

DeFeet International, Inc. Terms and Conditions of Sale

Introduction / General DeFeet International, Inc. (“DeFeet”) has established the following Terms and Conditions of Sale (“Terms”) that apply to you (“Account”) and DeFeet for the purchase of all DeFeet products and accessories (the “Products”) for sale to consumers. These Terms remain in effect until amended or replaced by DeFeet.

1. Sales Channels and Locations, Minimum Advertised Price

1. Resale, transshipment or any form of diversion of Products to anyone other than the final consumer, both in the United States and internationally, is expressly prohibited.
2. Account shall not advertise or post prices for Products below the minimum advertised price (“MAP”) set forth on DeFeet’s current price list. Repeated violation of this MAP policy will result in the immediate termination of Account’s relationship with DeFeet.
3. Account is authorized to resell Products through any catalog or website under Account’s exclusive control. Account shall not offer or sell Products through any third-party catalog or website without DeFeet’s express consent, which DeFeet may withhold for any or no reason in its sole discretion. DeFeet expressly prohibits the sales of any of its Products on internet auction sites of any type. Account shall not offer or sell products through any third party catalog or website including but not limited to Amazon, EBay, Ali Express, New Egg, Jet.com, Walmart, Light in the Box, Barnes & Noble, Overstock.com, and Mini in the Box.
4. Account shall not resell Products, advertise Products for sale, or solicit sales of Product outside of the United States and Canada.
5. Account is authorized to resell Products only at the actual storefront locations approved by DeFeet; except that Account may hold a limited number of retail sales events at other locations if they satisfy the requirements herein. Account’s physical location must have a valid sales tax registration (where required by law), be open for business on a regular schedule, and be located in a retail store or in an area zoned for retail sales.

2. Account Obligations

Account shall:

1. Resell only Products DeFeet has authorized Account to resell.
2. Not resell or transfer Products to any person or entity other than the end-use consumer.

3. DeFeet Obligations

1. DeFeet, at its discretion, will furnish Account with materials describing the correct methods for fitting, using, and servicing Products. DeFeet may furnish Account with this information either by printed or emailed materials, though instructional videos, or through a designated website.
2. When available, DeFeet will furnish or make available sales materials to Account, such as decals, posters, POP displays, samples items, and logoed merchandise. DeFeet may charge for certain sales materials where appropriate, in its sole discretion.

4. Trademarks

1. DeFeet is the exclusive owner and/or licensed user of various names, logos, trademarks and service marks (collectively, the "Trademarks") in the United States and internationally; these Terms transfer no title to any Trademarks to Account. DeFeet grants Account a non-exclusive, non-assignable license to use the Trademarks, restricted to use in the advertisement or sales of Products.
2. Account shall not use the Trademarks as part of its name, domain name, identification of the store (physical or online), or modify the Trademarks in any way or in a any disparaging manner, for any improper purpose or in any way that might create public belief that it or its agents or employees are employees of DeFeet for any purpose other than as specifically provided herein. Account shall

comply with DeFeet's request to remove any reference or use of Trademarks in web sites, emails, printed materials and URLs where DeFeet, in its sole discretion, deems such reference or use to be detrimental to or inconsistent with DeFeet's Trademark use policies.

5. Ordering

1. All orders are subject to acceptance by DeFeet. The Terms govern each order and may not be amended or superseded by any writing from Account, including purchase orders or requests for quotation, unless explicitly approved by DeFeet. The Terms are the complete and exclusive statement of the terms of the agreement between DeFeet and Account.
2. Orders may be canceled by the Account only upon written notification to DeFeet's Customer Service Department. DeFeet may reject a request for cancellation for any order due or scheduled to ship within 5 business days of such request. Approved cancellations may affect volume discounts on current and future orders.

6. Shipments

1. Products are sold FOB from DeFeet's facility in Hildebran, North Carolina. DeFeet, in its sole discretion, will determine and arrange the means and manner for transportation of Products, except as stated below.
2. Account shall pay all costs of insurance, if requested or required and assumes all risk of loss for shipments made from DeFeet's warehouse. Shipping charges are prepaid and will be added to each invoice.
3. If Account supplies DeFeet with a written routing guide, DeFeet shall use reasonable efforts to comply with the terms of the routing guide, but reserves the right to refuse to comply to the routing guide if it will cause undo hardship to DeFeet. This guide should include all contact names, contact numbers, carrier preferences and Account's carrier account numbers to bill freight charges to. DeFeet

also reserves the right to pass along to Account any additional fees or costs associated with adhering to Account's routing guide.

4. Account may arrange shipping for its orders. DeFeet shall provide appropriate weights and measures for the shipment. Account shall provide DeFeet with all necessary documentation from and for the carrier in a timely fashion.
 5. Drop-shipping of orders is subject to DeFeet's approval. All drop-ship orders shall be billed at the highest level of pricing (Tier 1) and a 10% drop-ship fee shall be added to each order. If approved for drop-shipping, Account shall supply a printable packing list with every drop-ship order.
 6. DeFeet may make partial shipments without any liability.
 7. Discrepancies and packing errors must be reported to DeFeet within ten (10) days of receipt of shipment. All claims must be accompanied by the appropriate documentation to verify the shortage/overage.
 8. DeFeet shall not be responsible for goods lost or damaged in transit. Any damaged must be noted on the carrier's delivery receipts and reported directly to the delivering carrier. Any request for proof of delivery must be submitted within thirty days of the date of DeFeet's invoice.
7. **Delivery Delays** Delay in delivery beyond the estimated delivery date or any delay or non-delivery in whole or in part as a result of events, conditions, or circumstances rendering delivery commercially impractical, or that are beyond DeFeet's control, including, without limitation, to any act or omission of Account, force majeure, fire, flood, epidemic, riot, civil commotion, act of god, strike, lockout or other labor disruption, act of war, act of any government, act of any military authority or force, delays in transportation or shortages or any other contingency not contemplated shall not result in any liability of DeFeet to Account, and Account hereby waives any rights to damages arising from such delay or non-delivery. Acceptance of the goods by Account shall constitute a waiver of all claims for loss or damages due to delay resulting from any cause. If, as a result of such a delay, the Products ordered are unavailable, DeFeet may substitute comparable Products.

8. **Returns** Account may request a return authorization for unsold Products in undamaged, salable condition. All returns are subject to approval by DeFeet. DeFeet retains the right to refuse returns from any Account and on a per transaction basis. Transportation costs for returns shall be paid by Account. Returns are subject to a 15% restocking fee. DeFeet may deduct the value of Product damage or repackaging from any refund due to Account.

9. **Prices, Credit Approval and Account Status**

1. Product pricing is set forth in DeFeet's product price list issued for the current selling season and shall be in effect until DeFeet issues a new price list. Prices and pricing terms are subject to change at any time without prior notice.
2. Unless approved in writing by DeFeet, Account's orders must be prepaid by credit card, Paypal, COD, bank transfer or check. DeFeet, in its sole discretion, may extend credit to Account upon request. Approval of credit will be reviewed by DeFeet; Account shall provide DeFeet with pertinent financial information for evaluation.
3. Any amounts not paid when due are subject to a service charge of 1.5% per month, or the maximum rate permitted by law, whichever is lower. Invoices on account that are paid by credit card at the time due or after shall be charged a 2% credit card service charge.
4. Accounts whose open invoices are current may indicate how payments are applied to such open invoices, provided that payment or credits are applied to any past due invoices first.
5. If Account fails to make any payment when due, DeFeet is entitled to:
 1. Delay delivery of all or part of any pending order.
 2. Recover or require Account to return, at Account's expense, all Products for which payment was not timely made.
 3. Terminate its relationship with Account.
 4. Terminate Account's ability, if any, to purchase goods on credit.

10. **Security Agreement** To secure payment and performance of all Account's current and future obligations to DeFeet, Account grants to DeFeet a security interest in all Products purchased from DeFeet. A copy of Account's

credit application may be filed as a financing instrument, in which case Account is the debtor and DeFeet is the secured party. Account shall execute any uniform commercial code forms required to perfect any such security interest upon request by DeFeet.

11. Limited Warranty

1. DeFeet warrants the Products to be free from defects in materials and workmanship for a minimum of one year from the date of initial sale to the consumer. DeFeet, in its sole discretion, shall determine if any Product is defective.
2. DeFeet's sole and exclusive obligation and Account's sole and exclusive remedy of this limited warranty is expressly limited, at DeFeet's option, to repair or replace the affected Products or to give credit for the affected Products to Account in an amount not to exceed the purchase price of the Products.
3. The foregoing obligations are in lieu of all other obligations and liabilities, including all warranties of fitness for a particular purpose or of merchantability, or otherwise expressed or implied in fact or by law, and state DeFeet's entire and exclusive liability and account's exclusive remedy for any damages related to the products.

12. Limitation on Damages; Statute of Limitations DeFeet shall not be liable for any loss of profit, business interruption, or any other special, consequential or incidental damages suffered or sustained by Account. Any action for breach of contract must be commenced within one year from the date of delivery of the goods.

13. Severability; Waiver; Construction Any portion of these Terms that are found to be unenforceable will not invalidate the remainder of these Terms. Any delay in enforcing or any failure to enforce any provision of these Terms will not be deemed a waiver of any other or subsequent breach of these Terms unless such waiver is in writing and signed by DeFeet. Caption headings are for convenience of reference only and will not affect the interpretation of these Terms. Ambiguous terms will be construed without regard to authorship.

14. Costs and Attorney Fees; Choice of Law; Consent to Jurisdiction Account will pay such costs, collection agency commission, expenses and reasonable attorney fees (including, without limitation, at trial and on appeal) as DeFeet may incur in any manner of collection of any sums past due. North

Carolina law (without resort to its choice of law provisions) will govern. Account consents to the non-exclusive jurisdiction of and venue in any state of federal court located in the State of North Carolina; DeFeet can file suit against Account in any court located within the State of North Carolina.

This application will have no force or effect until approved by DeFeet; such approval may be withheld by DeFeet for any reason or no reason at all.

Signature Page

ACKNOWLEDGMENT. By signing, Account hereby certifies and acknowledges that this Application is made on behalf of the business named in the Application for the purposes of becoming or continuing as an authorized DeFeet reseller. Account acknowledges that the Terms supersede any and all terms or conditions on any purchase order or routing guide. Account further certifies that the information submitted with this Application accurately represents Account's business and financial condition, without material change, as of the date shown below.

IN WITNESS WHEREOF, this Agreement is hereby entered into by each Party as of the date affixed to its respective signature below.

DEFEET INTERNATIONAL

Print: _____

Sign: _____ Date: _____

371 I-40 Access Road
Hildebran, North Carolina 28637

ACCOUNT NAME

Print: _____

Address: _____

Print Name: _____

Sign: _____ Date: _____