Slide Fire Solutions Dealer Agreement

A. PURPOSE

The purpose of this Dealer Agreement (hereafter "Agreement") is to establish terms of a commercial business arrangement between SLIDE FIRE SOLUTIONS, LP (SFS) and the Dealer who executes this Agreement identified below (hereafter "DEALER").

B. IMPORTANT NOTIFICATION

This Agreement governs Retail Sales (as defined below) of SFS products. It does not authorize wholesaling, auctioning, or trading to other vendors. Two primary purposes of this Agreement are to protect authorized SFS retailers and to ensure that the Minimum Advertised Pricing (MAP) is enforceable and maintained. Selling to entities that have not agreed to SFS terms destroys MAP pricing and will eventually erode DEALER's profits. Selling SFS products to other vendors is a violation of this Agreement and will result in immediate account termination.

C. PRODUCT PRESENTATION

- 1. DEALER shall not advertise any SFS product at less than the Minimum Advertised Price (hereafter "MAP") as provided herein.
 - a. MAP guidelines are published by SFS as a part of the SFS dealer price list, which may be revised at any time without notice. DEALER shall maintain the SFS dealer price list as confidential.
 - b. MAP guidelines will be applied to all advertising of SFS branded or distributed products for advertising distributed through media to the general public.
 - c. Advertising, for the purposes of this agreement, shall be any presentation, offer, or solicitation for purposes of sale to the general public of SFS products by DEALER external to DEALER's physical place of business. This shall include, but is not limited to: price lists, newspaper and magazine advertisements, Internet websites controlled by DEALER, catalogs, fliers, or other direct mail, signs, billboards, and banners visible from the exterior of the physical place of business. These advertising standards also apply to promotions or advertising in conjunction with off premise events (shows, auctions, flea markets, user groups, etc.) at or in which DEALER participates for the purpose of selling SFS brand or distributed products. It is also understood that advertising includes any and all forms of electronic sales promotions to the general public, both direct and indirect, including radio, TV, telefacsimile, Internet (including Internet websites sponsored or maintained by third parties, such as user groups, flea markets, etc.) and websites. "Website" shall include all portions of the site at issue, including cover pages, product presentations/descriptions, or other catalog-type pages.

- 2. The MAP guidelines outlined in this Agreement apply only to advertising and do not require DEALER to sell SFS products at the MAP price during a retail sales transaction with a retail customer. For purposes of this section, "retail sales transactions" are limited to the following categories:
 - a. A direct personal sales transaction with a retail consumer.
 - b. A quotation of price extended orally or in writing in response to a retail consumer's direct telephone, written, or electronic inquiry about the price of SFS products. Any such quote must be limited to the individual requesting the quote and not in a mass communication such as an internet forum, building, bulletin board, etc.
 - c. Any response to a request for quotation of a price on a SFS product by a retail consumer utilizing a DEALER's website.

Excepting the above three categories of retail sales transactions, DEALER may not advertise, quote, or offer to sell SFS products at an amount less than MAP guidelines. This prohibition includes, but is not limited to, DEALER offers to sell SFS product at less than MAP guidelines via Internet chat rooms, user groups, flea markets, or other "off Premises" sales venues, either live or electronic.

D. CONDITIONS OF SALE

- 1. DEALER agrees to the following conditions:
 - a. DEALER will not export SFS products outside of the United States without prior written permission from SFS and in conjunction with an approved Export License issued by the U.S. Department of State.
 - b. DEALER will not present SFS products in catalogs, mailings, promotional materials or any other written, electronic or spoken media available to the general public at less than MAP.
 - c. DEALER will not auction, list, or sell SFS products via online auction sites; such as E-Bay, Gun Broker, Guns America, or any other online auctions sites.
 - d. DEALER will not sell or list SFS products in "flea market" style forums or printed material; such as Craig's List or the weekly classifieds, absent express written permission from SFS.

E. DEALER QUALIFICATIONS

- 2. DEALER represents and warrants that it meets the following requirements:
 - a. DEALER currently holds all proper business licenses in accordance with all applicable local, state, and federal laws.
 - b. DEALER possesses a resale tax number, and has provided a copy of this document to SFS in accordance with all local, state and federal laws.

c. DEALER has provided, or will provide upon execution of this Agreement, verification of storefront via photo, web address, and/or FFL.

F. PAYMENT TERMS

DEALER shall pay SFS for all products shipped to DEALER in accordance with the applicable prices and other terms and conditions of sale. All payments must be prepaid via either by EFT (electronic fund transfer), money order, cashier's check, company check, wire transfer, ACH, credit card or C.O.D. All requests for different payment terms must be submitted to SFS in writing and approved by SFS in writing to be effective.

G. CANCELLATION OF AGREEMENT

- 1. In the event any of the following occurs, SFS may suspend or deny all shipments of products to DEALER:
 - a. Material breach of any of the terms of this Agreement.
 - b. Insolvency of DEALER; filing of a voluntary petition in bankruptcy by DEALER; appointment of a receiver or a trustee for DEALER; conveyance of any significant portion of DEALER's assets outside the ordinary course of business (by sale, transfer, assignment, operation of law or otherwise) to any third party for less than the fair market value of the conveyed assets.
 - c. Failure to pay DEALER's obligations to SFS according to any credit terms granted by SFS; providing inaccurate or misleading financial information upon which SFS has relied in granting credit.
 - d. Submission by DEALER of any false or fraudulent information in connection with this AGREMENT, or in support of any claim for reimbursement, warranty compensation or any other discount or allowance under any SFS program.
 - e. Promoting, selling, or dealing in any products manufactured by other companies which, in any way infringes on the trade dress, patents, logo, registered trademarks or in any way erodes or diminishes the SFS brand.
 - f. Conducting business with any individual or entity actively involved in litigation against SFS, provided that SFS has provided written notice to DEALER of the litigation and parties involved.
 - g. Violating U.S. export regulations as stated by the U.S. Department of State, or violations of U.S. firearms laws as enforced by the United States Bureau of Alcohol Tobacco, Firearms and explosives.
 - h. Failure to comply with the SFS MAP pricing guidelines.

H. RIGHT TO CHANGE PRICES AND AGREEMENT

SFS reserves the right to change prices, at any time, and to alter, amend or change this Agreement. The effective date of all such changes will be the date written notice was provided to DEALER, unless agreed otherwise by DEALER and SFS.

I. FREIGHT

- 1. Shipping charges will be invoiced to DEALER for all products ordered from SFS at the prevailing rates available to SFS through common carriers. All orders are shipped from Moran, Texas. Shipping charges will be added to DEALER's invoice. All requests for different freight terms must be submitted to SFS in writing and approved by SFS prior to taking effect.
- 2. Orders will be shipped FedEx Ground unless other arrangements are made in advance and agreed to by both DEALER and SFS.

J. RETURN OF GOODS

A Return Merchandise Authorization (RMA) must be obtained prior to returning any products to SFS. A form to request an RMA is attached as an appendix to this Agreement.

K. CONSUMER WARRANTY

Nondefective goods. If the consumer is not 100% satisfied with any purchase of an SFS product from an authorized dealer for any reason, the consumer may return the SFS product to DEALER within 30 days of purchase for a full refund or exchange. DEALER agrees to promptly refund or exchange such items for the consumer. DEALER may resell, or return to SFS for credit, nondefective merchandise returned by a consumer to DEALER.

<u>Defective goods.</u> SFS offers a limited lifetime warranty against defects in materials and workmanship to consumers who purchase SFS product from authorized SFS dealers. DEALER agrees to promptly refund or exchange such defective items when presented by the consumer. Product exchanged by DEALER due to a defect (e.g., items which are cracked or visibly damaged) should be shipped directly to SFS with a completed Return Merchandise Authorization (see attached RMA form) in its original retail packaging and with all parts as sold by DEALER's retail store. All other returns must occur via DEALER as SFS will not refund purchases from its dealers.

L. RIGHT TO CHANGE PRODUCTS

SFS reserves the right to discontinue or suspend production of any product at any time, at its sole discretion. SFS also reserves the right to update, improve, amend, or otherwise change the specifications of any product at any time, with or without prior notice, without incurring, any obligation with respect thereof. Sales of any new products introduced by SFS shall be governed by this Agreement unless otherwise stated by SFS.

M. TERMINATION OF AGREEMENT

- 1. Either SFS or DEALER may terminate this Agreement at any time, with or without cause, in its entirety by giving written notice to the other party effective immediately upon receipt of written notification.
- 2. The Agreement may be terminated immediately or as of or on a specific date, or upon the date of a new dealer Agreement being signed by both parties, or in the event of material breach of this agreement by either party.

N. DEALER CONDUCT

SFS prides itself on operating with a high standard of ethics, courtesy and respect. We expect our dealers to act in the same manner. Any accusations of misconduct by a DEALER toward SFS employees, other dealers, or the final customer will be investigated and enforced accordingly. Any attempts to unfairly compete with or sabotage the reputation or business of other SFS dealers will result in immediate DEALER termination.

O. TRANSACTIONS FOLLOWING TERMINATION

- Termination of this Agreement will not release DEALER from the obligation to pay outstanding invoices to SFS, nor release DEALER form performing any obligations required by this DEALER Agreement subsequent to termination.
- 2. Upon termination of this Agreement DEALER may request credit pursuant to a Return Merchandise Authorization (RMA) form any new, unused products in their original packaging that DEALER has in stock. Whether to grant credit to DEALER following termination shall be at the sole discretion of SFS.

P. LOSS OF REVENUE

Under no circumstances will SFS be liable for any loss of profits or revenue by DEALER for any actions, advertising, sales, promotion, organization, business practices or any other activity by SFS.

Q. LEGAL RELATIONSHIP AND INDEMNIFICATION

This Agreement does not confer or otherwise create an agency relationship by DEALER on behalf of SFS. DEALER is NOT authorized to bind SFS to any contract or other legal obligation, or to create any other responsibility or obligation on behalf of SFS whatsoever. DEALER agrees to indemnify and hold SFS harmless from any and all claims, losses, damages and costs SFS may sustain or for which it may become liable by reason of DEALER actions, inaction, negligence, performance or nonperformance relating to DEALER's conduct under this Agreement.

R. SFS INTELLECTUAL PROPERTY

- DEALER acknowledges SFS has exclusive right, title and interest in to its trademarks, trade names, tradedress, service marks, patents, copyrights, trade secrets, and other Intellectual Property belonging to SFS. DEALER will not at any time, directly or indirectly, infringe, contest or impair SFS Intellectual Property rights.
- 2. DEALER may use the trademarks, service marks, brand identification and trade names to promote the sale of SFS products. DEALER may not assign or otherwise designate the right to use any Intellectual Property belonging to SFS. If DEALER wishes to advertise a SFS product in conjunction with its own products, a Trademark License Agreement will need to be entered into between SFS and DEALER.

S. CONFIDENTIAL INFORMATION

All information pertaining to pricing, customer prospects, contracts and any other data that could be used by a competitor of SFS to improve its business position is confidential. DEALER shall maintain such information as confidential. All DEALER pricing is confidential, no exceptions.

T. ASSIGNMENT OF DEALER AGREEMENT

This Agreement is non-transferable and not assignable by DEALER under any circumstances without the prior written consent of SFS. If DEALER is a corporation, any change in the control of the corporation or in its direct or beneficial ownership, without the prior written consent of SFS will automatically terminate the Agreement.

U. SEVERABILITY

The provisions of this Agreement are severable. In the event any provision of this Agreement is declared illegal or unenforceable, the remainder of this Agreement will remain effective and binding on all parties.

V. ENTIRE AGREEMENT

This Agreement contains the entire and only understanding between the parties hereto and supersedes any and all prior agreements, arrangement, communications and representations, whether oral or written, with respect to the subject matter hereof, except as otherwise specifically provided herein.

W. GOVERNING LAW AND VENUE

This Agreement shall be governed by the laws of the State of Texas. Any disputes arising under this Agreement shall be resolved in the 259th Judicial District Court, Shackelford County, Texas; or in the United States District Court, Northern District of Texas.

X. MODIFICATION IN WRITING

This Agreement may not be amended, altered or changed except by an instrument in writing signed on behalf of the parties hereto.

Y. NOTICES

Any notice required or permitted under this Agreement will be in writing and may be delivered personally, by electronic mail, or by mail or private carrier. If mailed, such notice will be properly stamped and addressed to the principal place of business of the addressee as stated herein or as otherwise provided in writing by such addressee. Such notice will be effective when delivered personally or, if mailed, upon receipt.

Z. AUCTION GUIDELINES

DEALER shall not sell SFS products via public auction sites (e.g., Gunbroker.com, GunsAmerica.com, EBay, Craig's List etc.) without written consent from SFS.

AA. GUN SHOW GUIDELINES

DEALER acknowledges that SFS is not responsible for gun show or trade show management. SFS will not favor any of its authorized dealers at a gun or trade show, *e.g.*, by granting a dealer favorable promotional rights. In the event more than one authorized dealer attends the same show, both dealers will be respectful of each other's space and not bring disrespect upon the other vendor or SFS. In the event of a confrontation, SFS may terminate the agreements of both dealers. DEALER also acknowledges that the MAP policy applies to gun show advertising. Failure to adhere to the MAP, regardless of where SFS goods are advertised or promoted, is grounds for termination of the DEALER agreement.

BB. DEALER RELEASE

DEALER grants SFS permission to publish information regarding DEALER's retail locations.

CC. PROXIMITY

1. SFS will make a reasonable attempt to minimize retail competition between its vendors. As a nonbinding guideline, SFS shall endeavor to authorize only one storefront per rural town or city. However, proximity determinations remain subject to SFS discretion and SFS reserves the right to make exceptions to the foregoing policy on a per case basis. Considerations regarding DEALER proximity zones are based on the understanding that to maintain said zone, DEALER must continue to reorder a minimum of 20 units per month. If a DEALER is not able to meet this expectation, SFS may authorize other dealers in DEALER's area. However, DEALER will not lose its rights to sell product solely based on reorders falling below 20 units per month. SFS is not required to notify DEALERs when other DEALERs are approved or terminated for any reason.

2. In addition to selling product directly to DEALER and to other authorized SFS dealers, SFS may also sell its products to one or more distributor/wholesalers, who in turn may resell those SFS products to firearms dealers who are not authorized SFS dealers. DEALER acknowledges the possibility that one or more such firearm dealers purchasing from a distributor/wholesaler may be situated within DEALER's proximity.

DD. ORIGINAL EQUIPMENT MANUFACTURER (OEM) or GUNSMITH

Prior approval from SFS is required to become an OEM dealer. The following additional terms apply for dealers approved as OEM only.

- OEM dealers may only sell SFS products as a service or as a part installed on a firearm.
- Retail sales of SFS products are prohibited.
- Proximity zones do not apply.

EE.

LAW ENFORCEMENT ONLY/GENERAL SERVICES ADMINISTRATION (LEO/GSA)

Prior approval from SFS is required to become a LEO or GSA dealer. The following additional terms apply for dealers approved as LEO or GSA only.

- Proof of LEO/GSA verification policy is required.
- Retail sales of SFS products to the private sector are prohibited.
- Proximity zones do not apply.



FF. EFFECTIVE DATE

This Agreement shall be effective on 1) the date it is signed by both parties or 2) the date SFS product is purchased by DEALER (as shown on the first SFS invoice sent to DEALER), whichever is earlier. This Agreement shall have a term of one (1) year from the effective date, and shall be automatically renewed for like one-year periods on the anniversary date unless earlier terminated by either party, in writing, per the terms of this Agreement.

IN WITNESS WHEROF, the parties, in their representative capacities, acknowledge that they, and each of them, have read this Agreement in full and that no representations or agreements have been made or are relied upon except as herein set forth. DEALER warrants and represents that, if a partnership, all of the partners have signed this Agreement and, if a corporation or limited liability company, that the person(s) signing below is/are authorized to sign on behalf of the company.

By:	Title:	
(Please print)		
Signature:		
Corporation/Partnership/LLC/Trade		
Name:		
(Please print)		
Business address:		
Phone No.:	Fax:	
Email:		
		TM
SFS, Inc. Authorized Signature		/ 170
	Date:	
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RETURN MERCHANDISE AUTHORIZATION (RMA) FORM

To return an item to <u>Slide Fire Solutions</u>, just follow the instructions below and we will do the rest. You can fill out and submit the RMA form and send it via fax to <u>325-945-2356</u>.

<u>Slide Fire Solutions</u> offers a <u>30 day</u> Satisfaction Guarantee on all of our merchandise, and a limited lifetime warranty against defects in materials and workmanship.

To return an item, follow the instructions below:

You must obtain a Return Merchandise Authorization number from us prior to shipment. Please allow us 24 hours from receipt to issue your RMA number.

- 1. Pack the item(s) securely. All returned products should be in the condition they were received in, in the original manufacturer's packaging.
- 2. Include a copy of this form as well as a copy of your original receipt.
- 3. Insure the package when shipping. You are responsible for all packing and shipping charges. Please note that Slide Fire DOES NOT refund shipping charges.
- 4. Refunds for any returned items which were eligible for free shipping will be deducted by the amount of the free shipping from the original order.
- 5. Ship the item(s) to ATTN: Customer Service, 751 FM 2408, Moran, Texas 76464; 325-945-3800.

If you have any questions or problems with your order, or if the product received was defective or damaged, please contact our Customer Service Department within 7 days of receipt of the product. We will make every effort to resolve the problem as soon as possible.

Customer Service can be reached at customerservice@slidefire.com or by phone 325-945-3800, Monday through Friday, 9:00 a.m. until 4:00 p.m. CST.

	RETURN FORM	
Name:		
Address:		
City:	State/Prov:	Zip/Post Code:
Phone:	Email:	Order ID #:
Reason for Return: Damaged Defective Wrong Size	Dissatisfied Incorrect item shipped	Other (please explain below)
Was the item used? Yes No Would you like to: (Please select one)		(required for exchange or repair)
Exchange	Return (please select one below) Credit Refund	Repair
RMA NUMBER:		