

ATHLETICA SPORT SYSTEMS INC. STANDARD TERMS AND CONDITIONS OF PURCHASE - EFFECTIVE JANUARY 2021

1. Contract Formation. This Purchase Order ("P.O.") constitutes an offer by Athletica Sport Systems Inc. ("Purchaser") to purchase the goods, products, or materials ("Goods"), or services ("Services") described in the P.O. (collectively, the "Work") from the Vendor identified on the front of this P.O. (the "Seller"). If the Seller accepts this offer, the Purchaser and the Seller will have formed a contract on the terms and conditions set forth below and in this P.O., Seller may accept this P.O. by signing and returning a copy of it, commencing performance, or accepting payment. The Purchaser limits acceptance of this offer to the terms and conditions contained in this P.O., and objects to and rejects any terms and conditions that add to, subtract from, differ from, or otherwise modify or change those set forth in this P.O., unless accepted in writing by the Purchaser.

2. Suspension and Termination. The Purchaser may terminate the P.O. for default, in whole or in part, if Seller fails to comply with any of the terms of the P.O., endangers the performance by failing to make progress, or upon reasonable request by the Purchaser, fails to provide adequate assurances of future performance. Seller shall have ten (10) days after notice from the Purchaser to cure any actual or perceived default. Should the Purchaser, in its sole discretion, decide to cancel the P.O., Seller (including any suppliers or subcontractors) shall stop work immediately on any portion of the P.O. that is terminated. Seller shall continue all work that is not terminated.

Purchaser may, by notice in writing (a "Notice") direct Seller to suspend performance of any or all of the Seller's obligations under this P.O. ("Seller Obligations") for a specified period of time. Upon receipt of such Notice to suspend the Seller Obligations, Seller shall: (i) discontinue Seller Obligations; (ii) place no further orders or subcontracts related to the Seller Obligations; (iii) suspend all orders and subcontracts; (iv) protect and maintain any deliverables hereunder; and (v) otherwise mitigate Purchaser's costs and liabilities for those areas of the Seller Obligations so suspended. Purchaser shall not be required to pay Seller any amount as a result of such suspensions. Upon any reinstatement of the Seller Obligations by Purchaser, the time for completion of the Seller Obligations will be extended for a period equal to the time lost by reason of the suspension.

Purchaser may terminate this P.O. or the Seller Obligations in whole or in part at any time without cause thirty (30) days after providing Notice to Seller of such termination. Upon such termination, Purchaser shall pay to Seller, in full satisfaction and discharge of all liabilities and obligations owed to Seller, an equitable amount for all Seller Obligations satisfactorily performed by Seller as of the date of termination and all fees and expenses that were properly owing before the date of termination. Purchaser shall not be liable to Seller for anticipated profits or overhead based upon Seller Obligations not yet performed as of the date of termination. If Purchaser terminates part of the Seller Obligations, then Seller shall continue to provide any non-terminated Seller Obligations.

3. Price, Delivery, Packing, Payments and Off-Sets. Unless otherwise stated on the face of this P.O., all deliveries are delivered and priced DDP, facility stated on the face of this P.O. The prices shall include all insurance, packing, freight, taxes, duties, and other charges to the destination. Seller shall notify the Purchaser of each expected shipment date at least fifteen (15) days before shipment. Seller shall supply normal packing for export shipment, container shipment or air freight, as may be applicable. Special packing will be provided only if agreed to, in writing, by the Purchaser. Goods shall be invoiced and shipped the same day. Seller, at its expense, will obtain all necessary permits or licenses to export the Goods from the country of shipment. Customs duties, taxes and similar charges that may be imposed by the country of shipment or elsewhere in the world shall be borne by Seller. The Purchaser may set-off any amounts claimed to be due by Seller against any sums owed to Seller whether such claims arise under or outside of this P.O.

4. Spare Parts. Seller shall supply to the Purchaser Spare Parts for five (5) years after the last shipment of the Goods to the Purchaser. Purchaser may purchase standard Spare Parts from Seller's suppliers. "Spare Parts" shall mean any or all parts or components assembled or incorporated into the Goods.

5. Inspection and Warranty. Seller shall perform an inspection of each shipment of the Goods before shipment at the expense of Seller; and the Purchaser may attend such inspection. If any shipment of the Goods fails to meet the shipment inspection standards, Seller shall withhold such shipment and repair the failing shipment promptly. If Seller cannot effectively repair such shipment within twenty (20) days, the Purchaser may cancel the order of such shipment. The Purchaser may perform sampling tests on each shipment of the Goods. Seller warrants that the Goods shall (i) comply with all applicable specifications; and (ii) be free from defect in material and workmanship for twenty-four (24) months from the date of shipment. In the event of a breach of such warranty, in addition to any other rights the Purchaser may have, Seller shall be liable for repairing the Goods or furnishing to the Purchaser replacement of defective parts, within thirty (30) days after Purchaser notifies Seller thereof. Seller shall bear the costs for repairing the Goods and for all necessary replacement parts, freight, insurance, and other expenses in repairing the Goods and furnishing such replacement parts to Purchaser. If practicable and at Seller's expense, the defective Goods shall be returned as promptly as is feasible to Seller's factory or to some other place mutually agreeable to Seller and Purchaser. Alternatively, the Purchaser may undertake repairs to the defective Goods. At the Purchaser's request, Seller shall furnish to the Purchaser technical information required to repair defective Goods. The Purchaser's attempt to repair the defective Goods shall not relieve the Seller of any indemnity obligations or void or otherwise impair or diminish any warranties. Furthermore, neither receipt of the Goods, payment, nor attempted repairs by the Purchaser shall constitute final acceptance. The Purchaser will accept or reject the Goods within a reasonable time after delivery. The Purchaser will not be required to accept defective Goods, substitutions, untimely deliveries, deliveries in quantities other than those ordered, or Goods that do not conform to the specifications.

6. Indemnity. Seller shall indemnify, defend (using counsel selected by the Purchaser with the prior approval of Seller, which approval shall not be unreasonably withheld, delayed, or conditioned), and hold the Purchaser and its owners, officers, employees, attorneys, agents and representatives harmless from any and all loss, damage, liability, cost or expense (including reasonable attorneys' fees and expenses) that Purchaser may suffer or incur directly, or as a result of a third party claim, as a result of any claim, demand, lawsuit, proceeding, liability, damage, or injury of any kind arising out of: (a) any act, error or omission by Seller or any of Seller's employees, agents or representatives; (b) any claim for breach of this Contract by Seller, or any breach of warranty provided by Seller, including based upon a defect caused by any act or omission by Seller or Seller's employees; (c) any claim that the Work infringes upon or otherwise violates the intellectual property rights of any person or entity; or (d) any personal injury, damage, economic loss or other damage, caused by or arising out of the performance of this P.O. or the Goods or Services.

7. Excusable Delay. Time is of the essence. However, neither party shall be liable for, or be deemed to be in default for, delay of or failure in delivery or performance of any other act under this P.O. due directly or indirectly, to any of the following causes: acts of God or the public enemies, civil war, insurrection or riot, fires, floods, explosions, earthquakes or serious accident, epidemics or quarantine restrictions, any act of government or any other civil or military authority, allocation regulations or orders affecting materials, facilities or completed equipment, strikes, labor troubles causing cessation, slowdown or interruption of work, inability after due and timely diligence to procure materials, accessories, equipment or parts, or transportation, or due to any other cause to the extent it is beyond a party's reasonable control or not occasioned by that party's fault or negligence. In the event of any actual or potential delay, Seller shall immediately provide written notice to the Purchaser of all pertinent details regarding the cause or event that impacts timely performance and the actions undertaken to avoid or minimize the delay.

8. Severability. This P.O. is intended to be valid and effective throughout the world and, to the extent permissible under applicable law, shall be construed in a manner to avoid violation of or invalidity under any applicable law. Should any provision be or become invalid, illegal or unenforceable under any applicable law, the other provisions shall not be affected, and to the extent permissible under applicable law, any such invalid, illegal or unenforceable provision shall be deemed amended lawfully to conform to the intent of the parties.

9. Governing Law. The validity, construction and performance of this P.O. shall be governed by and interpreted in accordance with the laws of the Province of Ontario. The United Nations Convention on Contracts for the International Sale of Goods shall not apply to this P.O.

10. Non-Assignability. Purchaser may assign this P.O. to a third party in its sole discretion. Seller shall not assign this P.O. or any part hereof, or any rights or responsibilities hereunder without the prior written consent of Purchaser, and any attempted assignment in violation hereof shall be void. Seller shall not subcontract any or all of its obligations without prior written consent of Purchaser. Seller shall be fully liable and responsible for the acts or omissions of any subcontractors and of all persons employed by them, shall maintain complete control over all such subcontractors, and neither the consent by Purchaser, nor anything contained herein, shall be deemed to create any contractual relation between a Subcontractor and Purchaser.

11. Entire Contract and Modification. With exception to a supply agreement executed by the Seller and the Purchaser, if any and which is incorporated by reference, this P.O. constitutes the entire understanding of the parties and supercedes all other previous contracts, P.O.s, agreements, or understandings, whether written or oral. This P.O. may be amended or modified only in writing signed by the duly authorized representatives of the respective parties. The Purchaser and Seller agree that this P.O. was jointly drafted.

12. Intellectual Property. The Purchaser expressly retains all rights to its patents, trade secrets, inventions, technology, designs, works of authorship, specifications, technical information, computer software, trademarks, copyrights, and any other proprietary or confidential information ("Intellectual Property"). To the extent Seller or Purchaser (a) modifies, alters, uses, or improves upon the Intellectual Property or (b) discovers or comes into possession of any improvements or further inventions to the Goods or their design, manufacture, use or sale (collectively, "Improved Intellectual Property"), Seller agrees that all right, title and interest, in all Improved Intellectual Property and any modifications, alterations, uses or improvements, or patents, trademarks, copyrights or other intellectual property shall be the property of the Purchaser. Seller further agrees to and shall assign and transfer all right, title and interest in any Improved Intellectual Property developed as a result of this P.O. to the Purchaser. Further, Seller agrees to execute any documentation necessary to perfect title therein to the Purchaser. Seller further agrees to assist Purchaser, at the Purchaser's request and expense, in obtaining, maintaining, and enforcing patent and other intellectual property rights related in any way to the Work. The Intellectual Property and any Improved Intellectual Property shall not be used or disclosed by the Seller or its parent company, subsidiary companies, employees, agents, representatives, or anyone else under Seller's control without prior written consent of the Purchaser.

13. Waiver. No failure by either party to take any action or assert any right shall be deemed to be a waiver of such right in the event of the continuation or repetition of the circumstances giving rise to such right.

14. Survival. The terms and conditions that by their nature are intended to survive the termination of the P.O. (including but not limited to the Inspection and Warranty, Indemnity, and Intellectual Property sections), shall survive the termination of this P.O.

15. Independent Contractor. The relationship between Seller and Purchaser is that of independent contractors. Seller and Purchaser are not joint venturers, partners, principal and agent, master and servant, employer and employee, and have no relationship other than as independent contracting parties. Seller and Purchaser shall have no power to bind or obligate each other in any manner.

16. Precedence. Should there be any conflict between the face of the P.O. or these terms and conditions, the terms on the on the face of this P.O. shall control. Should there be any conflict between this P.O. and any separately executed supply agreement, the P.O. shall control.

17. Cyber Security. Seller shall comply with the requirement of all Purchaser Policies relating to cyber security, including taking out applicable insurance, and take any actions reasonably required by the Purchaser. Seller shall be responsible for preserving the integrity of, and preventing any unauthorized access, corruption, loss, damage, and destruction to, Confidential Information and data of the Purchaser.

18. Insurance. Without limiting any liabilities or any other obligations of Seller, Seller shall, prior to commencing the Seller Obligations, secure at its own expense and continuously maintain with insurance companies in good standing, acceptable to Purchaser, and naming the Purchaser as an additional insured, as will protect Seller from liability and claims for injuries and damages which may arise out of or result from Seller's performance and operations under the Agreement and for which Seller may be legally liable, whether such performance and operations are by Seller or a subcontractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable. A certificate of insurance shall be furnished to Purchaser prior to commencement of any Seller Obligations by Seller.

19. Confidential Information. Each Party receiving any information from the other Party ("Confidential Information") agrees that it will not disclose the disclosing Party's Confidential Information, directly or indirectly, under any circumstances or by any means, to any third person and will not use the other Party's Confidential Information except as may be required under this Agreement. Any Confidential Information provided by a Party to the other Party (electronically or otherwise) or obtained by a Party from the other Party as a result of the performance of this Agreement remains at all times the property of the disclosing Party.

20. Policies. In conjunction with its performance of the Seller Obligations, Seller and its personnel shall comply with, and cause its subcontractors and their respective employees, officers, agents, and representatives to comply with, all applicable laws and all Policies. Policies means any security, privacy, alcohol and drug, business ethics, code of conduct, health and safety and other policies and resource guides, as amended from time to time by the Purchaser and delivered to the Seller, all of which form an integral part of the P.O.