

Total Door Systems Distributor Agreement

This Distributor Agreement (“Agreement”) is made, effective on the date shown on the signature page below, between Total Door II, Inc., a Michigan corporation d/b/a Total Door Systems (“Total Door”) and the business identified on the signature page below on behalf of itself and its Affiliates, as defined below (collectively, the “Distributor”).

Background

Total Door manufactures and sells door systems, doors, and related hardware (“Products” or “Total Door Products”). Distributor has the experience and capability to market, sell, install and service door systems and doors in commercial applications, and desires to market, sell, install and service Total Door Products. Total Door is willing to engage Distributor as a distributor on the terms and conditions of this Agreement. Distributor is willing to comply with Total Door’s rules and policies for distributors, and with the laws and building and safety codes that apply to Distributor, the Products, and installation and servicing of the Products.

On the basis of the Background stated above, Total Door and Distributor agree as follows:

1. Engagement as Distributor in the Territory.

Total Door engages Distributor, on a non-exclusive basis, to market, sell, install and service Products in the Territory, which may be a geographic area or branch location, identified on Exhibit A attached hereto, on the terms and conditions of this Agreement, and in accordance with Total Door’s rules and policies and with applicable law and codes. The term of this engagement (the “Term”) begins on the date of this Agreement and continues until it is terminated by either party as provided in Section 9 below. Total Door will designate in its discretion from time to time the market and product segments that will be made available to Distributor. Distributor acknowledges that Total Door may designate other distributors in the Territory as it considers appropriate in its sole discretion.

1.1 If Distributor acquires or opens additional locations, then Distributor may add these additional locations to Exhibit A by giving Total Door written notice of such additional locations. Unless Total Door objects in writing within five days after it receives written notice from the Distributor, Exhibit A will be automatically amended to include the additional locations. This Agreement will be binding on the Distributor as to those additional locations.

2. Sales Terms, Prices and Orders.

2.1 All sales of Products are subject to Total Door’s Sales Terms and Conditions as posted on Total Door’s website (the “Sales Terms”), and at the prices communicated through Total Door’s online configuring and ordering systems.

2.2 Total Door rejects any different or additional terms that may be included in any purchase order, correspondence or other communication from Distributor, and no different or alternative terms will apply to any transaction.

2.3 Distributor will submit orders through Total Door's systems unless Total Door grants an exception, in which case Total Door personnel will enter Distributor's information into its system at Distributor's risk.

2.4 Distributor acknowledges that (a) under the Sales Terms, any order it may place is an offer and is subject to acceptance by Total Door; (b) no employee, sales representative or other representative of Total Door has authority to change or make exceptions to the Sales Terms or pricing unless they are expressly agreed to in a separate written document signed by a corporate officer of Total Door; and (c) Total Door may set and change credit limits in its discretion.

3. **Distributor's Overall Responsibilities.** During the Term, Distributor will, at its own expense:

3.1 use its best efforts to actively and aggressively market, sell, install and service Total Door Products in the Territory. Distributor will use its best efforts to develop markets and sales for Total Door Products by adopting the strategies and guidance communicated by Total Door in training, publications and its website, including any "playbooks" or similar materials.

3.2 maintain an organization and inventory of parts sufficient to carry out its responsibilities and serve customers in the Territory.

3.3 keep itself and its personnel informed of the information on Total Door's website and ordering system, and will follow Total Door rules and guidance.

3.4 If Total Door designates Distributor for the new or remodel market segment, Distributor will: (a) provide assistance to design professionals with product applications, code requirements, and preparation of specifications to facilitate proper use of Total Door Products; and (b) use its best efforts to place Total Door architectural binders in the libraries of professional design firms, and to update the binders to keep them current and accurate.

4. **Total Door's Overall Responsibilities.** During the Term:

4.1 Total Door will assist Distributor in marketing by making sales and technical literature and training available, including training seminars or webinars on products, installation and service.

4.2 Total Door will provide sales and technical support when practicable, during normal business hours as determined by Total Door in its discretion.

4.3 Total Door will provide Distributor with access to its ordering systems and pricing information.

5. **Distributor's License Rights.**

5.1 Total Door grants to Distributor a revocable, non-exclusive license, during the Term, to:

(a) Buy, sell, install and service Total Door Products in accordance with the terms of this Agreement and the Sales Terms;

(b) Use Total Door's name, trademarks, logo and advertising materials to promote, sell or service Total Door Products, but only where the specific use has been disclosed to and approved by Total Door in advance (which approval Total Door may grant or withhold in its discretion).

5.2 Distributor has no other rights to any patent, trademark, or other intellectual property owned by Total Door or its affiliated companies. In particular (and without limiting the preceding sentence) Distributor's license does not include any right to manufacture or modify products.

6. **Distributor's Specific Obligations.**

6.1 Factory Trained Installers. Distributor will engage installers who have been trained by Total Door ("factory-trained installers"). Distributor will have at least one factory-trained installer on every job site at all times during the installation or repair of Total Door Products, and will not allow anyone who is not a factory-trained installer or a person who has been trained on Total Door Products by a factory-trained installer to work on the installation of Total Door Products.

6.2 Compliance with Policies, Laws and Professional Standards. Distributor will conduct its activities in accordance with the highest ethical and professional standards and in strict compliance with all applicable laws and regulations. Without limiting this general obligation, Distributor will:

(a) comply with Total Door's rules and policies as communicated on Total Door's website, in communications to Distributors, and in training sessions, and comply with, and cause its employees, contractors and agents to comply with, Total Door's policies regarding personal conduct, including but not limited to policies regarding non-harassment and workplace violence.

(b) not commit any act or make any statement that would be deleterious to the reputation or goodwill of Total Door or persons or entities affiliated with Total Door.

(c) cause all installation and service on Products, and all of its other activities, to be performed: (a) in a good and workmanlike manner; (b) in accordance with all applicable laws, building and safety codes, and government or industry standards; (c) in compliance with all instructions, training and guidance provided by Total Door, including without limitation the instructions and guidance on Total Door's website from time to time.

6.3 Confidentiality and Solicitation.

(a) Distributor will not at any time, either during or after the Term, disclose or use, directly or indirectly, any Confidential Information (as defined

below), and will retain all Confidential Information in trust as a fiduciary for the sole use and benefit of Total Door. Distributor will take all steps necessary, and all steps reasonably requested by Total Door, to ensure that all such Confidential Information is kept confidential.

(b) At the end of the Term, and at any other time upon request of Total Door, Distributor will promptly deliver to Total Door all materials containing or relating to any Confidential Information, all copies thereof and any other property of Total Door.

(c) During the Term and for one year thereafter, Distributor will not directly or indirectly offer to hire, hire, solicit for employment or retention as an independent contractor, or in any way engage any employee or contractor of Total Door without Total Door's prior written consent. "Solicit" does not include general solicitations, such as advertisements in newspapers, trade publications or non-targeted advertisements or postings on the internet or on-line services.

(d) Distributor understands that Total Door's business depends on the confidentiality of Confidential Information and on preserving its relationships with its employees and contractors. Accordingly, Distributor acknowledges and agrees that the provisions of this Section 6.4 relate to matters that are unique and extraordinary, and that a violation will cause irreparable injury to Total Door that cannot be fully compensated with money damages. Therefore, Total Door will be entitled, as a matter of course, to an injunction, restraining order, or other equitable relief restraining any violation or threatened violation of this Section 6.3 by Distributor or by such other persons as the court shall order.

(e) "Confidential Information" collectively means all information developed by or for Total Door or any of its affiliates, whether before or after the date of this Agreement, which is not otherwise generally known in any industry in which Total Door is engaged. Confidential Information includes, but is not limited to: pricing, marketing and sales methods and plans, plans for new or improved products or manufacturing processes, sales data, operating performance and any financial information and reports, identities and needs of customers and potential customers, business strategies and plans, and internal operations, whether in a person's memory or in written, graphic, electronic or other form. Confidential Information does not include information that becomes publicly known other than through disclosure by or through Distributor or its employees, affiliates, agents or subcontractors.

6.4 Respecting IP Rights. Distributor will obtain permission as required in Section 5.1(b) before using any Total Door trademark or other intellectual property rights, will clearly indicate Total Door's rights as Total Door may require when it uses any Total Door intellectual property, and will not contest any of Total Door's (or any of its affiliates') rights in its intellectual property, including without limitation patents, trademarks, and copyrights.

6.5 Reporting Information and Ideas. Distributor will promptly report to Total Door all ideas, concepts, innovations, improvements and inventions related to Total Door Products (together, "ICIII") that Distributor or its employees or contractors develop, or that come to Distributor's attention during the Term (or, if Distributor terminates the Term, within 6 months after the end of the Term). Distributor agrees that: (a) all ICIII will be the sole property of Total Door, (b) Distributor will sign, and will cause its employees, agents and contractors to sign, all documents and take all actions reasonably requested by Total Door to assign or vest intellectual property rights in ICIII to and in Total Door, and (c) Distributor will not be entitled to any compensation for any ICIII or intellectual property reported or assigned as required by this Section 6.5.

6.6 Insurance.

(a) Distributor will maintain the following insurance coverage for itself and any of its employees, agents or subcontractors involved in any way with any Total Door Products: (i) Workers' Compensation (or a legally permitted and governmentally approved self-insurance program) to statutory limits; (ii) Employer's Liability Insurance (Minimum of \$1,000,000 per occurrence and \$2,000,000 aggregate); (iii) Commercial General Liability Insurance, with limits of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate, covering property damage, bodily injury and personal injury liability; (iv) Comprehensive Automobile Liability Insurance covering all owned, leased, hired and other non-owned vehicles, with limits of not less than \$1,000,000 for each occurrence, covering property damage and bodily injury; and (v) Property insurance for all Total Door Products purchased by Distributor from the time they are loaded on a truck at Total Door's plant until risk of loss passes to Distributor's customer. All of this insurance will be primary and non-contributory to any coverage purchased by Total Door.

(b) If Total Door so requests, Distributor will promptly provide, and will at all times during the Term keep current, certificates of insurance addressed to Total Door evidencing the coverage required above. Each certificate will certify that the carrier will give Total Door written notice 30 days before the effective date of any cancellation. Total Door may suspend or cancel shipments and sales to Distributor – without any compensation reduction in Distributor's obligations to Total Door – unless and until the requested certificates have been provided.

6.7 Indemnification. Distributor will indemnify and defend Total Door, its subsidiaries and affiliates, and their respective directors, managers, officers, agents and employees and hold them harmless against any claim, damage, liability, cost, and other loss of any kind for personal injury or damage to property (including reasonable fees and expenses of attorneys) caused by Distributor or any of Distributor's subsidiaries, affiliates, or its or their employees, agents or subcontractors in connection with Total Door Products (including without limitation in connection with shipping, installation, testing, repair or maintenance). This indemnity will survive the termination of the term and of this Agreement.

6.8 Joint and Several Liability. Distributor and its Affiliates are jointly and severally liable to Total Door for the obligations set forth in this Agreement or for any amounts otherwise due Total Door. For purposes of this Agreement, “Affiliate” means any person or entity that directly or indirectly controls, is controlled by, or under common control with the business identified as Distributor on the signature page below.

7. Relationship of the Parties; No Assignment.

7.1 Independent Contractor. Distributor is, and will at all times remain, an independent contractor, and neither Distributor nor any of its employees will at any time be an agent or employee of Total Door or of its affiliates. Distributor will have (i) no authority to make any representations or warranties to any person or entity on behalf of Total Door or any of its affiliates; (ii) no right, power or authority to assume or create any obligation, commitment or agreement on behalf of Total Door or any of its affiliates.

7.2 No Assignment. Distributor’s engagement as a distributor is strictly personal, and Distributor may not assign this Agreement or delegate any of its duties under this Agreement.

8. Allocation and Force Majeure.

8.1 If Total Door is unable to supply the total requirements for the Products ordered by Distributor, Total Door may allocate its available supply of Products among any or all purchasers on such basis as Total Door, in its reasonable discretion, may deem fair and practical.

8.2 Force Majeure means occurrences beyond the control of the parties, such as acts of God, fire, flood, epidemic or pandemic, earthquake, tornado, explosions, riot, war, terrorism, strikes or lockouts at third parties or government acts, orders, and decrees. Any delay or failure by a party to fulfil its obligations under this Agreement (other than obligations to pay money) will not be deemed a breach to the extent that the failure or delay is caused by Force Majeure if the non-performing party gives written notice of the delay, the nature of the event that it believes constitutes Force Majeure, and the anticipated length of the delay, within 10 days after the occurrence of the event. However, neither party is obliged to pay costs that the other incurs as a result of a Force Majeure event.

9. Termination and the Effect of Termination.

9.1 Either party may terminate the Term for any reason or no reason by giving the other party thirty days written notice.

9.2 Total Door may terminate the Term immediately upon notice to the Distributor if the Distributor breaches any material provision of this Agreement.

9.3 Upon termination of the Term by either party, then:

(a) Distributor will cease to be a distributor for Total Door and the license granted in section 5.1 will be revoked.

(b) Distributor will not represent that it is a Distributor or otherwise connected with Total Door. Distributor will within five business days at its own expense: (i) remove all Total Door trademarks, trade names, logos and brand names from Distributor's premises, signs, vehicles, advertisements, stationery, web sites, social media accounts, e-mail signatures and forms, advertisements, displays, posters and the like; (ii) return in good condition any advertising, sales, or promotional material that Total Door has provided to Distributor; and (iii) certify in writing to Total Door that it has complied in full with this clause 9.3(b).

(c) Distributor will continue to owe, and will pay on time, all sums due to Total Door.

(d) Total Door will have the right to cancel any outstanding but unshipped orders from Distributor.

10. **Other Terms.**

10.1 Governing Law and Dispute Resolution. This Agreement will be governed by, and construed and enforced in accordance with the laws of the State of Michigan. The parties select as the exclusive forum for any litigation related to this Agreement or any sales by Total Door to Distributor, and irrevocably consent to the exclusive jurisdiction and venue of, the courts of Oakland County, Michigan and the U. S. District Court for the Eastern District of Michigan.

10.2 Entire Agreement; Amendment. This Agreement is the entire agreement of the parties; it replaces any prior agreements and understandings, oral or written, between us with respect to distributorship. As provided in Section 2 above, all purchases by Distributor will be governed by Total Door's Sales Terms and Conditions. This Agreement can be amended only by a written document signed by authorized representatives of both parties, and the parties specifically agree that no other statement or document can become part of the contract. No Total Door employee has authority to modify this Agreement without written approval of an authorized officer of Total Door.

10.3 Severability. The parties desire and intend that all of the provisions of this Agreement be enforceable to the fullest extent permitted by law. If any provision of this Agreement or its application to any person or circumstances is, to any extent, construed to be illegal, invalid or unenforceable, in whole or in part, then the provision will be construed in a manner to permit its enforceability to the fullest extent permitted by law. In any case, the remaining terms of this Agreement or the application of any remaining terms to any person or circumstance other than those which have been held illegal, invalid or unenforceable will remain in full force and effect.

10.4 Remedies and Rights; No Implied Waivers. The remedies provided for in this Agreement are cumulative and not exclusive. In the event of a breach, the non-breaching party will be entitled to all rights and remedies provided by this Agreement and by applicable law. Any waiver of a breach of this Agreement applies only to the specific breach that has occurred, and does not mean that any future (or past) breaches are also

waived. Any extension of time for performance of an obligation under this Agreement applies only to that specific obligation or action, and not to any other (past, present, or future) obligations or actions.

10.5 No Third Party Beneficiaries. Except as expressly provided in Section 6.7, there are no third party beneficiaries to this Agreement, and Distributor is not a third party beneficiary of, and may not rely on, any agreement between Total Door and another distributor.

10.6 Counterparts and Signatures. This Agreement may be signed in any number of counterparts, with the same effect as if all of the signatures on the counterparts were on the same instrument. Signatures transmitted via facsimile or email will be deemed original signatures.

10.7 Notices. All notices under this Agreement must be in writing and must be (a) delivered in person, or (b) sent to the respective addresses of the parties set forth on this signature page of this Agreement by (i) first class, priority or express mail, certified or registered, with return receipt requested and postage prepaid, or (ii) recognized overnight courier, with proof of delivery requested and charges prepaid. A party may change the address for notice by a written notice given as provided above.

To evidence their agreement, Distributor and Total Door have caused their authorized representatives to sign this Agreement, effective on the date indicated below.

Date: _____, 20____

Territory: _____

Distributor

Print full business name of distributor, including "LLC," "Inc" or similar

a _____
Print type of business organization, for example, "California LLC"
or "Texas corporation" or "New Jersey limited partnership"

By: _____
Signature of authorized representative

Name: _____
Print name

Title: _____
Print title

Total Door

TOTAL DOOR II, INC.
d/b/a Total Door Systems

a Michigan corporation

By: _____
Signature of authorized representative

Name: _____
Print name

Title: _____
Print title

Address for Notices:

Address for Notices:

Total Door II, Inc.
6145 Delfield Drive
Waterford, MI 48329

EXHIBIT A

TERRITORY OR SUBSIDIARY LOCATIONS