

## Callaway Golf Canada Sales Policy

Customers purchase products with knowledge of the Sales Policy set out below:

- Callaway Golf Canada (herein referred to as the “Company”), reserves the right to refuse to do business with anyone for any lawful reason including, but not limited to, those who fail to pay invoices when due, sell the Company’s Products from unauthorized locations (including unauthorized internet locations), or violate any other policy of the Company.
- The Company may choose not to do business with those that resell its Products for export outside Canada. The Company also may choose not to do business with those that sell to persons other than retail or corporate customers. **By accepting delivery of Product, Customer understands that it is prohibited from selling such Products for resale outside Canada and will not sell such Products without approval from the Company to persons other than retail customers or from locations other than those to which they were shipped.**
- All dealings are on an order-by-order basis. Purchase orders will be subject to the Company’s acceptance in its discretion. No order is accepted until Product ships. Prices are subject to change without notice.
- These standard terms and conditions of sale (“Terms and Conditions”) apply to any and all orders placed by customer (“Customer”) for purchases of Products or services (collectively, “Products”) from the Company, whether or not such purchase is subject to a signed purchase order, distribution or other agreement between the Company and Customer. Ordering Products from the Company constitutes acceptance of the terms set forth herein, as such terms may have been updated through the date of such order. Any different, or additional terms in any purchase order, blanket instructions or other writing from Customer shall be deemed a material alteration hereof and are hereby expressly objected to and rejected and shall be of no force or effect. Commencement of performance or shipment shall not be construed as acceptance of any of Customer’s terms and conditions which are different from or in addition to those contained herein. Course of performance or usage of trade shall not be applied to modify these Terms and Conditions. The Company reserves the right to change or discontinue these Terms and Conditions at any time, with or without reason or cause.**
- The invalidity or unenforceability of any provisions of these Terms shall not affect the validity or enforceability of any other provision of these Terms, which shall remain in full force and effect. The Company’s failure to exercise or delay in exercising any right, power or privilege under these Terms shall not operate as a waiver; nor shall any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof.
- Credit card payments will only be accepted at the time of order placement. Unpaid balances will bear a finance charge at the rate of 1.5% for each month or portion of a month they are overdue. Program benefits and/or account credits may be withheld from customers not in good credit standing. The Company may also refuse to sell to Customer until overdue accounts are paid in full. Customer consents to the sole and exclusive jurisdiction of the federal and provincial courts in Toronto, Canada, for any suit, action or proceeding arising from the sale of purchase of the Company’s Products.
- Credit limits are subject to evaluation and could be denied, adjusted or removed at any time at The Company’s sole discretion. Customers must immediately notify the Company of ownership or financial responsibility changes. The Company customer accounts are based on location; upon a change of financial responsibility at a location, the account balance becomes due and payable at that time.
- Credits on account will be applied in accordance with policies determined by the Company’s Accounting Department. Please contact the Accounting Department for information about the policy or to ask any questions about how it is applied.
- Customer is responsible for all applicable taxes, government levies, customs, duties and fees imposed in connection with purchase of Products by any federal, state or local governmental authority unless Customer provides the Company appropriate evidence of exemption. Customer purchasing Product free from sales tax and making a taxable use of Product (i.e. any purpose other than retention, demonstration, or display while holding for sale in the regular course of business) is responsible for the reporting and payment of tax due direct to the proper taxing authority when law so provides or may inform the Company of the desire for added tax billing. For example, Product purchased for personal use, for use as rental club stock or drop shipped to a consumer in Canada is considered taxable. Any questions concerning sales tax should be directed to the Company’s Tax Department.
- To the extent necessary, for purposes of determining the GST/HST that is collectible by the Company on the sale of products, the parties acknowledge and agree that the parties have entered into an agreement, pursuant to subsection 178.8(3) of the Excise Tax Act (the “ETA”), to deem the sale of the Company’s products to have been supplied in Canada pursuant to subsection 178.8(4) of the ETA. The terms of the agreement are specified in Form GST 532: *Agreement and Revocation of an Agreement Between Supplier and Constructive Importer*. The Customer shall pay the Company, as and when required, the GST/HST that is imposed under section 165 of the ETA on the sale of the products. The Company, as the importer of the products, will pay the GST/HST that is payable pursuant to section 212 of the ETA on the importation of the products. By ordering products from the Company, the Customer further agrees and acknowledges that it has appointed the Company as its agent and authorized representative for purposes of executing and completing Form GST 532: *Agreement and Revocation of an Agreement Between Supplier and Constructive Importer*.
- Customer acknowledges that (i) the Company’s shipping terms are F.O.B. Origin and legal title and risk of loss transfers to the Customer upon delivery by the Company of the purchased Products to the carrier and (ii) all shipment and handling costs shall be paid by Customer and if prepaid by the Company, shall be reimbursed to the Company. **Customers must report damage or loss during shipment to the Company within 21 days of invoice date.**
- Routing guides are not automatically accepted and are subject to the Company’s review and express written approval. The Company does not agree to vendor compliance fees on routing guides.
- Delivery refusals may be subject to a 10% processing fee. Customer shall be responsible for inspecting all Products delivered. The Company, in its sole discretion, shall replace or remedy rejected Products. All returns are at the sole discretion of the Company and are subject to its policy on returns which is incorporated herein by reference. Please contact the Company’s Customer Service Department to obtain a copy of this policy.
- Claims for short ship and mis-ship adjustments, proof of delivery or any other billing discrepancies must be made before the due date of the invoice reflecting when the Product originally shipped.** Customer understands that the Company has the right to investigate claims of short shipments, including verifying box weights recorded in the Company’s system to actual weights recorded by carriers, reviewing serial numbers scanned for the item(s) in question, and physical inventory counts (when applicable), among other steps. Customer acknowledges that resolution of such claims shall be made solely by the Company. **Post-audit invoice claims are not accepted if more than six months beyond the invoice date.**
- The Company will not accept return of custom logo Product unless defective in material or workmanship. Any changes or cancellations must be submitted prior to Production. Customer order

cancellation fees and change fees may apply to orders that have begun the production process. In the normal course of production, the Company may produce custom logo Products in excess of the quantity ordered by the Customer. Customer grants the Company the right to sell any such excess custom logo Products ordered by Customer and/or bearing the Customer’s trademarked or copyrighted logo. Any custom club orders that have been altered outside of the Company will void any and all warranties.

- The Company’s consumer warranty policy is set forth at [us.JackWolfskin.com](http://us.JackWolfskin.com) which constitutes the Company’s sole warranty with respect to the Products it manufactures. The Company disclaims all other warranties, express or implied, including, without limitation, the warranty of merchantability or the warranty of fitness for a particular purpose and assumes no responsibility for any special, incidental, or consequential damages as to all Products and components. The Company further disclaims any implied or express warranty of, and assumes no responsibility for, defects in workmanship caused by third parties.
- The Company shall be excused for delays in the performance of its obligations hereunder due to causes beyond its reasonable control, or the control of its suppliers, including, but not limited to acts of God, acts of war, terrorism, riots, civil disorders, rebellions, revolutions, strikes, labor disputes, sabotage, accident or breakdown of machinery or plant, unavailability of transportation, restraints affecting the delivery of material or credit, any acts by a third party, any third party Products or any other cause beyond the reasonable control of the Company, including, but not limited to failures or fluctuations in electrical power, heat, light, air conditioning, computer hardware and/or software or telecommunications equipment (each, an “Event of Force Majeure”). Upon the occurrence of an Event of Force Majeure, the Company shall be excused for such non-performance, hindrance or delay, as applicable, of those obligations affected by the Event of Force Majeure for as long as such Event of Force Majeure continues and the Company continues to use commercially reasonable efforts to recommence performance whenever and to whatever extent possible without undue delay. If the Event of Force Majeure causes a delay of 120 consecutive days or more from the original date of performance, Customer shall have the right to terminate the contract by written notice to the Company, it being understood that the right of termination shall be the sole and exclusive remedy of Customer.
- TO THE FULLEST EXTENT PERMITTED BY LAW, COMPANY SHALL NOT BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, COMPENSATORY AND/OR SPECIAL DAMAGES, WHETHER OR NOT COMPANY WAS ADVISED OF OR WAS AWARE OF THE POSSIBILITY OF SUCH DAMAGES, INCLUDING WITHOUT LIMITATION, DAMAGES RESULTING FROM LOSS OF USE, PROFITS, BUSINESS OR GOODWILL. IN NO EVENT SHALL COMPANY’S AGGREGATE LIABILITY ARISING OUT OF OR IN CONNECTION WITH THE SALE OF PRODUCTS, IN CONTRACT, TORT OR OTHERWISE, EXCEED THE PURCHASE PRICE PAID BY CUSTOMER FOR THE PRODUCT TO WHICH SUCH LIABILITY RELATES.**
- All specifications, samples, price lists, payment terms and other information furnished by the Company to Customer pursuant to these Terms and Conditions shall be considered proprietary and confidential information of the Company. Customer shall not publish or disclose in any way any of The Company’s confidential information for any purpose. All of the Company’s information and all copies thereof (including, without limitation, all materials containing or embodying the Company’s confidential information) are and shall remain the sole property of the Company and shall be returned promptly to the Company upon completion or termination of the activity for which Customer has obtained such confidential information or at any other time immediately upon the Company’s request.
- The Company has valuable intellectual property rights and chooses not to do business with those who infringe upon those rights, or aid, abet or assist others, directly or indirectly, in infringing upon those rights. The Company chooses not to do business with those whose sales practices violate the law, deceive or are otherwise unfair trade practices. The Company chooses not to do business with those who disparage its Products or fail to fully promote them. The Company may choose not to do business with those that violate any of its sales policies.
- Customer represents and warrants that in its performance hereunder it will comply with all applicable federal, state, local and foreign laws, rules, regulations, administrative and executive orders, and pertinent governmental procurement regulations. Customer and its owners, officers, directors, employees, or agents have not and will not engage in any activities that violate the Canada Corruption of Foreign Public Officials Act (CFPOA), United States Foreign Corrupt Practices Act (FCPA), the UK Bribery Act, or any other anti-corruption laws or laws prohibiting the payment of commercial or private bribes. In particular, and not in limitation of the foregoing, Customer and its owners, officers, directors, employees, or agents will not pay, offer, or promise to pay, or authorize the payment directly or indirectly, of any money, gift, or anything of value to any government official for the purpose of influencing any act or decision of such official or of the government to obtain or retain business, or direct business to any person. As used in this Section, “government official” means any minister, officer, director or employee of a government or any department, agency, or instrumentality thereof, or of a public international organization (such as the World Bank, International Monetary Fund or United Nations), or any person acting in an official capacity for or on behalf of any such government or department, agency, or instrumentality, or for or on behalf of any such public international organization.
- Callaway Golf Ball Operations, Inc. (“CGBO”) is a disclosed agent of the Company. Per an agreement with the Company now in effect, CGBO does not bear right or title to finished goods held in its possession held out for sale by the Company or its affiliates. CGBO is not the seller or shipper of record for goods listed on the invoice.
- Point of purchase displays belong to the Company and must be surrendered upon request.
- To ensure that it provides the highest level of service, the Company may monitor and record customer telephone calls. Calling the Company constitutes Customer’s consent to monitoring and recording. If Customer does not want a call monitored and recorded, please inform the representative who answers the call.

The Callaway Golf Canada Standard Terms and Conditions of Sale can also be found on [us.JackWolfskin.com](http://us.JackWolfskin.com).