

## LION GENERAL TERMS AND CONDITIONS OF SALE AND DELIVERY (Rev.12/21)

These are the General Terms and Conditions of Sale and Delivery ("General Terms") of Lion First Responder PPE, Inc., with its place of business at 7200 Poe Avenue, Suite #400, Dayton, OH 45414, including companies or enterprises affiliated therewith (hereinafter jointly referred to as "Seller").

### 1. APPLICABILITY

- a. These General Terms and Conditions of Delivery and Services apply to all offers, services, deliveries and agreements contracted as such with Seller.
- b. These General Terms may only be departed from if Seller expressly states or acknowledges this in writing.
- c. Other general terms and conditions, including but not limited to the terms and conditions of any counterparty (including but not limited to buyers or commissioning parties, that Seller has concluded an agreement with or is in negotiation of concluding any agreement) (all hereinafter to be referred to as "Buyer"), shall, where not in accordance with these General Terms, be explicitly rejected. Such other general terms and conditions shall only apply if and insofar as explicitly confirmed by Seller in a separate document.
- d. These General Terms also apply, as circumstances so dictate, for the benefit of personnel and assistants of Seller and/or auxiliaries engaged by Seller who are working and/or useful for the performance of the relevant agreement, as well as for the benefit of third parties through whom Seller has the contracted agreement performed, whether in whole or in part.

### 2. OFFERS, CONTRACTS & CHANGES

- a. Unless the offer stipulates a period for acceptance, all offers are non-binding. In all offers, prices stated do not include any state, local or federal governmental taxes, duties and/or customs charges unless specifically stated. Up to one (1) week after acceptance of a non-binding offer, Seller may withdraw the offer. A non-binding offer remains valid for a maximum period of thirty (30) days, unless explicitly stated otherwise in the offer.
- b. The agreement is contracted as soon as a full and unconditional acceptance of the offer has reached Seller. This acceptance implies that the Buyer consents to the applicability of these General Terms and, insofar as necessary, waives the declaration of applicability of the Buyer's own general terms and conditions of purchase (or of whatever kind).
- c. If the acceptance contains reservations or changes to the offer, contrary to the provisions of the preceding paragraphs, the agreement is only contracted if and insofar as Seller has explicitly informed the Buyer in writing that it consents to such departures from the offer. In such event, only the reservations or changes stipulated by the Buyer that Seller has expressly confirmed will be applicable, meaning that all other reservations or changes that are not expressly confirmed to be accepted are deemed to have been rejected. It is understood that the applicability of these General Terms (including all provisions hereto), is a key stipulation of Seller, and forms an integral part of its offer. Seller reserves the right to change prices in response to requests made by Buyer to change product features, designs or materials either before or after acceptance.
- d. Offers issued and contracts entered into by representatives, sales agents or intermediaries are binding on Seller only after the order has been confirmed in writing.
- e. Seller is only bound by offers and contracts produced and/or concluded by representatives, commercial agents or intermediaries after a written order confirmation by Seller.
- f. Information and data provided by the Buyer to Seller for the purposes of the agreement contracted, such as drawings, etc., will be assumed by Seller to be correct, and Seller will base its offer on such information. Seller is not responsible, and bears no responsibility, for specifications or designs developed and supplied by Buyer and/or information, drawings, etc. supplied by the Buyer as referred to in the preceding sentence, regardless of whether Seller has advised the Buyer thereon. This applies accordingly to parts and materials that the Buyer makes available or prescribes to Seller.
- g. In reading the measures, weights, colors and technical data contained in the offers, the other party should allow for minor discrepancies which do not exceed the normal limits. Sizes, weights, colors and technical details in the offer should be read in such a way that the other party must take account of small deviations that do not go beyond the boundaries of what is considered normal.
- h. Prices in offers and contracts are based on the relevant circumstances and data (particularly the salary and materials costs) which were in force or known to Seller at the time of preparing the offer or concluding the contract.
- i. All orders are subject to credit department approval.
- j. Delivery, minimums and surcharges of the goods and services may vary according to the product line; all such variations will be stated in proposals, quotes or bid documents.
- k. Possession of a price list of Seller does not constitute an offer to sell.
- l. For all turnouts, a One Hundred and Twenty-Five U.S. Dollar (\$125) (list) minimum order surcharge may apply to special cuts or special production runs and to custom sizes or over-sizes outside Seller's standard sizing (see appropriate sizing charts). On non-turnout products, a ten percent (10%) minimum surcharge may apply to special cuts or special production runs and to custom sizes or over-sizes outside Seller's standard sizing (see appropriate sizing charts).
- m. Seller is entitled to adjust offered or agreed prices according to reasonableness and fairness, if there is a material change in circumstances or data, including but not limited to, increases in labor, transportation or material costs, after the issuing of the offer or the conclusion of the contract, but before the performance of the contract. An example of the foregoing change in circumstances is supply chain or labor cost increases caused by the Covid-19 pandemic.

### 3. DELIVERY & RISK OF LOSS

- a. For PPE and core training products, freight term for domestic orders delivered within the 48 contiguous U.S. states is F.O.B. Destination unless otherwise stated on quote.
- b. Contact Seller for terms and conditions of sale for International, Alaskan/Hawaiian or other non-contiguous U.S. destinations, Totalcare offers, and for sale of large props and Custom Build training projects.
- c. No C.O.D. orders.
- d. Unless expressly agreed otherwise, stated delivery times shall not be regarded as deadlines, unless explicitly agreed otherwise. In the event of late delivery, the Buyer must give Seller due notice before Seller can be in default.
- e. Seller reserves the right to ship partial orders unless complete shipment is stated on the order.
- f. Rush orders for custom made-to-order products are subject to a twenty percent (20%) rush fee.
- g. The delivery period commences on the date on which Seller has confirmed the order to the Buyer, or otherwise on the date agreed by the parties in writing.
- h. Seller is authorized to determine the method of transport. For Large Props and Custom Build Projects, transport costs are not included in the offers and sale prices, but will be charged separately to the Buyer as appropriate.
- i. The goods shall be delivered by Seller in the packaging it deems appropriate. If the Buyer prescribes different packaging, Seller is entitled to invoice the Buyer separately for the cost of such packaging.
- j. Seller is entitled to have deliveries made or services performed by third parties.

k. Documentation provided by third party carriers shall be conclusive evidence of proof of delivery and Seller bears no responsibility for goods after delivery by carrier to designated destination.

1. If applicable, the Buyer should ensure that Seller is able to carry out the installation work undisturbed. Amongst other things, the Buyer should ensure free access to the installation site and the availability of all the necessary facilities.

### 4. PAYMENT & TRANSFER OF OWNERSHIP

- a. All orders for make-to stock products are subject to a handling charge of Four and 25/100 U.S. Dollars (\$4.25). All orders amounting to less than Fifty U.S. Dollars (\$50.00) will be subject to a handling charge of Fifteen U.S. Dollars (\$15.00).
- b. In the event of late payment by the Buyer, the Buyer will be deemed to be in breach by operation of law with no demand letter or notice of default being required. All payments must be made within thirty (30) days after the date of invoice, unless any other payment term is explicitly agreed in writing. Payment must be made without any deduction or offsetting, at the offices of Seller or by means of transfer to a bank account stipulated by Seller.
- c. Seller retains full (and sole) ownership of the goods until such time as the due purchase sum, including any statutory interest, collection cost, etc. has been paid in full and received by Seller, even if the goods have meanwhile been processed or incorporated into other products.
- d. If the Buyer does not pay within the set time described herein (the "Payment Date"), it shall be deemed to be legally in default without the requirement of any warning or notice of default.
- e. For amounts owed after the Payment Date, Buyer shall pay two percent (2%) per month interest, or the maximum statutory rate, if below 2%, as well as legal and other costs incurred in order to secure the performance of the contract, its cancellation and/or compensation, except if Seller is ruled against by a final and conclusive judgment of the court.
- f. The collection costs shall amount to at least fifteen percent (15%) of the outstanding sum, subject to a minimum of Three Hundred U.S. Dollars (\$300.00).
- g. The Buyer is at all times obliged to furnish security to Seller, immediately upon receipt for the fulfillment of its obligations. If the Buyer does not comply with this request, Seller will be entitled to cancel the contract, as well as any other still existing contracts between Seller and the Buyer, without judicial intervention, and to claim additional or compensatory damages.
- h. If Seller has claims against the Buyer and the object of these claims is under a retention of title and Seller also has claims against the Buyer for which no retention of title has been made, payment by the Buyer is applied first towards fulfillment of the claim(s) not subject to retention of title.
- i. As long as the ownership of the goods delivered has not been transferred to the Buyer: (i) the Buyer is not permitted to transfer the ownership of the goods delivered, to encumber these goods with real rights or rights under the law of obligations, or to alienate them under any title whatsoever except pursuant to the provisions of paragraph 9 of this article or otherwise agreed in writing; (ii) the Buyer is obliged to observe due care in maintaining custody of the goods and to hold them as the identifiable property of Seller (any marks or signs of Seller applied in, on or to the goods delivered must remain clearly visible; and (iii) the Buyer is obliged to store goods delivered that are defined exclusively by type and weight separately and ensure that they are clearly identifiable as property of Seller.
- j. As long as the ownership of the goods delivered has not been transferred to the Buyer, the Buyer is permitted to incorporate or process the goods delivered or sell and transfer them to third parties, so long as in the context of its normal business operations, and in the case of sale, the Buyer (i) stipulates a retention of title to the goods delivered upon its Buyer, or (ii) immediately pays the purchase price owed to Seller, or (iii) pledges to Seller the Buyer's claim against its Buyer, payable upon demand by Seller.
- k. Seller is entitled to reclaim the goods delivered under retention of title, if and insofar as the Buyer remains in default of the fulfillment of any obligation toward Seller, or in the opinion of Seller, exhibits any payment problems.
- l. The Buyer hereby grants Seller nunc pro tunc the irrevocable right to enter the Buyer's business premises or to allow a third party designated by Seller to do so in the event that Seller wishes to reclaim the delivered goods.

### 5. RETURNS

- a. The Buyer must contact Seller Buyer Support within forty-five (45) days of receipt of shipment to receive a Return Authorization Number. All returns received without a Return Authorization Number will be held up for processing. Except for defective items:
  - i. Products that have been worn, laundered, altered or soiled are non-returnable;
  - ii. Personalized garments (e.g., with names, letters or heat transfer emblems) are non-returnable;
  - iii. Custom manufactured, custom sizes, made-to-order and special cut products are non-returnable;
  - iv. Products that have been discontinued or redesigned are non-returnable;
  - v. Boots that have been worn are non-returnable;
  - vi. CBRN products are non-returnable.
- b. Returns must have prior approval from Seller and marking instructions. Seller will not accept goods returned without its written permission.
- c. Return of stock goods are subject to a fifteen percent (15%) restocking fee.
- d. Custom made-to-order products are not returnable.

### 6. FORCE MAJEURE

- a. If Seller is prevented by force majeure from making full, correct and proper delivery within the delivery time, Seller is entitled to cancel the contract, or to inform the Buyer of a reasonable period within which full, correct and proper delivery can still be made, without Seller being bound to pay any compensation.
- b. Force majeure is deemed to apply if after agreement is concluded, Seller is prevented from fulfilling its obligations under this agreement or making the preparations to do so as the result of an extraordinary nature in particular circumstances such as epidemic, pandemic, war, risk of war, civil war, acts of war, riot, terrorism, civil unrest, fire, water damage, inaccessibility of certain areas, flooding, strike, works occupation, lockout, hindrances to imports and exports, official regulations, defective machinery, interruptions in the power supply, all of these both in Seller's factory and in the third party establishments from which Seller wholly or partly draws the necessary plant or raw materials, as well as in storage or during transport, whether or not under Seller's own control and, further, through all other causes arising through no fault of Seller or outside its area of risk.
- c. In the event Seller fails to perform any of its obligations due to force majeure, Seller will inform the Buyer immediately of the reason and will immediately upon cessation of the force majeure take all reasonable steps within its power to resume compliance with its obligations ASAP. If the obligations cannot be met after sixty (60) days either party has the right to terminate the contract.

### 7. DISPUTES & APPLICABLE LAW

- a. All legal relationships between the parties are governed exclusively by U.S. law, to the exclusion of all other legal systems.
- b. The Vienna Sales Convention (CISG) is not applicable, nor are any other international rulings from which exclusion is permitted.

c. All disputes will be settled exclusively by a court of competent jurisdiction in Dayton, Ohio. Nonetheless, the parties will first attempt in good faith to resolve any dispute or claim amicably through negotiations between representatives of each party with authority to settle the relevant dispute.

## 8. COMPLAINTS & LIABILITY

- a. Without prejudice to all that is stipulated in the agreement and elsewhere in these General Terms, Seller will not be liable, contractually and/or extra-contractually, for direct damages, except insofar as the Buyer proves that the damage and/or loss is the result of a defect in the delivered product that can be solely attributed to Seller, in which case, however, the total liability of Seller will be still limited to the amount that is covered by its insurance. If no insurance coverage exists, for any reason at all, Seller's liability is limited to a sum equal to the amount of the invoice value of the supplied goods that gave rise to the liability. Seller can never be held liable for loss of profits, loss of earnings or other indirect and consequential damage. Seller will in no event be liable, unless insofar as it explicitly accepts liability in these General Terms or in a written agreement between Seller and the Buyer. Seller shall have no liability for injuries to third parties or damage caused by Buyer's use of Goods for any purpose other than their intended use.
- b. Complaints must be submitted to Seller in writing, with argumentation, within fourteen (14) days after the Buyer becomes aware or could reasonably have become aware of the complaint, failing which Seller is entitled to disregard the complaint and the Buyer is deemed to have waived any claim it may have against Seller with regard to the complaint.
- c. If a timely and well-substantiated complaint is found justified, Seller is entitled to either lower its invoices or improve the results of its work.
- d. Complaints do not entitle the Buyer to suspend or offset any payments.
- e. After delivery, Seller is no longer liable for faults, excepting where faults are fully and solely attributable to Seller and the Buyer did not give notice of such faults prior to the transfer in title, and furthermore the Buyer could not reasonably be expected to have discovered these faults at the moment of transfer in title and register a complaint concerning the fault within the appropriate time frame as stipulated herein.
- f. If and insofar as the Buyer has insured any risk associated with the agreement, the Buyer is obliged to claim any damages under that insurance and indemnify Seller against recovery claims by the insurer.
- g. Seller's liability for direct material damages is at all times limited to the net amount of the invoice pertaining to the agreement (excluding VAT). Under no circumstances shall the compensation exceed the amount for which Seller has procured insurance coverage for the loss-causing events and for which coverage is actually provided.
- h. The following are not subject to compensation: Consequential loss, including damages due to business stoppage and loss of profit; Damages inflicted on persons and/or property found in the vicinity of the location where the contract is being performed inflicted by or during the performance of the contract; Damages caused by third parties, such as auxiliaries engaged by Seller.
- i. Excepting where otherwise agreed in writing, all liability of Seller is cancelled (and therefore will expire) at the latest after six (6) months have elapsed from the moment at which the agreement ends by transfer in title, dissolution or cancellation.
- j. The legal claim derived from a fault for which Seller is liable is not admissible (and will therefore expire) if it is brought later than six (6) months following the day on which the agreement ends by virtue of delivery, transfer in title, dissolution or cancellation.

## 9. INTELLECTUAL & INDUSTRIAL PROPERTY RIGHTS

- a. All rights of intellectual property with regard to the products and/or services as well as the designs, drawings, software, documentation and all other materials developed and/or used in the preparation or performance of the agreement between Seller and the Buyer or agreements resulting therefrom are vested exclusively in Seller or its Sellers. The delivery of products and/or services does not extend to any transfer of intellectual property rights.
- b. The Buyer acquires only a license for the non-exclusive and non-transferable right to use the products and results of the services for the agreed purposes. The license is only valid if the Buyer fulfils the financial obligations connected with making available the copyright-protected design.
- c. The license applies solely to the use of the design or invention in question by the Buyer itself. Use of the license by third parties is not permitted except after written permission has been obtained by Seller.
- d. Without the prior written consent of Seller, the Buyer shall not in any way disclose, duplicate, reverse-engineer or allow third-party access to any or all of the products, services, and results thereof.
- e. The Buyer shall not remove or alter references of Seller or its Sellers concerning copyrights, trademarks, trade names or other intellectual property rights.
- f. Seller warrants that it is authorized to extend the rights of use as described above to the Buyer, and indemnifies the Buyer against any claims of third parties in this regard. This provision does not apply if and insofar as the products, services and/or their results are altered and/or if they are delivered in conjunction with goods of third parties, in this latter case excepting where the Buyer demonstrates that the claims of third parties pertain exclusively to the products, services and/or results delivered by Seller.
- g. As long as there is retention of title in place, Seller can reclaim the goods without this constituting default. The Buyer irrevocably authorizes Seller to enter the place(s) where these goods are located. Additionally, the Buyer is not authorized to alienate the goods, nor to encumber the goods with any right or restricted right.

## 10. CANCELLATION

- a. Seller is entitled to cancel the agreements with the Buyer under retention of its claims for compensation of losses in full, in the event of:
  - i. the Buyer's late payment of eligible amounts or an interruption in Buyer's payments;
  - ii. the Buyer's application for bankruptcy;
  - iii. the Buyer's application for suspension of payments;
  - iv. the Buyer's being placed under conservatorship; or
  - v. liquidation of the Buyer's business.
- b. If the Buyer cancels a contract, Seller is entitled to recover from the other party the costs which it has incurred that can no longer be recovered, as well as its lost profit.
- c. Cancellation of the agreement renders all outstanding claims between the parties immediately fully payable. The Buyer is liable for the damages suffered by Seller, including but not limited to loss of profit and transport costs.
- d. The lost profit must amount to at least twenty-five percent (25%) of the payment (excluding turnover tax) that Seller would have received from the performance of the contract.

## 11. WARRANTY

- a. For PPE and uniforms, Seller warrants that all its firefighter and emergency responder protective clothing, uniforms and equipment meet all applicable NFPA standards in effect at the time of their manufacture and further warrants that such products are free from any defect in workmanship or any patent material defect.
- b. Conditions of use are outside the control of Seller. It is the responsibility of Buyer to inspect and maintain the product to assure it remains fit for its intended purpose. In order to maximize the useful life of these products and maintain the warranty, the products are to be used only by appropriately trained personnel

following proper firefighting or emergency response techniques and in accordance with the products' warning, use, inspection, maintenance, care, storage and retirement instructions. Failure to do so will void the warranty.

- c. If the agreement involves the processing of material supplied by the Buyer, Seller warrants the product incorporating the material to be free from only manufacturing defects for a period of six (6) months after delivery. If the processing proves to be unsound, Seller may, at its own discretion, either remedy the fault or perform the processing again using material to be delivered by the Buyer, or refund a proportionate amount of the agreed contract price.
- d. Subparagraphs e, f, g and h of this section apply exclusively to training products:
- e. Seller warrants the proper functioning of its products and the soundness of the materials and parts used therein for a period of twelve (12) months after delivery or for any other such term as agreed in writing between Seller and the Buyer. No warranty is given for products that were not new at the moment of delivery, and/or products that are not in use by the Buyer itself. Seller does not warrant that the goods are suitable for the purpose for which the Buyer intends to use them. Seller does not warrant the absence of any faults of the products if and insofar as the products were made following the design and/or other instructions or materials of the Buyer.
- f. Parts for which the wear-and-tear is dependent on the intensity and frequency of use of the product delivered are warranted for twelve (12) months or seven hundred and fifty (750) hours of use, whichever comes first. Replacement of any parts damaged as result of excessive usage and operation, defined as greater than eighty-five (85) hours per month or one thousand (1,000) hours per year, or more than ten (10) hours of continuous operation, shall be excluded from the warranty.
- g. Seller must be informed of more intensive use as soon as it becomes clear that the product is likely to be used more than indicated in General Terms or a separate agreement signed by both parties. If the Buyer remains in default of notifying Seller, the warranty is voided.
- h. Faults that arise after modification or repair by third parties, faults resulting from the use of the products for a purpose other than that for which they are intended, and faults arising from normal wear-and-tear, injudicious use or improper maintenance are not covered by the warranty. The Buyer is also barred from invoking the warranty provisions:
  - i. if software and/or systems purchased by the Buyer have been installed without the prior consent of Seller and/or not fully according to any given instructions of Seller;
  - ii. in the event of negligence on the part of the Buyer with regard to maintenance, or if the Buyer has used the goods for purposes for which they were not designed;
  - iii. if the Buyer has made changes or had changes made to the goods;
  - iv. in the event of injudicious or reckless use, improper connections, improper voltage, lightning strike, damage due to moisture penetration or other external causes or calamities; or
  - v. for software problems resulting from the installation of software installed by the Buyer or third parties without the explicit permission of Seller.
- i. EXCEPT AS SET FORTH ABOVE, SELLER MAKES NO OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR USE.
- j. Under the above warranties, Seller will repair or replace, at its option, any product which does not meet the above warranties. Such repair or replacement will be the Buyer's sole remedy and Seller will not be responsible for any incidental, consequential or other damages based upon or arising in any way from breach of the warranties contained herein or the Buyer's misuse of such product.
- k. The repairs under warranty will normally be carried out by Seller at its factory, affiliate, or other designated facility. Only if repair by Seller or a third party engaged by Seller is not possible, and Seller has duly communicated this to the Buyer, the Buyer shall be entitled to the replacement or repair of the faulty parts (unless otherwise explicitly agreed).
- l. Seller may decide not to repair the goods but instead to replace them with brand new or equivalent goods, or to take back the goods and, if appropriate, refund part of the purchase price and/or offer a comparable alternative.
- m. The goods replaced under this warranty will be the property of Seller.
- n. These warranty obligations apply only to any product, part or component which is returned to Seller or a Seller Authorized Clean and Repair Center with prior authorization and proof of purchase, and which Seller agrees to be defective as covered by this warranty.
- o. The word "product" includes the product itself and any parts or labor furnished by Seller with the sales, delivery or servicing of the product.
- p. "Defects in workmanship and materials" means poorly manufactured seams, stitching or components (e.g., loose or broken seams, zippers or snaps that fall off or do not function properly), and fabrics which have such flaws as holes, uneven spots, weak areas, pilling or other flaws caused by irregularities in their manufacture.
- q. The limited warranty for firefighter PPE does not cover the following items after receipt of the product by Buyer:
  - i. Claims made after sixty (60) days from the date of shipment for damage to materials;
  - ii. Damage or color change from exposure of materials to direct or indirect sunlight or fluorescent light;
  - iii. Shade variations among textiles used or shade changes to fabrics caused by wear and tear and/or washing;
  - iv. Color loss due to abrasion (creases, folds, pleats, edges, collar points, etc.);
  - v. Damage caused by improper washing, decontamination, disinfecting or maintenance (for example, use of chlorine or petrochemicals to clean);
  - vi. Damage caused by repair work not performed to factory specifications;
  - vii. Damage from routine exposure to common hazards which may cause rips, tears, burn damage or abrasion;
  - viii. Loss of retroreflectivity of reflective trim due to normal wear and tear and/or heat exposure;
  - ix. Detachment of reflective trim due to thread abrasion and/or heat exposure;
  - x. Replacement of zippers or closures worn partially sealed and/or damaged by heavy wear and tear;
  - xi. Loss of buttons, snaps, or cuff seams.
- r. For training products, telephone support is offered within the warranty period to assist with troubleshooting faults and to assist the Buyer in replacing parts covered under warranty. At the conclusion of the warranty period, telephone support will be offered as part of a separate Maintenance Contract offered by the Seller. The Buyer understands that telephone support and assistance can only be guaranteed during normal office hours and on normal workdays.