

Daikin Comfort Pro Dealer Letter of Intent

10/6/2021

Comfort Air Technologies Inc.
7628 Dixie HWY
Florence KY 41042

Johnstone Supply Grimme Group
1640 E. Kemper Road
Cincinnati, OH 45246

Regarding: Purchase of Daikin Residential and Mini-Split Equipment

The following sets out the basic terms upon which Johnstone Supply Grimme Group will provide the Daikin Unitary (1.5 to 5 ton) Units and Mini Split Equipment line available for residential installation to Daikin Comfort Pro Dealer **Comfort Air Technologies Inc.** The terms of this Letter of Intent are not comprehensive and we expect that additional terms will be incorporated into a subsequent Formal Agreement. The basic terms of this Letter of Intent are as follows:

Johnstone Supply Grimme Group and **Comfort Air Technologies Inc.** (also referred to as "Dealer") agree as follows:

1. Contract Term:

- This Agreement is effective upon countersignature and remains in effect until December 31, 2021, unless terminated by either party upon 30 days' prior written notice.

2. Appointment:

- Johnstone Supply Grimme Group hereby appoints Dealer as a non-exclusive dealer of the following Daikin brand central air conditioning and heating products:
 - One and a half (1.5) to five (5) ton unitary ducted residential air conditioning and heating products.
 - Ducted light commercial and single port ductless residential products (e.g. mini-splits).

(the "Products") within the 50 mile radius surrounding the Dealer's listed place of business on the signature page of this Agreement (the "Territory"). The Dealer cannot sell, ship, service or install the Products outside of the Territory without Daikin's prior written consent and in Daikin's sole discretion.


3. Dealer Obligations:

- Dealer agrees to purchase **85%** of its unitary single-phase products from Daikin and Johnstone Supply Grimme Group.
- Dealer's estimates of its purchases are as follows:
 - Estimate of annual Daikin Product purchases: **\$250000.**
 - Estimate of annual Daikin Parts purchases: **\$50000.**


4. Agreement:

- This letter of intent is nonbinding and constitutes an indication of intent only and creates no liability or obligation of any nature whatsoever among the parties hereto with respect to any contemplated transaction or any other matter or action described or referred to herein. Legally binding obligations with respect to the contemplated transaction will only arise upon execution of a definitive agreement and related agreements with respect to the transaction. If the foregoing is satisfactory, please indicate your agreement with the foregoing by countersigning a copy of this letter and returning it to our attention. We look forward to proceeding together on this transaction.

Authorized Signatures:



Michael J. Grimme, President
Johnstone Supply Grimme Group
Date 10/21/2021



Doug Christie, Owner
Comfort Air Technologies Inc.
Date 10-14-21



10/6/2021

Doug Christie
Comfort Air Technologies Inc.
7628 Dixie HWY
Florence KY 41042

Dear Doug,

Thank you for the opportunity to explore a partnership with **Comfort Air Technologies Inc.** It's been a pleasure getting to know you and your team and learning more about your business and objectives. Our goal is to provide you with the very best partner experience available in the industry. This includes enhancing your overall profitability and assisting you to differentiate and grow your business. On the pages to follow, you will find details of the programs offered and benefits available to you as Daikin Comfort Pro and a valued partner of Johnstone Supply.

Based on your minimum **\$250000** commitment to purchase Daikin Residential equipment, Daikin will provide the incentives outlined on the pages to follow, which include programs offered and benefits available to you as Daikin Comfort Pro and a valued partner of Johnstone Supply.

In return for our commitment to you, and in the spirit of partnership, we ask for a few simple yet imperative considerations: (1) purchase enough product to make this a profitable venture for both of us, (2) that you remain in good credit standing, and (3) maintain clear and consistent dialogue with us in areas for our improvement, your expectations, and in joint goal setting.

We are excited about the prospect of partnering with **Comfort Air Technologies Inc.** At Johnstone Supply our Mission is *To Make the Tech in the Truck More Efficient*, and our Vision is *To Enhance Lives Through Solutions*. We keep these objectives in mind with everything we do, and we will strive to achieve them with your organization as we work to build a mutually beneficial and long-lasting relationship together.

Your signature below will indicate your acceptance of the agreement and offers as outlined in the following pages.

Sincerely,

Authorized Signature:

10/14/21

10-14-21

Daniel Vance
Territory Sales Manager
Johnstone Supply Grimme Group

Doug Christie
Owner
Comfort Air Technologies Inc.