

BEST BUY CANADA LTD. STANDARD TERMS

1. **RECITALS:** These Standard Terms (the “Terms”) are incorporated by reference into the Vendor Master Agreement entered into by Vendor and Dealer, and set forth the terms and conditions applicable to Dealer’s purchase of products (the “Products”) from the Vendor for resale to end consumers and commercial buyers (the “Customers”) through Dealer’s sales channels, including but not limited to its present and future *Best Buy*™ retail stores and Internet web site. For clarity, “Products” includes all packaging and any related materials accompanying the Products. References to the “Agreement” include the Agreement Documents as defined in the Vendor Master Agreement and all appendices and standards incorporated by reference into the Vendor Master Agreement or these Terms.

2. **AGREEMENT GOVERNS:** Unless otherwise agreed to in writing between the parties with an express reference to superseding the provisions of this Agreement, all Product purchase orders placed with the Vendor by Dealer are only subject to the terms of this Agreement, even if: (a) the purchase orders do not reference this Agreement; and (b) there are conflicting, inconsistent or additional terms in the Vendor’s acceptance or confirmation documentation or any of the Vendor’s standard forms or agreements, whether or not signed, used, acknowledged or otherwise accepted by Dealer, either before or after the date of this Agreement.

3. **APPLICATION TO DEALER’S DIVISIONS, SUBSIDIARIES AND AFFILIATES:** Dealer is composed of multiple divisions representing separate brand identities, in addition to several subsidiaries and affiliates. Vendor agrees that each division, subsidiary or affiliate will have the right to purchase Products from the Vendor pursuant to the terms of this Agreement and will collectively be considered the “Dealer” for all purposes under this Agreement.

4. **APPLICATION TO CUSTOMERS:** Dealer has no control over the exact use or disposition of the Vendor’s Products by the Customers, and Dealer will have no liability or obligation to the Vendor in any such respect under this Agreement or any other agreement between Dealer and the Vendor including, without limitation, with respect to Customer’s use, derivative use, modification, application, disposition, review or description of the Products.

5. **PURCHASING OBLIGATIONS:** Dealer will have no obligation or liability to purchase all or any particular volume of any type of Products or parts from the Vendor. Dealer does not guarantee, and is not obligated to issue, any particular number or type of purchase orders with the Vendor. Dealer will not be liable to the Vendor for loss of business or revenues, or excess inventory, if Dealer’s purchase orders do not meet the Vendor’s expectations.

6. **CUSTOMER INFORMATION:** Dealer is not required to maintain any records respecting the use or resale of the Products and will not be required to disclose such records to the Vendor. Dealer may, in its sole and absolute discretion,

provide summarized information of a general nature on a confidential basis to be used solely for the Vendor’s market forecasting and scheduling requirements.

7. **VENDOR CONTENT, SAMPLES, PRODUCT MATERIALS AND DISPLAYS:**

(a) Vendor will provide, or cause to be provided, Dealer with Product information relating to the marketing, sales and servicing of the Products, including without limitation, Product specifications, facts, claims, advertisements, images, and other textual, graphical, multimedia or other content regarding the Products (“Vendor Content”). Vendor hereby grants Dealer a license to use, exhibit, excerpt, reformat, modify, reproduce, publish, publicly perform, transmit via the Internet and otherwise use such Vendor Content for the purpose of advertising and promoting the Products. Nothing in this section should be construed as requiring Dealer to use any Vendor Content provided by Vendor. Dealer may, in its sole discretion, determine the content, appearance, design, functionality and all other aspects of Dealer’s stores, online sales channels, and mobile properties.

(b) Vendor will provide to Dealer, at no charge, Product samples.

(c) Vendor will provide to Dealer adequate copies of any marketing and technical information (including, but not limited to information about Product connectivity capabilities, data collection, retention and use, and data security), service manuals, detailed Product specifications, end-user warranties and other Product data and materials. Vendor agrees to disclose any Embedded Services (defined below), if applicable, on the corresponding Product packaging and Product specifications provided to Dealer, and to provide the information to the user prior to purchase via the Product packaging. For the purposes of this section, “Embedded Service” shall mean any printed or online collateral, software or application that has been integrated into the Product, Product attachments, or Product packaging for purposes of selling, enabling, or providing subscription services or other service offerings to the user of such Product. Embedded Services include but are not limited to any Product alterations, whether made directly or indirectly, that provide additional functionality or alter the user experience by enabling access to additional undisclosed paid services.

(d) Displays. Vendor may provide fixtures and elements to display Products in Dealer's stores ("Displays") only upon the express written approval of Dealer, which may be withheld by Dealer in its sole and absolute discretion, and subject to the terms of a separate fixture agreement executed between the Dealer and Vendor. In the absence of a separate agreement, on the following terms. The Vendor shall comply with Dealer's applicable policies implemented from time to time and available on <https://partners.bestbuy.com/canada>, or as otherwise communicated to Vendor and shall be responsible for the costs of any damage caused by Vendor's Display. When Vendor Displays are removed from a store, including materials associated with freight and delivery, Vendor shall be responsible for the costs of removing, properly disposing of the materials associated with or contained in the Display including, where applicable, labor, hauling, hazardous waste and disposal fees, and recycling and repairing any damage to the Dealer's store caused by such removal.

8. **BRAND NAME USAGE:** Dealer will be entitled to make reasonable non-exclusive use of the trademarks and trade names associated with the Products (the "Marks"), for purposes of Dealer's normal product marketing, advertising, servicing and sales activities, subject to any reasonable directions, guidelines or policies communicated by the Vendor (or by the owner of the Marks) to Dealer. If the Vendor is not the owner of the Marks, then the Vendor will obtain all necessary permission from the owner of the Marks to enable Dealer to legally use the Marks in accordance with this provision. Upon termination of this Agreement, Dealer may continue to advertise and promote the Products, using the Vendor's or legal owner's trademarks, trade names and Vendor Content until inventory depletion.

9. **COMPETITIVE PRODUCTS:** The Vendor acknowledges that Dealer markets and sells a wide variety of goods, some of which may be competitive with the Products. Dealer's relationship with the Vendor will not restrict any marketing and sales activities by Dealer.

10. **FINANCIAL STABILITY:** The Vendor will from time to time provide such financial and business information as may be reasonably requested by Dealer, to establish to Dealer's satisfaction that the Vendor: (a) is financially stable; and (b) has the resources and capabilities necessary to meet the Vendor's (i) current and future Product supply, and (ii) applicable warranty and service obligations to Dealer and its Customers under the terms of this Agreement. At the Vendor's request, Dealer will keep all such financial information confidential and will not disclose it to any other party except in accordance with the requirements of section 12 of this Agreement.

11. **INSURANCE:** The Vendor will, at the Vendor's own expense, comply with the applicable terms of the Vendor Insurance Standards that form part of this Agreement and are incorporated herein by reference.

12. **CONFIDENTIALITY:** Any information marked as confidential or, regardless of form (written/electronic/oral) or marking, is of the nature that a reasonable person would understand its owner would not want it disclosed to the public will be considered to be "Confidential Information". Further, Confidential Information will also include (a) any document or data transaction between the parties; (b) matters of a technical nature such as trade secret processes or devices, know-how, data, formulas, inventions (whether or not patentable or copyrighted), specifications and characteristics of products or services planned or being developed, and research subjects, methods and results, (c) matters of a business nature such as information about costs, profits, pricing, policies, markets, sales, suppliers, customers (e.g., names and addresses), product plans, and marketing concepts, plans or strategies, (d) matters relating to project initiatives and designs, (e) matters of a human resources nature such as employment policies and practices, personnel, including individual names, addresses, and telephone numbers; compensation and employee benefits, (f) other information of a similar nature not generally disclosed to the public. Each party agrees not to disclose Confidential Information except to employees, or a third-party subject to a similar confidentiality agreement, which have a need to know to perform their responsibilities. Each party agrees to take at least the same precautions to protect Confidential Information as such party would utilize to ensure the protection, confidentiality and security of its own confidential information. Each party, at its own expense, will properly use security procedures which are reasonably sufficient to ensure that all transmissions of documents are authorized and to protect its business records and data from improper access. Confidential Information will not include any information which (a) is or becomes generally known or available through no act or failure to act by the receiving party; (b) is already known by the receiving party as evidenced by its written records; (c) is hereafter rightfully furnished to the receiving party by a third party without restriction on disclosure; or (d) is disclosed in response to a valid order by a court or other governmental body, provided that the receiving party provides the disclosing party with prior written notice of such disclosure as soon as reasonably possible in order to permit the disclosing party to seek confidential treatment of such information. Upon the expiration or earlier termination of this Agreement, a party may, in writing, request either the prompt return or destruction, and a written certification of such destruction, of any Confidential Information provided to the other party.

13. **REPOSSESSION:** The Vendor will not seize any Products in the possession of Dealer or its affiliates, their agents or Customers, or garnish any funds or assets of Dealer or its affiliates, without a final order of a Court of competent jurisdiction, obtained with prior notice to Dealer, after all

appeal periods with respect to such order have lapsed or otherwise been exhausted.

14. **SECURITY INTERESTS:** The Vendor acknowledges that there is no security interest or other encumbrance granted by Dealer to the Vendor in the Products, and that all Products are free from all security charges, encumbrances and claims by the Vendor and by all third parties claiming through the Vendor. The Vendor will not register or otherwise attempt to apply a security interest in the Products.

15. **INDEPENDENT CONTRACTOR:** The Vendor is an independent contractor and not an agent or employee of Dealer. Dealer does not grant or agree to grant to the Vendor, and the Vendor will not have, any power of attorney, agency or other authorization to bind Dealer or to act on its behalf in any manner.

16. **REPRESENTATIONS/WARRANTIES:** The Vendor represents and warrants to Dealer that: (a) it has the authority to enter into the Agreement and sell the Products to Dealer free and clear of all liens, charges, encumbrances, or other restrictions, and the person signing the Agreement on behalf of the Vendor is authorized to sign; (b) the Products and Vendor Content delivered to Dealer do not infringe any patent, trademark, copyright or other proprietary rights; and (c) the Products will be free from defects in material and workmanship, and will be fit and safe for the use(s) normally and reasonably intended; (d) the Products are of merchantable quality and will perform in conformance with specifications and Vendor samples; (e) the Products do not contain any Embedded Service(s) unless disclosed in writing to Dealer prior to issuing the applicable purchase orders, and to the extent a Product contains Embedded Services, such Embedded Services are subject to the terms of the Agreement as if the Embedded Services are a Product; (f) it will provide a manufacturer's warranty to end-users of the Products that is generally consistent with or superior to industry standards; (g) any software or hardware (and related computational or communication protocols) included with or integrated into a Product to enable connectivity with other devices or systems will meet the highest industry standards and safeguards with respect to connectivity and data security; (h) and (i) the Products are not produced, manufactured, assembled or packaged by the use of forced labor, prison labor or forced or illegal child labor and that the Products were not trans-shipped for the purpose of mislabeling, evading quota or country of origin restrictions or for the purpose of avoiding compliance with forced labor, prison labor or child labor laws.

17. **COMPLIANCE WITH ALL LAWS:** In providing the Products and Vendor Content to Dealer and performing its other obligations under this Agreement, the Vendor will comply with all applicable laws including, without limitation, laws pertaining to product safety, design, manufacture, packaging and labeling (including the requirement to provide bilingual (French & English) labeling/documentation); connectivity (including via the internet), data security, Product origin (including the origin of the Product components or materials);

any applicable requirements of the Canadian Standards Association, Industry Canada (including without limitation ICES-003, RSS-210, RSS-310, BETS-7 and RSP-100, and RSS-GEN); payment for blank media or other government or industry mandated taxes, levies or fees, and all environmental stewardship, deposit, packaging and waste levies and similar requirements (collectively "Levies"); for Products delivered to or sold through Dealer in Canada. Vendor will reimburse Dealer for any Levies related to the Products paid or payable directly or indirectly by Dealer or its agents or representatives except for those Levies that Dealer agrees to collect from the final customer, notwithstanding that Vendor may not be directly or indirectly liable for such Levies as a result of its non-resident or other status. Vendor will notify Dealer within ten (10) days regarding the existence and nature of Vendor's knowledge of its possible material non-compliance with applicable laws, or its notice of a claim from a Customer (which, individually or in the aggregate, may reasonably be expected to result in liability to Vendor or Dealer) that a Product is defective or does not comply with all applicable laws.

18. **INDEMNITY:** The Vendor will indemnify and save Dealer, its parent, subsidiaries and affiliates, and their respective customers, employees, directors, officers and agents harmless from and against all costs, expenses (including legal fees), damages, actions, causes of action, suits, claims, liabilities and judgments, which may be suffered or incurred by them, relating to (a) Vendor's breach of this Agreement, including but not limited to its representations and warranties; (b) acts or omissions of Vendor relating to the Products and Displays which include, but are not limited to claims that the Products, Displays, or use thereof, caused personal injury, death, or real or personal property damage; (c) a Product recall, whether or not initiated by Vendor; (d) claims that the Products, Embedded Services, or any Vendor Content provided by Vendor (whether directly or indirectly), its agents or a third party aggregator infringe, misappropriate or injure a third party's intellectual property or proprietary rights; (e) false or misleading Product specifications or other Vendor Content provided by Vendor (whether directly or indirectly), its agents or a third party aggregator to Dealer to promote and sell the Products; (f) claims that the Products or any particular Product do not satisfy any statutory or common law implied warranties, representations or conditions, including without limitation, implied warranties in the Province of Quebec; (g) non-compliance with any laws, rules or regulations, including without limitation the language requirements of the Province of Quebec, all labeling, product certification and non-interference requirements, resulting from the Products or the sale or use of the Products in Canada; and (h) Vendor's failure to promptly perform its obligations in connection with a manufacturer's rebate offer. If a claim by a third party is made against Dealer, Dealer will promptly notify Vendor of such claim but failure to give timely notice will not affect Dealer's rights provide the failure does not adversely affect vendor's ability to defend such claim. Vendor will assume the defense

thereof, with counsel selected by Vendor and reasonably satisfactory to Dealer. Vendor will have control of the defense of any such action (other than administrative, criminal or quasi-criminal proceedings), including any appeals and negotiations for the settlement or compromise thereof and will have full authority to enter into a binding settlement or compromise; provided that, Vendor will not enter into any settlement or compromise which may adversely affect Dealer without the Dealer's consent, which consent will not be unreasonably withheld.

19. **LIMITATION OF LIABILITY:** Dealer's aggregate liability to the Vendor for any and all claims of any kind relating to the Products, will not exceed the unpaid price of those Products which directly give rise to, or are related to, the claims whether based on contract, negligence, strict liability, tort or otherwise.

20. **RISK OF LOSS:** Risk of loss or damage and title to the Products will pass to Dealer only upon delivery of the Products into the possession or custody of Dealer at the destination specified by the Dealer.

21. **SHIPPING TERMS:** Shipping terms for all shipments under this Agreement shall be Delivered Duty Paid, as per the International Chamber of Commerce's Incoterms 2010, at the destination specified by Dealer. For clarity, Vendor shall be responsible for clearing the goods for export and for making them available to Dealer at the named place of destination (point of delivery), cleared for import (Customs clearance, duties and taxes paid), but not unloaded from the transport vehicle. Vendor will follow the terms and conditions stated in the shipping operational guidelines, found at <https://partners.bestbuy.com/canada>, which is a part of this Agreement and incorporated herein by reference and may be modified or amended from time to time. Dealer requires foreign vendors of imported goods to scrutinize and, where necessary, develop sufficient security measures within their own supply chain. Vendor represents and warrants that all information provided by Vendor regarding the country of origin of the Products is true and correct as defined by the applicable law of the jurisdiction of destination for the Product. Vendor will be listed as the Importer of Record.

22. **WARRANTY SERVICE:** The Vendor agrees to adhere to the Warranty Service and Return Procedures found at <https://partners.bestbuy.com/canada>, in connection with the Products, whether or not the Vendor is the manufacturer of the Products. The terms specific to each Product or Product line will be set out in a separate Reverse Logistics Program in the form set out as Appendices B-1 and B-2 to this Agreement. If the Vendor is not the manufacturer of the Products, then the Vendor will obtain the necessary covenants and agreements from, and make any necessary arrangements with, the manufacturer of the Products to enable: (a) Dealer and its Customers to deal directly with the Vendor, as though the Vendor were the manufacturer of the Products, on all warranty matters during the Products' warranty periods and all other service matters during the Products' expected lifetimes; and (b) the Vendor to comply with the terms of this

provision. The Vendor agrees to honor all valid warranty claims and other warranty obligations to the Customers during the Products' warranty periods, including without limitation any statutory or common law implied warranties, representations or conditions, including without limitation, implied warranties in the Province of Quebec, and to otherwise service the Products during their expected lifetimes, notwithstanding the termination or expiration of this Agreement. If the Vendor does not honor its warranty obligations, then Dealer has the right, but not the obligation, to undertake and continue the Vendor's Product warranty and service obligations to support Dealer's Customers, at the Vendor's expense, and to offset the costs thereof against any amounts due to the Vendor.

23. **FAILURE TO PERFORM:** If the Vendor should fail to perform the Vendor's warranty obligations under paragraph 22, then: (a) upon the request of Dealer, the Vendor will provide Dealer with a guarantee, in a form acceptable to Dealer, from the Vendor's affiliate or from another party acceptable to Dealer, guaranteeing the payment and performance of the Vendor's warranty obligations to Dealer and the Customers throughout the Products' warranty periods; and (b) Dealer may hold back a sufficient portion of any amount owing by Dealer to the Vendor, and apply such amount against any costs or expenses incurred by Dealer in connection with covering the Vendor's warranty obligations under this Agreement. All such holdback amounts that are not so applied by Dealer will be returned to the Vendor upon the expiry of the applicable warranty periods.

24. **PARTS SUPPLY:** During the term of this Agreement and for a period of five years following termination thereof, Vendor will promptly supply equivalent replacements parts for the Products to Dealer and its third-party warranty providers. The cost for such parts will be equal to or less than the lowest cost of such parts as provided to any other third party.

25. **RETURN PRODUCT:** The Vendor will grant Dealer a "Return Material Authorization" for Products: (a) in those cases stipulated in the Warranty Service and Return Procedures, and otherwise perform its return obligations in accordance with the specifications set out in attached Appendix B-1 and B-2 and the Warranty Service and Return Procedures set out at <https://partners.bestbuy.com/canada>; (b) that are the subject of a third party claim of intellectual property right infringement; (c) that are not developed, manufactured, supplied, packaged, or labeled in accordance with the specifications set out in this Agreement, including without limitation, all applicable laws, rules, regulations, industry standards, language requirements and certifications; (d) that are shipped in error or in non-conformance with Dealer's purchase order; (e) that have caused injury to person or property; (f) that are damaged; (g) are returnable as a Defective Product. For purposes of this Agreement, "Defective Product" means any Product that is visually or operationally defective and Product that has been returned and deemed defective by a customer in accordance with Dealer's end-user return policy. Dealer's end-user return policy allows for the

return of most Products with or without cause for a specified period after purchase, regardless of whether the packaging has been opened or whether the Product is actually defective. If the Vendor fails to perform any of its return obligations, then Dealer may store the Products that would have been returned to the Vendor had a Return Material Authorization been issued, and, if the Return Material Authorization is not issued to Dealer within 30 days, then Dealer may deduct from any amounts owing to the Vendor the cost of such Products and an additional charge for storing and disposing of such Products in its warehouse. Dealer may dispose of such Products without liability to Vendor 30 days following written notice to Vendor of Vendor's failure to accept the return Product. All Products returned to the Vendor by Dealer will be credited by the Vendor to Dealer's account. All Products returned to the Vendor by Dealer (other than overstock) will be shipped to the Vendor at the Vendor's complete expense, on a carrier chosen by the Vendor, and if the Vendor fails to choose a carrier, then on a carrier chosen by Dealer. All overstock Products returned to the Vendor by Dealer will be shipped to the Vendor at Dealer's expense. Dealer may return all overstock inventory to the Vendor for a full credit at Dealer's discretion. The Vendor will grant Dealer a "Return Material Authorization" for all overstock products upon request by Dealer. If the parties agree to a return allowance, such allowance will replace Dealer's right to return Products as provided herein, except that if the actual return rate for a particular Product exceeds the applicable allowance, Dealer may either adjust the allowance accordingly or return the excess Product to Vendor for full credit or refund. A return allowance will have no effect upon Dealer's return rights as otherwise provided in this Agreement. Vendor and Dealer agree that no GST, HST or QST, as applicable, will be applied to debit or credit notes issued for returns.

26. REMOVAL OF IDENTIFICATION AND INFORMATION:

Vendor is responsible for removal of all personal information including, but not limited to, sales receipts, addresses, phone numbers, images, files, credit card numbers and other information belonging to Customers or otherwise residing on any Products (collectively "Customer Information") returned by Dealer to Vendor ("Return Products"). Vendor is responsible for expunging and destroying Customer Information in a manner which ensures that it cannot be recovered. Vendor agrees to remove from any Return Products prior to their sale, transfer, or disposal: (a) all Customer Information; (b) in the event that any of the Return Products are computers or other consumer electronics containing memory or other storage (for example: cellular telephones, PDAs, digital cameras, hard drives, digital media, video cameras, MP3 Players, and gaming consoles), Vendor agrees to delete all files and other information contained thereon, except for the standard software programs or chips originally installed by the manufacturer of such Return Products provided such standard software programs or chips do not contain Customer Information; and (c) all Dealer

identification marks including, but not limited to: labels, sku numbers and bar codes. Vendor agrees to indemnify and hold Dealer harmless from and against any third party claims, demands, actions or causes of action arising out of or in connection with Vendor's subsequent sale, transfer or disposal of the Return Products or the failure of Vendor to meet its obligations under this Section. Vendor agrees to comply with all provincial, federal and local rules and regulations with respect to the sale, transfer and disposal of the Return Products. This section will survive the termination or expiration of this Agreement.

27. VENDOR PROGRAM AGREEMENT: Dealer and Vendor may agree upon certain business terms from time to time concerning matters such as Products, pricing, market development and cooperative advertising funds, invoice credit terms, stock rotation, volume rebates, new store allowances, etc. Such terms will be contained in one or more Program Agreements and is attached as Appendix A-2, which will be considered an addendum hereto, as amended from time to time by the parties. A separate Program Agreement may be entered into between the parties with respect to particular Product categories, or to distinguish terms relating to purchases made on behalf of a particular division, affiliate or subsidiary of Dealer. In the event of conflict between business terms of any Program Agreement and this Agreement, the business terms contained in such Program Agreement will control.

28. PAYMENT TERMS: Payment terms for all Products will be from the date of receipt of the Products by Dealer at the location designated by the Dealer. Payments terms are otherwise specified in Appendix A-2. Payment shall not be considered late by Vendor if payment is sent by Dealer within one (1) week of the due date or if payment is delayed because of an indebtedness of Vendor to Dealer. Payment will be transmitted to vendor via ACH (Automated Clearing House). Vendor to enroll via Dealer's website at <https://partners.bestbuy.com/canada>.

29. SET OFF: Any sums owing or payable to the Vendor by Dealer will be subject to any claims and defenses made by Dealer against the Vendor. Dealer may set off and deduct against such sums all present and future amounts owing by the Vendor to Dealer, whether arising under this Agreement or otherwise, including without limitation, all expenses, costs and damages incurred by Dealer in connection with the Products as a result of the Vendor's acts, omissions or negligence. Dealer may create and hold a reserve from amounts owing to Vendor against anticipated liabilities owing by Vendor to Dealer, including without limitation any liabilities in respect of future warranty and indemnity obligations.

30. DEDUCTIONS: The Vendor agrees that all invoice discrepancies, returns, promotional funds and coop and volume discounts will be deducted from any amounts owing by Dealer to the Vendor.

31. **DEBIT BALANCES:** The Vendor agrees that when the Vendor is in a debit balance on Dealer's accounts, then the Vendor will deduct the amount owed to Dealer from the Vendor's next invoice to Dealer or, within 30 days of a request from Dealer, the Vendor will deliver a cheque to Dealer for the full amount of the debit balance. In no event will Dealer be obligated to take a credit against future purchases.

32. **REMEDIES:** No exercise of any right or remedy by Dealer will preclude Dealer from exercising either independently or in combination, any other right or remedy available to Dealer by operation of law or otherwise. The exercise by Dealer of any such right or remedy will not result in Dealer having any liability for any resulting loss or damage to the Vendor or the Vendor's business.

33. **PURCHASE ORDER TERMS:** Shipment of Products by the Vendor in response to a Dealer purchase order will be deemed to be acceptance by the Vendor of the prices, quantities, expected delivery date and other additional terms set out in the purchase order. If the Vendor does not agree with the purchase order terms, then the Vendor must obtain an amended purchase order from Dealer before shipping the Products to Dealer. Dealer is not obligated to receive or accept Products shipped against a purchase order when the terms and conditions of the purchase order have not been met by the Vendor. Dealer may amend or cancel any purchase order delivered to the Vendor at any time prior to the shipment by the Vendor to Dealer of the Products specified in the purchase order. All Vendor invoices must be sent via Electronic Data Interchange (EDI) to Dealer.

34. **INTEREST:** If the Vendor is in default of any of the terms of this Agreement, or if the Vendor is in a debit balance on Dealer's accounts (which debit balance cannot be offset against any amounts owing by Dealer to the Vendor) then the Vendor will pay Dealer interest at the rate of 2% per month (24% per annum), calculated monthly and not in advance, on all amounts owing by the Vendor to Dealer until paid in full by the Vendor including, without limitation, on any expenses, costs, legal fees or disbursements incurred by Dealer as a result of or in connection with such default.

35. **DISCONTINUED PRODUCTS:** A "Discontinued Product" will mean any Product that Vendor has stopped manufacturing or any Product that undergoes a change in appearance or packaging. Vendor agrees to provide Dealer with at least 90 days advance written notice of the occurrence of a Discontinued Product, or as soon as possible in the event that the discontinuance is caused by actions taken by a supplier of Vendor. Upon notice of a Discontinued Product, Dealer may, without penalty or liability, cancel any outstanding purchase orders pertaining to the Discontinued Product. With respect to Dealer's existing inventory of Discontinued Product, Dealer may, in its sole discretion, either return such Discontinued Product at any time to Vendor for full credit or refund, or Vendor and Dealer will negotiate a cost markdown of such existing inventory.

36. **VENDOR OPERATION STANDARDS AND POLICIES::** Vendor agrees to comply with the Vendor Performance and Operations Standards (VPOS), VPSP (Vendor Privacy and Security Policy), the Code of Business Ethics, Gifts and Vendor Relations Policy, Conflict of Interest Policy, non-compliance fees, and any other policies as may be amended from time to time by Dealer, as posted to the Partner Portal: <https://partners.bestbuy.com/canada>, which are a part of this Agreement and incorporated herein by reference. .

37. **TERM:** The term of this Agreement will be for a period of one year commencing on the date of acceptance by Dealer. This Agreement will be automatically renewed for successive 12-month periods unless it is earlier terminated in accordance with the provisions of section 38 below. Upon expiration or termination of the Agreement, Dealer may either (a) sell through the remaining Product inventory; or (b) return the remaining Product inventory to Vendor for which Dealer will receive a refund of Dealer's cost. If the Agreement is terminated for cause, the breaching party shall be responsible for all return freight expenses; if without cause, each party will be responsible for one half (1/2) of the return freight expenses.

38. **TERMINATION:** This Agreement may be terminated by either party at any time upon 90 days prior written notice to the other party. This Agreement may be terminated immediately by either party upon written notice to the other if the other party: (a) is wound-up or dissolved or otherwise ceases to carry on business; (b) becomes bankrupt or insolvent; (c) makes an assignment for the benefit of its creditors or proposes a composition or arrangement with its creditors generally; or (d) appoints a receiver or a receiver-manager (or if one is appointed) to the other party or any of its assets. The provisions of sections 7, 8, 12, 13, 14, 16, 17, 18, 19, 22, 23, 24, 25, 26, 27, 29, 30, 31, 32, 34, 35, 36, 38, 40, 41, and 42 will survive the termination of this Agreement.

39. **ENGLISH LANGUAGE:** This Agreement and all related documents have been drawn up in the English language at the express wish of the parties. Le présent contrat et tous les documents reliés ont été rédigés en langue anglaise à la demande expresse des parties.

40. **GOVERNING LAW; JURISDICTION:** This Agreement will be governed by and construed in accordance with the laws of the Province of British Columbia, and the laws of Canada applicable in British Columbia, which will be deemed to be the proper law of this Agreement. Any dispute arising from, connected with or relating to this Agreement or any related matters must be resolved before the Courts of British Columbia sitting in the City of Vancouver, and the parties hereby irrevocably submit to the original and exclusive jurisdiction of those Courts in respect of any such dispute or matter.

41. **ASSIGNMENT:** This Agreement may not be assigned by the Vendor either directly or indirectly, by way of an amalgamation, by operation of law or otherwise, without the prior written consent of Dealer, and any attempt to do so will be void and of no effect. If the Vendor is not a publicly traded

company, then a change of the Vendor's voting control will be deemed to be an assignment for purposes of this Agreement.

42. **AUDIT:** Dealer may, upon reasonable written notice to Vendor, audit Vendor's legal compliance, processes, locations and standards relating to the Products and the terms of this Agreement, including but not limited to Vendor's product safety and certification compliance. Such audit will be conducted during regular business hours at the location specified by Dealer. Such audit may be conducted by Dealer alone or together with qualified individuals experienced in such audits, at the option of Dealer. In the event of any such audit, Vendor will extend reasonable cooperation to Dealer, including, without limitation, providing all reasonable documentation required to complete the audit. Upon Dealer's request, Vendor will provide Dealer with copies of any testing certificates Vendor has received for the Products. If Vendor cannot provide testing certificates for the Products, Dealer may request that Vendor perform such tests that Dealer, in its sole discretion, deems necessary, at Vendor's cost. Should such audit reveal that Vendor is not in compliance with its obligations pursuant to this Agreement or if Vendor is unable to provide a testing certificate for the Products, Dealer may, at its sole discretion, terminate this Agreement immediately or require Vendor to bring itself into compliance within a timeframe established by Dealer.

43. **MOST FAVORED:** The Vendor guarantees all of the benefits and terms granted by Vendor herein are at least as favorable as the benefits and terms granted by Vendor to any previous buyer of Products described in this Agreement. Should Vendor enter into any subsequent agreement with any other buyer, during the term of this Agreement, which provides for benefits or terms more favorable than those contained in this Agreement, then this Agreement shall be deemed to be modified to provide Dealer with those more favorable benefits and terms. Vendor shall notify Dealer promptly of the existence of such more favorable benefits and terms and Dealer shall have the right to receive the more favorable benefits and terms immediately. If requested in writing by the Dealer, Vendor shall amend this Agreement to contain the more favorable terms and conditions.

44. **GENERAL:** This Agreement, including any addenda or exhibits attached hereto or incorporated by reference, contains the entire Agreement between the parties with respect to the subject matter hereof, supersedes all prior agreements, negotiations and oral understandings. The headings appearing in this Agreement are for convenience of reference only and in no way limit or enlarge the interpretation or meaning of this Agreement. If any provision of this Agreement is held to be unenforceable by a court of competent jurisdiction, such provision will be more narrowly and equitably construed so that it becomes legal and enforceable, and the entire Agreement will not fail on account thereof and the balance of the Agreement will continue in full force and effect. Any of the provisions of this Agreement may be waived by the party entitled to the benefit thereof. Neither party will be deemed, by any act or omission, to have waived

any of its right or remedies hereunder unless such waiver is in writing and signed by the waiving party, and then only to the extent specifically set forth in such writing. A waiver with reference to one event will not be construed as continuing or as a bar to or waiver of any other right or remedy, or as to a subsequent event. This Agreement may be executed in one or more counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument. Execution and delivery of this Agreement or any other documents pursuant to this Agreement by facsimile or other electronic means shall be deemed to be, and shall have the same legal effect as, execution by an original signature and delivery in person. Each of the parties hereto has been represented by its own counsel. In the event of a dispute, no provision of this Agreement will be construed in favor of one party and against the other by reason of the draftsmanship of this Agreement. Time is of the essence of this Agreement.

