisu will not be bound by any "disclaimers", "click wrap" or "click to approve" terms or conditions now or hereafter contained in any website used by Retailer in connection with the Products or any sale thereof.
- 2. **Pricing.** Sales to Retailer are made at such prices as may be established by Sisu from time to time and which are in effect at the time an order is placed. All pricing is subject to change by Sisu without prior notice.
- 3. Damages and Shortages. All claims for lost shipments, damages, or shortages must be made within 10 business days from the date of invoice. Sisu will process and file claims against the transportation companies for loss or damages to our shipments provided the Retailer: (a) Secures the carrier's notation on the delivery receipt and reports to us within 10 business days all loss or damage evident at the time of delivery; and (b) Reports any concealed loss or damage to the carrier, obtaining their inspection within 10 business days after receipt of the shipment and furnishes us with the carrier's inspection report. In cases where damage, shortage or loss is not due to transportation causes, and when Retailers report to us promptly any such damage, shortage or loss, we will adjust such claims as are directly traceable to any fault or negligence on Sisu's part.
- 4. **Returns Policy.** Sisu will accept authorized merchandise for credit within 6 months from the date of purchase. All merchandise must be sealed in saleable condition and free of all price markings. Upon receipt by Sisu, the credit, less a 25% restocking fee, will be issued. Retailers may contact a Sisu Customer Care representative at 1-800-663-4163 for return instructions and authorization.
- 5. **Manner of Sale.** Retailer shall sell the Products only as set forth herein. Sales in violation of the Terms are strictly prohibited and may result in Sisu's immediate termination of Retailer's account, in addition to other remedies. Furthermore, Products sold to unauthorized persons or through unauthorized channels, including unauthorized websites, shall not be eligible for certain promotions, services, and benefits, including, unless prohibited by applicable law, coverage under Sisu's Product warranties and guarantees.

- 5.1. Retailer may only sell the Products directly to end-user consumers and shall not sell the Products in bulk to any other retailer, re-seller, diverter, distributor, redistributor or wholesaler.
- 5.2. Retailer is permitted to market for sale or sell the Products through its own physical retail store or through websites or mobile applications owned or operated by Retailer; provided that, any website(s) or mobile application(s) must be operated by Retailer in Retailer's legal name or registered fictitious name and clearly identify Retailer's full legal name, mailing address, telephone number, and email address. If the Retailer violates these Terms, Sisu, in its sole discretion, may revoke Retailer's authorization to sell the Products on such websites or mobile applications at any time, and Retailer shall cease marketing for sale and/or selling the Products on such website or mobile application immediately upon notice of such revocation. The Terms supersede any prior agreement regarding the sale of the Products through websites, mobile applications, or other online forums.
- 5.3. Retailer shall not sell the Products on or through any other website, mobile application, or other online forum, including as a third-party seller on any marketplace website including, but not limited to, Amazon, eBay, Jet, Rakuten, Walmart Marketplace, or Sears Marketplace ("Third-Party Marketplaces"), unless Retailer obtains the prior written consent of Sisu. Retailer expressly acknowledges and understands that Sisu reserves the right to require Retailer to adhere and agree to additional terms and conditions relating to the quality and the sale of Products through Third-Party Marketplaces should Sisu authorize Retailer to sell Products on Third-Party Marketplaces. In the event that Retailer obtains Sisu's written consent to sell on the Amazon third-party marketplace, Retailer may sell Product on Amazon via Fulfillment by Merchant (FBM) as long as Retailer complies with Sisu's Amazon Marketplace Retailer Registry Program (described below in Section 5.4). Retailer may not under any circumstances sell the Products on Amazon via Amazon Vendor Central, Amazon Vendor Express, Fulfillment by Amazon (FBA), Seller Fulfilled Prime (SFP) or in any other manner which currently exists or may hereafter be developed on the Amazon sales platform that uses the Prime badge. Retailer acknowledges that Sisu will maintain all content and Amazon Standard Identification Number ("ASIN") creation on the Amazon platform. Resellers are not permitted to create new ASINs for Sisu Products or alter the content of current ASINs for Sisu Products for any reason.
- 5.4. Sisu has established a Retailer Registry Program with Amazon that requires Sisu's authorization for Retailers to sell Sisu Products to consumers on the Amazon third-party marketplace. Amazon's Retailer Registry Program with Sisu requires Sisu to provide all Retailers who wish to resell Products on the Amazon third-party marketplace with written authorization designating the Retailer as an authorized Sisu Reseller doing business under the invoiced name of a specific Sisu account. Amazon will require copies of Retailer's invoice that coordinates with the name under which Retailer does business with Sisu in order to retain or open a reseller storefront in the Amazon third-party marketplace for Sisu's Products. Any Retailer that desires to create an Amazon third-party marketplace storefront for the purpose of selling Products operating under a separate business name, distinct from their invoiced and billed to name with Sisu, requires prior written approval from Sisu. Any Retailer that wishes to have a reseller storefront in the Amazon third-party marketplace must complete and return the Sisu Amazon Marketplace Retailer Registration Form to Sisu either through your local sales representative or directly to Sisu's corporate office, which can be contacted by phone at 1-800-663-4163. Retailer expressly acknowledges and understands

- that Sisu reserves the right to establish similar registry programs for other Third-Party Marketplaces, and therefore, Retailer shall not sell Products on any Third-Party Marketplace unless Sisu authorize Retailer to sell Products on Third-Party Marketplaces in accordance with Section 5.3 above.
- 5.5. Sisu has engaged a third-party company to act as Sisu's exclusive authorized retailer to sell Products using the Prime Badge on Amazon, and Sisu may, from time to time, engage other third parties to act as its exclusive retailer on other Third-Party Marketplaces. Therefore, Retailer shall not sell Products on Amazon or any other Third-Party Marketplace, unless Retailer obtains Sisu's prior written consent in accordance with Section 5.3 and Retailer complies with Sisu's registry program requirements discussed above in Section 5.4.
- 5.6. Retailer shall not make any representations, warranties, guarantees or claims with respect to the specifications, features or capabilities of the Products that are inconsistent with (i) the Product descriptions provided by Sisu, (ii) the Sisu IP (as defined below in Section 8), including, but not limited to, any Product images provided by Sisu, (iii) the labeling and documentation accompanying the Products, or (iv) any these Terms.
- 6. Product Care & Quality Controls. Retailer shall care for the Products as set forth herein.
 - 6.1. **Product Inspection.** Retailer shall inspect the Products upon receipt and during storage for damage, defects, broken seals, evidence of tampering or other nonconformance (collectively, "<u>Defects</u>"). Retailer shall also inspect its inventory regularly for expired or soon-to-be expired Products and shall remove those Products from its inventory. Retailer shall not sell any Products that are expired. If any Defects are identified, Retailer must not offer the Product for sale and must promptly report the Defects to Sisu.
 - 6.2. **Product Storage and Handling.** Retailer shall exercise due care in storing and handling the Products, store the Products in a cool, dry place, away from direct sunlight, extreme heat, and dampness, and in accordance with any additional storage guidelines specified by Sisu from time to time.
 - 6.3. *Recalls and Consumer Safety*. To ensure the safety and well-being of the end-users of the Products, Retailer shall fully cooperate with Sisu with respect to any Product recall or other consumer safety information dissemination effort.
 - 6.4. Alterations & Bundling Prohibited. Retailer shall sell Products in their original packaging, with all seals intact. Retailer shall not sell or label the Products as "used", "open box" or any other similar descriptors. Relabeling, repackaging (including the separation of bundled products or the bundling of products), misbranding, adulterating, and other alterations are not permitted. Retailer shall not tamper with, deface, or otherwise alter any UPC code, lot or batch code, or other identifying information on Products or packing. Retailer shall not remove or destroy any copyright notices, trademarks or other proprietary markings on the Products, documentation, or other materials related to the Products. Removing, translating, or modifying the contents of any label or literature accompanying the Products is prohibited. Retailer shall not advertise, market, display, or demonstrate non-Sisu products together with the Products in a manner that would create the impression that the non-Sisu products are made by, endorsed by, or associated with Sisu.

- 7. **Audit.** Sisu reserves the right to audit and/or monitor Retailer's activities for compliance with the Terms, including, but not limited to, inspection of Retailer's facilities and records concerning the Products.
- 8. Intellectual Property. Sisu owns all proprietary rights in and to the Sisu brand, name, logo, trademarks, service marks, trade dress, copyrights, and other intellectual property rights related to the Products (the "Sisu IP"). Retailer is granted a limited, non-exclusive, non-transferable, revocable license to use the Sisu IP in Canada solely for purposes of advertising, marketing, promoting and selling the Products as set forth herein. Retailer may not use the Sisu IP to advertise, market or promote Products in a manner that targets consumers, resellers, influencers or endorsers outside of Canada, including, without limitation, through print and media advertisements, internet display based advertisements, internet search based advertisements, and social media advertisements. This license will cease upon termination of Retailer's status as an Authorized Retailer. Sisu reserves the right to review and approve, in its sole discretion, Retailer's use or intended use of the Sisu IP at any time, without limitation. All goodwill arising from Retailer's use of the Sisu IP shall inure solely to the benefit of Sisu.
- 9. **Termination.** If Retailer violates any of the Terms, Sisu reserves the right to immediately terminate or suspend the Retailer's status as an Authorized Retailer, in addition to all other remedies available under applicable law. Upon termination of Retailer's status as an Authorized Retailer, Retailer shall immediately cease acting in any manner that may reasonably give the impression that Retailer is an Authorized Retailer or has any affiliation with Sisu and using any Sisu IP.
- 10. Availability of Injunctive Relief. Notwithstanding anything to the contrary herein, if there is a breach or threatened breach the Terms, it is agreed and understood that Sisu will have no adequate remedy in money or other damages at law. Accordingly, Sisu shall be entitled to injunctive relief and other equitable remedies; provided, however, no specification in the Terms of any particular remedy shall be construed as a waiver or prohibition of any other remedies in the event of a breach or threatened breach of the Terms. No failure, refusal, neglect, delay, waiver, forbearance, or omission by Sisu to exercise any right(s) herein shall constitute a waiver of any provision herein.
- 11. **Applicable Law.** Retailer shall comply with any and all applicable laws, rules, regulations and policies related to the advertising, promotion, sale, and marketing of the Products. Sisu represents and warrants that the Products are manufactured by Sisu in accordance with all applicable laws, rules and regulations of Canada, and Sisu makes no representation or warranty with respect to any other law, rule or regulation relating to the Products.
- 12. **Indemnification.** Retailer shall defend, indemnify and hold Sisu and its affiliates, and its and their respective directors, officers, employees, representatives and agents harmless from any and all actions, suits, proceedings, awards, judgments, claims, losses, damages, fines, penalties, costs and expenses (including reasonable attorneys' fees) attributable to Retailer's breach of these Terms (including, but not limited to, Retailer's unauthorized sale of Products) or to any negligent, grossly negligent, willful or unlawful acts or omissions of Retailer, its employees, officers, agents, or representatives.
- 13. **Miscellaneous.** Sisu reserves the right to update, amend, or modify the Terms upon written or electronic notice to Retailer. Unless otherwise provided, such amendments will take effect

immediately and Retailer's continued use, advertising, offering for sale, or sale of the Products, use of the Sisu IP, or use of any other information or materials provided by Sisu to Retailer under the Terms following notice will be deemed Retailer's acceptance of the amendments. Any consent or approval granted to a Retailer by Sisu under these Terms must be in writing, and signed by a duly authorized officer of Sisu. No waiver of any breach of any provision of the Terms shall constitute a waiver of any prior, concurrent, or subsequent breach of the same or any other provisions hereof, nor shall it constitute a course of dealing and no waiver shall be effective unless made in writing. The Terms and any dispute arising under them shall be governed by, construed, and enforced in accordance with the laws of British Columbia and the laws of Canada applicable therein. In the event of a dispute over the terms or performance under the Terms, Retailer expressly submits to the exclusive jurisdiction of the courts of the Province of British Columbia. If any provision of the Terms is held contrary to law, the remaining provisions shall remain valid.

TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE PARTIES EACH HEREBY IRREVOCABLY AND EXPRESSLY WAIVE ALL RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM (WHETHER BASED UPON CONTRACT, TORT, OR OTHERWISE) ARISING OUT OF THE TERMS RELATING TO THE OR ANY OF TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY OR THE PARTIES ACTIONS IN THE NEGOTIATIONS. ADMINISTRATION, OR **ENFORCEMENT** HEREOF THEREOF. THE PARTIES ACKNOWLEDGE THAT SUCH WAIVER IS MADE WITH FULL KNOWLEDGE AND UNDERSTANDING OF THE NATURE OF THE RIGHTS AND BENEFITS WAIVED HEREBY, AND WITH THE BENEFIT OF ADVICE OF COUNSEL OF ITS CHOOSING.