BRANDED CUSTOM SPORTSWEAR, INC. STANDARD TERMS AND CONDITIONS

These standard terms and conditions (these "Terms and Conditions") are incorporated by reference into each purchase or sales order (each, a "Sales Order") entered into by and between Branded Custom Sportswear, Inc., a Kansas corporation ("BCS") and the purchaser named in the Sales Order. A copy is also available from BCS by request or https://www.bcsapparel.com/termsonline conditions.pdf. These Terms and Conditions are subject to amendment from time to time at BCS's sole discretion; each Sales Order will be subject to the Terms and Conditions in effect as of the date of BCS's acceptance of the Sales Order. A Sales Order, these Terms and Conditions, and any associated change orders and credit applications may be referred to collectively as an "Agreement." Capitalized terms not specifically defined in these Terms and Conditions have the meanings ascribed to them in the applicable Sales Order.

- Acceptance of Sales Orders and Changes to Sales Orders. Sales Orders and changes to Sales Orders submitted to BCS by Buyer are subject to final approval and acceptance by BCS. Changes to Sales Orders may be submitted to BCS orally or in writing but will not be effective unless accepted in writing by BCS. If BCS accepts a requested change, it will respond to Buyer vie email or an updated Sales Order Acknowledgement. It is expressly understood and agreed by BCS and Buyer that all Sales Orders and any accepted changes to Sales Orders shall be subject to these Terms and Conditions. Any terms and conditions included in any Sales Order or accepted change to a Sales Order issued by Buyer that are in addition to, or inconsistent with, the terms of these Terms and Conditions shall not be binding upon BCS in any manner.
- 2. <u>Prices.</u> Published prices and discounts, if any, are subject to change without notice. All prices are net and exclude taxes (including but not limited to city, county, state and federal taxes, where applicable), transportation and insurance, all of which are to be borne by Buyer. In the event that any tax is stated on an invoice provided to Buyer by BCS, Buyer shall promptly remit the same to BCS. All other sales or use taxes upon products sold by BCS under a Sales Order ("<u>Products</u>") shall be paid by Buyer to the appropriate taxing authority, or, in lieu thereof, Buyer shall provide to BCS a properly executed and issued tax exemption certificate.
- Terms of Payment. BCS will invoice Buyer for each shipment made under each Sales Order, and Buyer shall pay BCS's invoices in full within thirty (30) days of the date of each such invoice. If Buyer disputes the amount stated in an invoice, Buyer must submit a written dispute notice (with an email to Buyer's contact with BCS serving as written notice), describing the disputed amount and the basis of the dispute in detail, within 30 days of invoicing and must pay the undisputed amount in full. BCS and Buyer will work together in good faith for a period of 30 days to seek to resolve any dispute raised in this way by Buyer. At the end of such 30day period, BCS will issue its written decision to Buyer with respect to the dispute, and Buyer will abide by such decision. If Buyer shall fail to make payments in accordance with the terms of the Agreement or shall fail to comply with any other provision of the Agreement, BCS may, at its option, defer further shipments or, without waiving any other rights it may have, terminate the applicable Agreement and any other outstanding Agreements with Buyer. Buyer shall be liable for all expenses, including attorneys' fees, relating to the collection of past due amounts. If any undisputed payment owed to BCS is not paid when due, it shall bear interest at a rate of one and one-half percent (1.5%) per month, or (if lower) the maximum rate permitted by law, on the unpaid balance from the date on which it is due until fully paid. BCS has the right to apply payments it receives from Customer to any of Customer's invoices and to disregard Customer's instructions to apply payment to any specific invoice. In the event Customer is indebted to BCS, that debt may be offset against credits otherwise owing to Customer to reduce or eliminate the credit.
- Cancellation; Termination. Sales are non-cancellable; any attempted cancellation by Buyer will not relieve Buyer of its obligation to pay the purchase price stated in the Sales Order. Nothing in these Terms and Conditions shall be construed to imply that Buyer is required to place Sales Orders or that BCS is required to accept Sales Orders. Upon termination of the parties' relationship, conditions. the terms, representations of these Terms and Conditions will remain in full force and effect with respect to all Sales Orders accepted by BCS prior to the date of termination. Sections 13, 14, 16, 17 and any other provision that, by its nature is intended to continue in effect following termination of the relationship, shall survive indefinitely.
- 5. <u>Backorders.</u> Availability of items designated as A/O (At Once) are limited to stock on hand at the time the Sales Order has been entered by BCS Account Services. Backorders will be shipped

when available. All backorders will be shipped F.O.B. shipping point. No deductions are allowed for freight, parcel post, or UPS charges. Partial shipments will not be considered a valid reason for return or chargeback.

- 6. Shipment, Delivery and Passage of Title. All Products will be delivered, and title will pass to Buyer, F.O.B. BCS's warehouse dock for the Products, which may be a subcontractor's site. Buyer will be responsible to select the means of transportation, to contract with all freight carriers, and to bear all costs of delivery. BCS shall not be bound to tender delivery of any Products for which Buyer has not provided shipping instructions and other required information. In the event that a shipment is delayed at the request, or by act, of Buyer, a reasonable storage charge will be assessed by BCS, and such storage will be at Buyer's risk. BCS will not be responsible for any loss resulting from any delay in shipping or failure to ship.
- Returns. Buyer may request BCS's approval to return Products for a period of sixty (60) days after delivery (the "Return Period"). Written authorization must be obtained from BCS prior to returning any Products. Such Products must be unused and must be shipped to BCS, utilizing the Return Authorization and shipping label provided. Buyer will retain title and risk of loss until receipt by BCS at the designated return destination. Returns made by Buyer without having first obtained BCS's written authorization therefor will not be accepted by BCS. If BCS determines, in its reasonable judgment, that returned Products were defective or not comparable to the items that were ordered (in either case, "Defective Products"), BCS will, at BCS's sole discretion, either replace the Defective Products or issue a credit in the amount of Buyer's net invoiced price for the Defective Products. If BCS determines that the returned product is not defective, BCS has the right to assess an inspection and repackaging charge, restocking charge and any other costs BCS reasonably incurs as a result of such return. No returns are allowed for items sold as close-outs, irregulars, seconds, or B-grades; such sales are final.
- 8. <u>Post-Audit Policy</u>. Post-audit claims, if any, must be received within six months of the invoice date. For shipment shortages the required filing period is three months from the shipping date. BCS will only accept post-audit results produced by direct employees of Customer. Post-audit claims performed by third party auditors will be denied. All post-audit claims must be substantiated with complete and accurate supporting documentation to allow BCS to consider the results for acceptance. Any post-audit claim submitted without supporting documentation will be denied. Upon any denial of a

- post-audit claim, the amounts at issue shall be immediately due and payable. BCS may charge Customer a \$500 handling fee per transaction within any audit in the event that BCS reasonably determines that any post-audit claim is frivolous or entirely unsubstantiated, such fee to be deemed immediately due and payable.
- 9. <u>Ticketing Policy</u>. Any ticketing or any other value-added services will be performed strictly at BCS' discretion. If an order requires tickets, the customer must provide tickets to BCS no later than 45 days prior to the start ship date. Ticketing instructions must appear on original purchase order. If BCS is asked to provide ticketing or any other value-added services, the customer will be assessed a fee.
- 10. Internet Sales. Customer is authorized to sell Product to consumers via the Internet only from the website or websites identified in Customer's Credit Application or otherwise approved for Customer by BCS in writing and to deliver that Product only to consumers with mailing addresses in the United States, its territories and possessions. BCS reserves the right to require revisions to the Authorized Website(s) or to revoke its approval for Customer to sell Product on such Authorized Website(s). The Authorized Website(s) will not link to, or provide data feeds to, any transactional website, or permit any transactional website to link to the Authorized Website(s). For purposes of these Terms and Conditions, a "transactional website" means a shopping portal, online marketplace, or other site which either (i) is capable of accepting orders from consumers, or (ii) creates the perception that orders are accepted on the site, even if the consumers are in fact redirected to other websites for order placement.
- General Restrictions. 11. will not directly or indirectly: (a) sell, consign or otherwise transfer Product (i) outside the United States (and, if a "brick and mortar" store, other than at the approved physical store location or locations to which it was shipped); or (ii) to another retailer, or to an e-tailer, distributor, or broker; or (iii) to any other person under circumstances where it knows or should know, based on the circumstances of the transaction, that the Product is intended for resale or will likely be resold; or (b) sell, consign, distribute, or otherwise transfer Product on any transactional website or on any non- Authorized Website(s); or (c) purchase any Product from, or sell or offer to sell Product on behalf of or for the account of, any other third party; or (d) if BCS sets a launch date for a particular Product, display, offer to sell, or sell that Product prior to the date and time stated by BCS; or (e) collect or use any sensitive personal data about consumers other than

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using industry best practices for security standards, and in compliance with applicable law.

- 12. Customer's General Warranties & Obligations. Representations, Customer represents and warrants, and each time Customer submits an Order, Customer will be deemed to have represented and warranted, that (i) it wishes to purchase Product solely for business purposes and not for personal, family or household purposes; and (ii) the most recent financial information provided by Customer is true, accurate and complete as of the dates indicated in that information and that there has been no material adverse change in Customer's business, prospects or financial condition since those dates; and (iv) it owns and operates each Store for which approval has been granted; for purposes of this Agreement, Customer's "ownership" of a store means that Customer has an ownership or a leasehold interest in the premises and owns the assets related to the operation of the store; and (v) it has obtained all licenses and other governmental consents and approvals that may become necessary in the performance of its obligations under this Agreement, and it will operate and maintain the stores in compliance with applicable law, including, without limitation, building codes, zoning ordinances, and laws governing safety, health, labor practices, hazardous substances, and sanitation.
- Limited Remedy; Disclaimer of 13. Implied Warranties. Buyer's sole remedy with respect to Defective Products will be as set forth in Section 7. Failure by Buyer to return any Product during the applicable Return Period shall be deemed an absolute and unconditional waiver of Buyer's claim with respect to any defect or noncomparability. BCS HEREBY DISCLAIMS ALL REPRESENTATIONS WARRANTIES, AND WHETHER EXPRESS OR IMPLIED. ARISING BY OPERATION OF LAW OR OTHERWISE. NOT INCLUDING BUT LIMITED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WHETHER OR NOT BUYER'S PURPOSE FOR THE PRODUCTS HAS BEEN DISCLOSED TO BCS.
- Limitation of Liability. BCS'S 14. **OBLIGATIONS** REGARDING **RETURNED** DEFECTIVE PRODUCTS AS SET FORTH IN SECTION 7 ARE BUYER'S SOLE AND EXCLUSIVE REMEDY FOR ANY CAUSE OF ACTION, WHETHER BASED IN CONTRACT, INFRINGEMENT, NEGLIGENCE, **STRICT** LIABILITY, OTHER TORT OR OTHERWISE ARISING OUT OF THIS AGREEMENT OR THE PARTIES' PERFORMANCE HEREUNDER. BCS NEITHER ASSUMES NOR AUTHORIZES

- ANYONE TO ASSUME FOR IT ANY OTHER OBLIGATION. BCS SHALL NOT BE LIABLE FOR ANY PENALTY OR FOR ANY SPECIAL. LIQUIDATED, PUNITIVE, EXEMPLARY, INDIRECT OR CONSEQUENTIAL DAMAGES. INCLUDING BUT NOT LIMITED TO LOST PROFITS OR REVENUES, LOSS OF OTHER GOODS, OR DOWN-TIME COSTS, SUFFERED OR SUSTAINED BY BUYER OR ANY OTHER PERSON. IN NO EVENT WILL BCS'S LIABILITY TO **BUYER** EXCEED. DEFECTIVE PRODUCTS, THE AMOUNT BUYER PAID BCS FOR THE PRODUCTS GIVING RISE TO THE CLAIM. AND FOR ALL OTHER CLAIMS, THE AMOUNT BUYER PAID BCS WITHIN THE THREE-MONTH PERIOD PRECEDING THE DATE THE CLAIM AROSE. BUYER ACKNOWLEDGES AND AGREES THAT BCS HAS SET ITS PRICES AND ENTERED INTO THIS AGREEMENT IN RELIANCE UPON THE LIMITATIONS OF LIABILITY **AND OTHER** TERMS AND CONDITIONS SPECIFIED HEREIN, WHICH ALLOCATE THE RISK BETWEEN BCS AND BUYER AND FORM A BASIS OF THE BARGAIN BETWEEN THEM.
- shall not be liable for delays in shipment or delivery of Products, or loss or damage thereto, when due to acts of God, acts of Buyer, acts of civil or military authorities, governmental restrictions or embargoes, war, riot, fires, strikes, floods, epidemics, default or delay by BCS's suppliers, breakdown of manufacturing facilities, machinery or equipment, delays in transportation or difficulties in obtaining necessary materials, labor or manufacturing facilities in each case due to causes beyond BCS's reasonable control.
- 16. Confidentiality; Publicity. Buyer acknowledges that it may have access to proprietary or confidential information owned or controlled by BCS BCS's affiliates ("Confidential Information"), disclosure of which would cause substantial or irreparable harm to BCS and its affiliates. Confidential Information includes, but is not limited to, these Terms and Conditions, the terms of any accepted Sales Order, BCS's marketing plans, information regarding future releases of Products, financial statements, trade secrets, and any other nonpublic information disclosed to Buyer by BCS or any person acting on behalf of BCS. Buyer shall protect BCS's Confidential Information with the same degree of care that it would exercise with respect to its own confidential information or trade secrets, but in any event with no less than reasonable care. Buyer shall not disclose BCS's Confidential Information to

any person, except for disclosures to Buyer's employees who need to know the information in connection with Buyer's business and who are subject to confidentiality restrictions at least as stringent as those set forth in these Terms and Conditions. Buyer shall not use BCS's Confidential Information for any purpose other than fulfilling Buyer's rights and obligations under the Agreement. Buyer will not issue press releases, give statements, or answer questions about its relationship with BCS or about the Products under circumstances in which Buyer knows or has reason to know that such releases, statements, or answers may be used to create content for publication in film, television, radio, print, or online media, including blogging, without BCS's express written consent. If Buyer submits to or shares with BCS any business plans, product or marketing ideas, copyrightable works, or other materials ("Materials"), Buyer agrees that (i) BCS is not subject to any restrictions in using such Materials; (ii) Buyer hereby grants to BCS an irrevocable license to use such Materials, without compensation to Buyer; and (iii) BCS is under no obligation to use such Materials or to exploit them commercially.

- Severability; Waiver. If a court of 17. competent jurisdiction determines that any provision of an Agreement (including any provision of these Terms and Conditions) is invalid or unenforceable 21. for any reason, that determination will not affect any other provision unless enforcement of the remaining provisions would be grossly inequitable under the circumstances or would frustrate the primary purpose of the Agreement. A party's delay or failure to enforce or insist on strict compliance with any of the provisions of any Agreement will not constitute a waiver or otherwise modify the Agreement, and a party's waiver of any right related to an Agreement on one occasion will not waive any other right, constitute a continuing waiver, or waive that right on any other occasion.
- Governing Law; Jurisdiction; Attorneys' Fees. Each Agreement, and all disputes arising out of any Agreement or out of the relationship between BCS and Buyer, will be governed by the laws of the State of Kansas. THE UNITED **NATIONS** CONVENTION **CONTRACTS** FOR THE INTERNATIONAL SALE OF GOODS WILL NOT APPLY. Each party irrevocably consents to the jurisdiction of the state and federal courts located in the State of Kansas in connection with any action arising out of or in connection with any Agreement, and waives any objection that such venue is an inconvenient forum. Buyer will pay all costs, collection agency fees, expenses, and reasonable attorneys' fees (whether

incurred prior to or at trial or on appeal) incurred by BCS in connection with the collection of any past due sums.

- Binding Agreement; Assignment. Each Agreement is binding on BCS and Buyer and their respective successors and assigns; provided, however, that Buyer shall not assign any Agreement, or any of Buyer's rights thereunder, without the prior written consent of BCS. A change of control of Buyer by stock sale, gift, merger, operation of law, by contract, or otherwise, will be deemed an assignment for purposes of this Section 19. If BCS grants its consent to an assignment by Buyer, the consent will not release Buyer from any of its obligations under any Agreement unless such release is stated expressly in BCS's written consent and the assignee agrees in writing to be bound by the Agreement.
- 20. Entire Agreement; Amendments. Each Agreement constitutes the entire agreement of the parties with respect to the Products subject to such Agreement and supersedes all prior and contemporaneous oral and written agreements, commitments, and understandings with respect to the subject matter thereof. Except for BCS's right to modify these Terms and Conditions (as described in the introductory paragraph, above), no Agreement may be amended except by a written instrument signed by an authorized representative of each party.