



SERVICE CONTRACT AGREEMENT

This SERVICE CONTRACT (this "Agreement" or this Service Contract"), effective as of (March 1st, 2022), is made and entered into by and between Pacific Safety Products Inc. A Brand of the Safariland Group, located at 124 Fourth Avenue, Arnprior, ON, K7S 0A9 (hereinafter the "Customer"), and Stitch It Canada's Tailor Inc., a Canadian company, with a registered address located at 3221 North Service Road, Suite 101, Burlington, Ontario, L7N 3G2.

Whereas, Contractor and Customer desire to enter into a relationship in which Contractor will provide Body Measurement Services for Soft Body Armour/Ballistic Vests.

Now, therefore, in consideration of the premises, and of the mutual promises and undertakings herein contained, the parties, intending to be legally bound, do hereby agree as follows:

1-2. DEFINITIONS

For purposes of this agreement, the following terms shall have the following meanings:

- a. "Services" means any and all services specified in the Statement of Work (as defined below)
- b. "Deliverables" means any non-tangibles, including turnaround times and quality of workmanship
- c. "Project" means the combination of Services and Deliverables to be provided under this agreement.

Contractor shall perform and deliver the Project as set forth in the Statement of Work issued against and subject to the terms and conditions of this agreement.

The work which Contractor shall perform shall be specified in the Statement of Work attached hereto as Attachment A – which will be written under the terms and conditions of this Agreement. The Statement of Work shall specify: (i) description of Services and Deliverables, (ii) schedule of Deliverables, and (iii) price and payment schedule.

3. TERM

The term of this Agreement shall commence on (March 1st, 2022), and shall continue thereafter until terminated in writing. This Agreement may be terminated completely by either party any time on 30 days prior written notice to the other party.

4. TERMS OF PAYMENT

a. PRICE.

Services will be performed on a firm fixed price basis, as indicated in the applicable Statement of Work. Any additional or unscheduled Services or Deliverables to be provided by Contractor outside of the Statement of Work must be mutually agreed upon in writing signed by both parties hereto referencing this Agreement. Pricing for this agreement will be reviewed on an annual basis.

b. TAXES.

The Project Price includes all applicable taxes

c. PAYMENT SCHEDULE

Customer will receive invoices based upon the billing/payment schedule contained in the applicable Statement of Work. Invoice will contain a description of the Services or Deliverables provided. Invoices are due and payable within 30 days of Contractor's invoice date. Interest may be charged on all amounts unpaid after 30 days at the annual rate of 1-1/2 percent per month or the highest legal rate, whichever is lower. If any invoice is not paid when due, Contractor may suspend provision of Services and/or Deliverables without liability or penalty until final resolution of the matter.

5. LIMITATION OF LIABILITY

In no event will either party be liable for SPECIAL, INDIRECT, CONSEQUENTIAL, OR INCIDENTAL DAMAGES, including but not limited to loss of profits, revenue, data or power, damage to or loss of the use of products, damage to property, claims of third parties, including personal injury or death, suffered as a result of provision of Services or use of Deliverables.

6. INDEMNIFICATION

Customer agrees to indemnify and hold Contractor harmless against all claims, liabilities, demands, damages, or expenses (including attorney's fees and expenses)

Neither party shall be liable for failure to perform, nor be deemed to be in defaults under this Agreement for any delay or failure in performance resulting from causes beyond its reasonable control, including but not limited to failure of performance by the other party, acts of government authorities, acts of terrorism, natural catastrophe, fire, storm, flood, earthquake, riot, insurrection, civil disturbance, acts of war or power failure. In the event of such delay, the date of delivery or time of completion will be extended by a period to time reasonably necessary to overcome the effect of the delay.

7. TERMINATION

Termination of Agreement. Customer reserves the right to terminate services in whole or in part, upon (30) days written notice to Contractor. In the event the Agreement is terminated by Customer prior to completion, Contractor shall use its best efforts to conclude or transfer the agreement, as directed by Customer, as expeditiously as possible. Contractor shall not undertake further work, incur additional expenses, or enter into further commitments with regard to the Agreement after receiving such notice of termination from Customer, except as mutually agreed upon by the parties. In the event of termination of the Agreement as described above, Contractor shall be entitled to compensation as follows:

- a. All payments due and owing under this Agreement at the time of Contractor's receipt of the written notice of termination for work completed and in progress.
- b. Termination of this Agreement shall not affect either party's obligation in connection with any other ongoing Agreements and the rights and obligations of all non-terminating parties to the Agreement shall remain in full force and effect.

8. CONFIDENTIALITY

Neither party has the right to disclose the Confidential Information of the other, in whole or in part, to any third party, and neither party will make use of the Confidential information of the other for its own or third party's benefit or in any way use such Confidential Information other than for the purposes of performance of this Agreement.

9. PUBLICITY

Contractor may use Customer's name or mark and identify Customer as a client of Contractor, on Contractor's website and/or marketing materials. Contractor may issue a press release, containing Customer's name, related to any award under this Agreement. Neither party will use the other party's name nor marks, refer to or identify the other party for any other reason, except as established in this section, without such other party's written approval. Any approval required under this Section shall not be unreasonably withheld or delayed by either party.

10. GENERAL TERMS

a. This Service Agreement shall be deemed to have been made, executed and delivered in the Country of Canada and shall be construed in accordance with the laws of each province.

b. SEVERABILITY AND ASSIGNMENT

The invalidity or unenforceability, in whole or in part, or any provision in the Agreement shall not affect in any way the remainder of the provisions herein. This Agreement may not be assigned by Customer without Contractor's consent.

c. ENTIRE AGREEMENT

This Agreement, together with any other materials referenced in our expressly made a part of the Agreement, constitutes the final and entire Agreement between Contractor and Customer and supersedes all prior and contemporary agreements, oral or written.

d. COUNTERPARTS

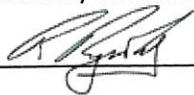
The Parties hereto agree that facsimile signatures shall be as effective as if originals. This Agreement may be executed via facsimile in any number of counterparts, all of which taken together shall constitute one and the same agreement.

In Witness Whereof, this Agreement is duly executed by the duly authorized representatives of the parties as set forth below:

Stitch it Canada's Tailor Inc.


Kathryn Chapman - Controller

Jan 14, 2022
Date

Pacific Safety Products Inc.


Rob Reynolds – Med-Eng and PSP
BRANDS OF THE SAFARILAND GROUP
Vice President & General Manager

January 14, 2022
Date

ATTACHMENT A
STATEMENT OF WORK

This statement of work is entered into by and between Stitch it Canada's Tailor Inc. and Pacific Safety Products Inc. pursuant to the Service Contract:

Stitch it Canada's Tailor to provide body measurement services to Pacific Safety Products Inc. and customers being fitted for Soft Body Armour and/ or Protective Vest.

Measurement/Fitting Services

Stitch it Canada's Tailor will be responsible for taking male and female body measurements as per the published Pacific Safety Products Inc. Measurement Guideline Chart provided. (Appendix A)

Measurements will be recorded on the Pacific Safety Products' Measurement Guideline chart and returned to the Pacific Safety Products customer.

Stitch It will clearly record the name of the trained measurer taking the measurements on the sizing form

Pacific Safety Products customers are responsible for submitting the completed measurement guideline chart to Pacific Safety Products for their records and initiating request for vest.

Should a vest require alterations due to measurements taken by Stitch It, Pacific Safety Products and may invoice Stitch It for all or some of the alteration cost within 90 days of measurements taken by Stitch it)

On Premises Measurement/Fitting Services

Stitch it Canada's Tailor can provide on- site measurement services.

A formal request must be arranged through Stitch it Head Office. Two (2) weeks notice is requested however unique circumstances may result in a lesser notification time.

All travel cost will be incurred by Pacific Safety Products and must be approved in writing by Pacific Safety Products prior to. (air fare, mileage, accommodations, associates travel time, meal allowance (etc). Pacific Safety Products will not be responsible for arrangements that have not been authorized.

New Account Set up Procedures

Pacific Safety Products to notify Stitch it Head Office of all new accounts to be set up:

Attn: Dale Beeston – Director of Business Development

E: dbeeston@stitchit.com

Tel no: 905-335-0922 ext 230

Stitch it Head Office will set up all new accounts for invoicing and ensure all necessary paperwork is completed.

Existing Account Management Processes

Existing Pacific Safety Products customers must present a signed Approved Authorization Form (appendix B) to a Stitch it location prior to measurement services rendered.

Special instructions to be noted in comment field for exceptions being made to the Pacific Safety Products Measurement Guidelines Chart (i.e.) **NO DUTY BELT REQUIRED**. Additionally a comment should be included to note if an officer is not in uniform for any reason. A signature must be noted beside the notation.

Training

Pacific Safety Products will be responsible for providing Stitch it associates with training based on Pacific Safety Products specifications for all vest measurements and other garments.

Training should be made available every 3-4 months at a designated Stitch it location (Minimum group of 10)

Stitch It will be responsible to contact Pacific Safety Products at least two weeks in advance of the required training to schedule.

Stitch It will maintain a list of all qualified locations including trained personnel and will provide Pacific Safety Products with this information. An updated list will be provided to Pacific Safety Products and each quarter.

Only trained personnel will measure and if not available the officer will have to make an appointment and return at a later date.

Communications

Both parties agree to keep an open communication dialogue. All complaints/concerns should be directed to Stitch it Head Office.

Attn: Dale Beeston – Director of Business Development

E: dbeeston@stitchit.com

Tel No: 905-335-0922 ext 233

Pricing

Pacific Safety Products will be charged a flat fee of **\$20.00** per completed measurement chart.

Billing and Ancillary Services

Stitch it will invoice monthly and include the customer id account number, and officers name where required.

