

# **KONG European Partner Programme**

# RESELLER AUTHORISATION CRITERIA FOR THE RETAIL SALE OF KONG PRODUCTS FROM BRICK AND MORTAR PREMISES ("KONG BRICKS CRITERIA") AND ONLINE ("KONG CLICKS CRITERIA")

KONG toys have been the gold standard of dog toys for over forty years. What's the magic?

- Safety is always at the top of our list. We would never make a bad decision for our customers' pets, period.
- We are committed to quality. Everything we make is the absolute best it can be without any corners cut, ever.
- We take pride in being an original. Like our Classic KONGs, made with natural KONG rubber, it's the reason people and pets all over the world know KONG by name.
- We know dogs need variety. It's a fact: dogs get bored, just like we do. So KONG has toys in all kinds of shapes and sizes. We keep the healthy play coming and we never stop innovating.

Every KONG toy is designed and produced with these core values and principles in mind. Our KONG European Partner Programme thus aims to ensure that every retailer selling KONG products (the "Products") from brick and mortar premises and/or online lives up to and safeguards these principles, and in particular:

- Ensures that pet owners choose the best and safest Product for their pet's safety, wellbeing and enjoyment;
- Provides an excellent and high quality sales experience; and
- Promotes and enhances KONG's superior brand reputation.

As an Authorised Reseller of the Products, you agree that it is a condition of your authorisation that you will:

- (i) If you promote or sell the Products from brick and mortar premises, only promote or sell the Products from a physical store(s) that complies at all times with the **KONG Bricks Criteria** and which has been pre-approved in writing by KONG ("**Authorised Physical Store**");
- (ii) If you promote or sell the Products online, only promote or sell the Products from a website that complies at all times with the **KONG Clicks Criteria** and which has been pre-approved in writing by KONG ("Authorised Website"):
- (iii) If you promote or sell the Products from both brick and mortar premises and online (i.e. you are a "hybrid" retail reseller), comply with both (i) and (ii) above (in other words, you must comply with both the KONG Bricks Criteria and KONG Clicks Criteria and obtain KONG's express written approval for every physical store and website from which you sell the Products);
- (iv) Only purchase products directly from KONG, Authorised Distributors in the European Economic Area, Switzerland and the United Kingdom ("Europe"), or Authorised Resellers in Europe;
- (v) Only resell the Products to end-users, other Authorised Resellers or Authorised Distributors in Europe.

You acknowledge and agree that failure to comply with these conditions will entitle KONG to withdraw your reseller authorisation with immediate effect. Please note that KONG may amend these Criteria and the Products to which they apply from time to time, by giving 30 days' notice.



# Reseller Authorisation Criteria for All Resellers (Brick and Mortar and Online)

### 1. HIGH QUALITY RETAIL BUSINESS

- 1.1 You must have an established reputation and track record for the retail sale of good quality pet toys and supplies, or a documented financial and business plan aiming at establishing such a reputation and track record.
- 1.2 You must have irreproachable professional conduct and history of such conduct. You must undertake sales in a customer-friendly, trustworthy, punctual, correct, accurate, and generally high quality manner.
- 1.3 KONG brand advocates aspire to educate vs. sell the KONG brand.

### 2. SALES OPERATION

- 2.1 In order to be able to offer consumers the correct KONG for their dog, you must promote and sell the full line of KONG Classic toys and consumables (snacks and treats). You must maintain sufficient stocks to satisfy customer demand.
- 2.2 You agree to provide KONG with reports of your inventories, sales and other pertinent information regarding your handling of the Products (including, without limitation, details of sales and revenues achieved for each Authorised Physical Store and Authorised Website from which you sell KONG products (as applicable)), as KONG may from time to time reasonably request.
- 2.3 You must not ship or sell the Products to any customers outside of Europe. You must obtain KONG's express written authorisation before making any sales to any customers based outside of Europe.
- 2.4 You must sell the Products in their original packaging and never modify original KONG packaging or the Products in any way before reselling.

### 3. COMPLIANCE AND CONDUCT

- 3.1 You will be responsible for and must comply with all applicable local and European Union regulations, statutes and rules.
- 3.2 You must not use, disseminate or disclose any of KONG's confidential information which you receive or to which you have access as an Authorised Reseller, except as may be strictly necessary to properly perform your obligations as an Authorised Reseller or as may be required by law.
- 3.3 You must notify each of your employees who are involved in sales of KONG products of these Criteria and what is required of them. You must establish policies and procedures that will ensure compliance with these Criteria and must take affirmative steps to ensure compliance.
- 3.4 You must preserve and enhance the reputation and goodwill of KONG and the KONG products and agree to avoid any illegal or unethical actions, including without limitation "bait and switch" practices. You must not engage in unfair sales practices or make incorrect, misleading, deceptive or denigrating statements about KONG or the Products.



# Reseller Authorisation Criteria for the Retail Sale of KONG Products from Brick and Mortar Premises

# KONG BRICKS CRITERIA

# 1. YOUR PHYSICAL STORE(S)

1.1 Your physical store(s) must offer a high quality and user-friendly retail environment synonymous with the reputation and brand image of the Products and which helps consumers to identify easily the correct Product for their pet. Specifically, your physical store(s) must comply with the following quality requirements.

# 2. DISPLAY REQUIREMENTS

- 2.1 You must ensure that the Products are depicted within a section of the store dedicated to KONG products, which in turn is contained within a section of the store dedicated to pet toys from other reputable manufacturers / suppliers. With the exception of your own-brand products (if applicable), you must not give less priority in your store to KONG products than to products of other manufacturers / suppliers, and more generally must refrain from any discrimination of KONG products compared to products of other manufacturers / suppliers.
- 2.2 The Product display area must comply with all of KONG's branding guidelines and requirements as it may specify from time-to-time, including (but not limited to) the Brand Shop Installation Booklet and the KONG Brand Block.
- 2.3 You must use only those images (including product images), marketing materials, graphics or other visual or audio materials provided or approved in writing by KONG, in your store or on any physical or electronic marketing or promotional materials used, paid for or associated with your business.
- 2.4 You must accurately describe the Products using only the protected intellectual property of KONG which you have been authorised to use in writing by KONG ("Licensed IP") within the most recent calendar year. You agree to use the Licensed IP in accordance with all of KONG's intellectual property guidelines communicated by KONG from time to time. You must not suggest or imply that your website, advertisement, sponsored link, or any other online marketing used or paid for by you is in any way related to the official KONG website(s) owned and operated by KONG.

### 3. QUALITY CONTROLS

- 3.1 It is important to us that every customer and their pet receive the best and safest product, in a perfect condition. We want every customer to be satisfied not only with the KONG product they have purchased but also with the experience of purchasing and receiving that product. To ensure that this is the case, KONG requires that all its resellers carry out the following practices:
  - (a) sort, package and (if desired by the customer) bag each KONG product it sells separately;
  - (b) conduct rigorous quality control checks on every KONG product, including (but not limited to) checking the integrity of all packaging of every KONG product sold to ensure it is undamaged.
- 3.2 In addition to the above, to assist KONG in its goal to ensure that every customer is satisfied with the KONG product they receive, KONG requires its resellers to undertake product quality control checks on 3 of every 10,000 KONG products it sells. This should include:



- (a) carrying out a detailed assessment of the packaging of the KONG product;
- (b) breaking open the packaging;
- (c) carrying out a detailed assessment of the KONG product for any faults, damage or any other abnormalities; and
- (d) accurately and comprehensively documenting the product quality control check.
- 3.3 The above check is to be carried out at the cost of the reseller. Where the reseller discovers faults, damage or any other abnormalities with at least 2 out of the 3 products it tests, it will:
  - (a) immediately inform KONG; and
  - (b) cease selling any KONG products to customers until it receives confirmation from KONG that it may resume doing so.

#### 4. CUSTOMER SERVICE - KONG RETAIL EDUCATION

- KONG is constantly innovating and seeking to build on its reputation as the provider of the gold standard for dog toys, to ensure that every customer and their pet receives the best and safest product for them. KONG believes that dogs need play and expects its resellers to take active steps to convey this message to customers and promote the KONG brand. It is KONG's view that one of the most effective ways it can ensure its customers are happy with the KONG product they receive, maintain its reputation and promote its brand is to directly interact with its customers and listen to their feedback. For this reason, you must provide consumers with access to trained advisers who can obtain feedback from customers, handle their queries and deliver helpful, immediate and personalised advice as detailed below:
  - (a) Your store must at all times during opening hours be staffed by a sufficient number of well-informed retail staff who have received the **KONG Retail Sales Associate Education** and who can provide accurate and helpful advice regarding the features of the Products, build pet parent trust, and help consumers identify the most suitable product for their pet.
  - (b) Your store must be open during hours which reflect standard industry practice, including on Saturdays.
- 4.2 You must offer a reliable and user-friendly returns policy, including an efficiently operating return service which at least (i) allows return of the ordered products within 14 days of purchase or more in case of longer local legal requirements and (ii) guarantees free returns.



# Reseller Authorisation Criteria for the Retail Sale of KONG Products Online

### KONG CLICKS CRITERIA

### 1. YOUR WEBSITE

1.1 Your website must offer a high quality, visually pleasing and user-friendly retail environment synonymous with the reputation and brand image of the Products and which helps consumers to identify easily the safest and most suitable Product for their pet. Specifically, your website must comply with the following quality requirements:

# Display and content requirements

- 1.2 You must ensure that the Products are depicted within a section of the website dedicated to KONG products, which in turn is contained within a section of the website dedicated to pet toys from other reputable manufacturers / suppliers. With the exception of your own-brand products (if applicable), you must not give less priority on your website to KONG products than to products of other manufacturers / suppliers, and more generally must refrain from any discrimination of KONG products compared to products of other manufacturers / suppliers.
- 1.3 Your website, the Product pages, and any advertisement, sponsored link, or any other online marketing used, paid for or associated with your business, must comply with KONG's online brand representation and strategy, including any online branding or intellectual property guidelines as provided by KONG from time to time. Specifically, you agree to:
  - (a) spell KONG with all capital letters;
  - (b) use KONG approved benefits copy and bullets only;
  - (c) utilise KONG approved images, marketing banners, video clips, graphics or other visual or audio content only, represented in the approved order of importance; and
  - (d) accurately present and describe the Products using approved KONG intellectual property only and in accordance with all of KONG's specifications;
  - (e) not set up or register any business, domain name, store front, or social media username including any trademark owned by or licensed to KONG, or any KONG product name, or any misspelling of any trademark owned by or licensed to KONG or of a KONG product name; and
  - (f) prominently display your logo and/or name and not display on your website, or any other website, advertisement, sponsored link, or any other marketing used or paid for by you, any KONG intellectual property in any manner that could suggest, give the impression that, or be perceived by a visitor to the website (or advertisement etc.), that it is operated by KONG or in any way related to the official KONG website(s).



#### Website features

- 1.4 Your website must provide user-friendly search facilities which ensure accurate, consistent and relevant search results in relation to the Products and the KONG Enhanced Education tools designed to assist the consumer in purchasing a safe and correct toy for their pet. You must ensure that brand searches for KONG products and brands only yield results for KONG' products, and do not contain results for competitors' products.
- 1.5 You must display the total price (exclusive of final shipping cost) for a Product on the Product page including VAT and any other applicable tax or fee.
- 1.6 You must provide the capability for customers to submit customer reviews on your website.

# Ordering process

- 1.7 Your website must be a secure site for customer transactions and you must keep all customer data safe and process customer data in accordance with applicable laws. Encrypted security software and secure bank transactions must be enabled at all times.
- 1.8 Your website must contain a clear and conspicuous link to your terms and conditions of sale, including but not limited to payment terms, delivery terms, and policies and procedures for customer returns, refunds and exchanges. Your terms and conditions must be displayed or linked during at least one stage of the ordering process (or during more stages of the ordering process if required by local law). Your website must clearly and conspicuously set forth that: (a) you, and not KONG, are making the sale to the customer and (b) the terms and conditions directly and indirectly applying to returns, refunds and exchanges by customers are yours and not KONG. You must provide your own facilities and personnel to address and resolve all KONG product exchange, refund or return requirements.
- 1.9 You must offer at least two customer-friendly payment methods matching the common retail Internet industry standards in the countries in which you actively market or promote KONG products.
- 1.10 You must have a mechanism in place for confirming to the customer each order placed through your website and when each order has been shipped to the delivery address. You must use your best efforts to ship the products within three (3) business days from the customer's order. You must further provide the capability for customers to track the shipment and obtain real-time updates on the actual status of delivery.

# 2. THIRD PARTY MARKETPLACES / PLATFORMS

2.1 With the exception of the third party marketplaces or platforms listed in Criterion 2.3 below, you shall not sell on any third party marketplace or platform without first (i) demonstrating to KONG that your webshop complies fully with these KONG Clicks Criteria and (ii) having received KONG's prior written confirmation that your webshop is a compliant Authorised Website. For these purposes, references to "website" elsewhere in the KONG Clicks Criteria shall include references to a webshop on a third party marketplace. For the avoidance of doubt, if you use a third party fulfilment partner, you shall remain solely and directly responsible for your compliance with all the KONG Clicks Criteria, including for conducting the quality control processes and checks set out at paragraph 4 yourself. You shall not delegate compliance with any KONG Clicks Criteria to any third party.



- 2.2 In addition to complying with the remainder of the KONG Clicks Criteria, in order for a webshop on a third party marketplace / platform to qualify as an Authorised Website, you must comply with the following criteria:
  - (a) you must take active steps to identify and optimise key words for the search of KONG products on the relevant third party marketplace / platform and accordingly optimise the visibility of KONG products and the promotion of the KONG brand on that third party marketplace / platform. You must agree to work with KONG for these purposes;
  - (b) you must work with KONG and must obtain regular approval (at least fortnightly) for all content (including without limitation product descriptions and details, images, and titles) on your webshop product pages, to ensure that content remains optimised, up-to-date, accurate, and compliant with KONG's branding guidelines. You must obtain KONG's approval for any content changes or updates you make to webshop product page; and
  - (c) you must achieve and maintain a customer feedback score on the relevant third party marketplace that is at least 95% positive.
- 2.3 Any sales via a third party marketplace / platform that has been designated by KONG as an excluded marketplace / platform are prohibited. The excluded third party marketplaces / platforms are as follows:
  - (a) Alibaba.com; Allegro.pl; Alza.cz/sk/at/fr; Alzashop.com; ArtFire.com; Atomicmall.com; Bigcartel.com; Bigcommerce.com; Blujay.com; Bonanza.com; Buy.com (Rakuten); Dott.pt; Cdiscount.com; Craigslist.com; Cratejoy.com; CustomMade.com; Depop.com; eBay.com; eBid.net; eCRATER.com; Etsy.com; Facebook Marketplace; Flipkart.com; Flubit.com; FNAC.com; Folksy.com; Fruugo.com; Gumtree; iOffer.com; JD.com; Jet.com; Kuantokusta.pt; Kaufland.de: Laredoute.co.uk; LemonStand.com; Magento.com; Manomano.com; MercadoLibre.com; Newegg.com; Notonthehighst.com; Oobaooba.fr; Offeritem.com; OnBuy.com; OTTO.de; Pixmania.com; Pricefalls.com; PriceMinister.com; Rakuten.com; Real.de; Sell.com; Sears.com; Selz.com; Shophandmade.com; Shopify.com; Skroutz.gr; Spartoo.com; Squarespace.com; SOCexchange.com; StyleLend.com; Commerce.com; Taobao.com; Tictail.com; VideDressing.com; Volusion.com; Weebly.com; Wigix.com; WooCommerce.com; World.ubuy.com; Worten.pt; Xoole.com; Zibbet.com; 3tailer.com (and any local domains of the same); and
  - (b) any such other third party marketplaces or platforms as KONG may specify from time to time.

### 3. QUALITY CONTROLS

- 3.1 It is important to us that every customer and their pet receive the best and safest product, in a perfect condition and in a timely manner. We want every customer to be satisfied not only with the KONG product they have purchased but also with the experience of purchasing and receiving that product. To ensure that this is the case, KONG requires every reseller of KONG products to carry out the following quality control practices:
  - (a) individually sort, package, and bag each KONG product it sells separately;
  - (b) ensure that every KONG product it sells is packaged in such a way so as to protect it from damage before it is received by the customer; and



- (c) conduct rigorous quality control checks on every KONG product sold, including (but not limited to):
  - (i) checking all shipment pallets and cases for damage;
  - (ii) ensuring that each product being sent to a customer is the correct one, including checking details such as SKU product numbers, ASIN numbers, shipment papers, etc.;
  - checking each KONG product being sent to a customer for obvious defects or damage;and
  - (iv) checking the integrity of all packaging and shipping seals for every KONG product sent to a customer; and
  - including on the label and/or in the delivery packaging the Reseller's business name and contact details for returns or after-sales services, including physical address, telephone number and email address; and
  - (vi) ensuring all labelling on each KONG product is correct to enable it to arrive with the customer safely and in a timely fashion.
- 3.2 In addition to the above, to assist KONG in its goal to ensure that every customer is satisfied with the KONG product they receive, KONG requires its resellers to undertake product quality control checks on 3 of every 10,000 KONG products it sells. This should include:
  - (a) carrying out a detailed assessment of the packaging of the KONG product;
  - (b) breaking open the packaging;
  - (c) carrying out a detailed assessment of the KONG product for any faults, damage or any other abnormalities; and
  - (d) accurately and comprehensively documenting the product quality control check.
- 3.3 The above check is to be carried out at the cost of the reseller. Where the reseller discovers faults, damage or any other abnormalities with at least 2 out of the 3 products it tests, it will:
  - (a) immediately inform KONG; and
  - (b) cease sending any KONG products to customers until it receives confirmation from KONG that it may resume doing so.
- 3.4 You must also carry out at least one online compliance test purchase every month, whereby you purchase a KONG product from each Authorised Website on which you sell KONG products, to determine:
  - (a) average time for the delivery to be made;



- (b) whether the product received is the one that was ordered; and
- (c) the condition of the packaging of the product and the product itself and whether it has been damaged during transit.

You must record the results of each online compliance test purchase. If the compliance test purchase falls below the standards a reasonable customer would expect, you must report this to KONG immediately and take corrective action to ensure that any issues highlighted by the compliance test purchase are remedied to a standard acceptable to KONG.

Please note: if you use a third party fulfilment service, you remain solely responsible for carrying out all of the quality controls in this section 3 (together with complying with the rest of these KONG Clicks Criteria) directly, i.e. they may not be delegated to any third party.

# 4. CUSTOMER SERVICES

- KONG is constantly innovating and seeking to build on its reputation as the provider of the gold standard for dog toys, to ensure that every customer and their pet receives the best and safest product for them. KONG believes that dogs need play and expects its resellers to take active steps to convey this message to customers and promote the KONG brand. It is KONG's view that one of the most effective ways it can ensure its customers are happy with the KONG product they receive, maintain its reputation and promote its brand is to directly interact with its customers and listen to their feedback. For this reason, you must provide consumers with access to trained advisers who can handle customer queries and deliver helpful, immediate and personalised advice as detailed below:
  - (a) You must operate a landline telephone customer service line and ideally a live chat online feature, the details of which must be prominently and clearly displayed on your website.
  - (b) You must provide customer support in the local language and during standard industry practice opening hours, including on Saturdays, in the countries in which you actively market or promote the Products. You will also use your best efforts to provide customer services in other languages consistent with the delivery locations of customers. Outside these hours, a customer must be able to leave either a voicemail or send an email requesting customer support. These requests must be answered as soon as possible, but under no circumstances later than the next business day.
  - (c) All customer-facing staff (this includes all interactions over the telephone, the online live chat feature, and email) must be familiar with the Products you sell and with the KONG Enhanced Education tools on your website, so that they can provide accurate and helpful advice regarding the features of the Products, build pet parent trust, and help consumers to use the Enhanced Education tools to identify the most suitable Product for their pet.
- 4.2 KONG also requires all of its resellers to have:
  - (a) the ability for customers to leave feedback on the KONG product and their experience in purchasing that product with the reseller;
  - (b) a high feedback rate from its customers;



- (c) a low defect rate reported by its customers; and
- (d) at least a score of 9.5 on Trust Pilot or an equivalent review platform.
- 4.3 You must reply to any negative reviews posted by customers on your website within 24 hours of any comment and/or score being posted by the customer.
- 4.4 You must offer a reliable and user-friendly returns policy, including an efficiently operating return service which at least (i) allows return of the ordered products within 14 days of purchase or more in case of longer local legal requirements and (ii) guarantees free returns. You must provide the capability for customers to print out return labels online, include a return label in the delivery packaging or offer collection services for returned products.

# 5. COMPLIANCE AND CONDUCT

- 5.1 You will be responsible for and must comply with all applicable local and European Union regulations, statutes and rules, including relating to taking orders or conducting business over or through the Internet, data protection, data privacy, consumer protection, and local VAT/tax registrations, filings and payments in the country
- You must not partner with any third party that uses adware, spyware or other software to engage in popup or pop-under advertising and / or generates non-user initiated activity (e.g., forced clicks or redirects).
- 5.3 You must not use superlatives to describe the quantity of KONG inventory or the KONG online shopping experience, on any website, in any advertisement, sponsored link, or any other online marketing used, paid for or associated with your business. Examples of prohibited phrases include, but are not limited to, the "largest available online offering of KONG" or "best KONG website".

#### KONG Authorised Reseller Addendum

IMPORTANT: Please read the terms of this Addendum carefully, as it sets out your legal rights and obligations with respect to your authorisation to sell KONG products. Note that this Addendum supersedes any prior agreement (including any authorisations) you may have entered into with and/or received from KONG regarding the sale of the Products offline and/or online. Accordingly, all resellers are required to seek new authorisation under the terms of this Addendum.

#### WHEREAS:

a. KONG manufactures the Products and distributes them in Europe (as further defined below) through Authorised Distributors and Authorised Resellers (as further defined below), which is essential to maintaining the viability and promoting the objectives of the KONG European Partner Programme; and

b. KONG wishes to appoint the Reseller as a non-exclusive Authorised Reseller for the promotion and sale of the Products to End-Users, other Authorised Resellers and Authorised Distributors in Europe, and the Reseller wishes to promote and sell the Products on the terms and conditions of this Addendum;

#### The parties hereby agree as follows:

#### 1. Definitions

- 1.1 "Authorisation Date" has the meaning given in Clause 11 of this Addendum.
- 1.2 "Authorisation Term" has the meaning given in Clause 11 of this Addendum.
- 1.3 "Authorised Distributor" means a wholesale distributor within Europe which has entered into an Authorised Distributor Addendum with KONG and received KONG's prior written confirmation that it is authorised to sell KONG products to Authorised Resellers or Authorised Distributors in Europe due to its compliance with the Distributor Authorisation Criteria.
- 1.4 "Authorised Physical Location" shall mean a physical address retail store operated by the Reseller which KONG has pre-authorised in writing for the offline sale of the Products by the Reseller, due to the physical address's compliance with the Reseller Authorisation Criteria for offline sales.
- 1.5 "Authorised Reseller" means a retailer within Europe which has entered into an Authorised Reseller Addendum with KONG and received KONG's prior written confirmation that it is authorised to sell KONG products offline and/or online (as applicable) to End-Users, Authorised Resellers or Authorised Distributors in Europe due to its compliance with the relevant Reseller Authorisation Criteria.
- 1.6 "Authorised Web Shop" shall mean a web shop operated by the Reseller which KONG has pre-authorised in writing for the online sale of the Products by the Reseller, due to the web shop's compliance with the Reseller Authorisation Criteria for online sales.
- 1.7 "Distributor Authorisation Criteria" means the authorisation criteria for the sales of the Products by Authorised Distributors, which KONG may update from time to time by giving notice.
- 1.8 "**End-User**" shall mean any purchaser of the Product(s) who is the ultimate consumer for whom the Product is designed and who does not intend to resell the Product to a third party.
- 1.9 "Europe" means the European Economic Area, Switzerland and the United Kingdom.
- 1.10 "Licensed IP" means the trade marks, trade names, product images, marketing banners and/or any other intellectual property provided by KONG in writing, in the approved image or form provided by KONG.
- 1.11 "KONG European Partner Programme" means the selective distribution system under which KONG undertakes to sell the contract goods, whether directly or indirectly, only to Authorised Distributors or Authorised Resellers selected on the basis of their compliance with the Distributor Authorisation Criteria or Reseller Authorisation Criteria respectively, and where such Authorised Distributors and Authorised Resellers undertake not to sell such goods to any unauthorised distributors or unauthorised resellers.
- 1.12 "Reseller Authorisation Criteria" means the authorisation criteria for the sales of the Products by Authorised Resellers offline ("the Bricks Criteria") or online (the "Clicks Criteria"), which KONG may update from time to time by giving notice.

#### 2. Appointment

- 2.1 KONG appoints the Reseller as a non-exclusive Authorised Reseller and hereby grants the Reseller (pursuant to such appointment) a licence and right, during the Authorisation Term, to market, distribute and sell the Products under the Licensed IP to End-Users, Authorised Resellers and Authorised Distributors in Europe from the Reseller's Authorised Physical Location(s) and/or Authorised Web shop(s) (as applicable), on the terms of this Addendum.
- 2.2 The Reseller shall not make any sales of the Products to any customers before the Authorisation Date.
- 2.3 This Addendum supersedes any prior authorisation granted by KONG to the Reseller to sell the Products offline and/or online.

#### 3. Offline Sales of the Products

3.1 If the Reseller has been expressly authorised by KONG to sell the Products offline, the Products shall only be offered for sale from the Reseller's Authorised Physical Location(s) and the Authorised Physical Location(s) shall comply at all times with the terms of the Reseller Authorisation Criteria for offline sales. The Reseller is expressly prohibited from selling the Products from any physical store or premises that has not been expressly authorised in writing by KONG as an Authorised Physical Location.

#### 4. Online Sales of the Products

- 4.1 If the Reseller has been expressly authorised by KONG to sell the Products online, the Products shall only be offered for sale on the Reseller's Authorised Web shop(s) and the Authorised Web shop(s) shall comply at all times with the terms of the Reseller Authorisation Criteria for online sales.
- 4.2 Unless specifically authorised by KONG in writing under the KONG Reseller Authorisation Criteria, the Reseller is not permitted to sell Products via any third party online marketplace or platform.

# 5. Sales to authorised members of KONG European Partner Programme only

- 5.1 The Reseller agrees that it shall not sell or transfer any Products to any person or entity for resale that is not an Authorised Reseller or Authorised Distributor. At the time of sale, if a customer is attempting to purchase more than 5 units of the Products, the Reseller shall verify whether the customer is an Authorised Reseller or Authorised Distributor (KONG acknowledges that checking whether the customer appears on a recent list of Non Authorised Resellers provided by KONG will be sufficient for these purposes).
- 5.2 The Reseller shall not sell or offer for sale any product bearing a trade mark, copyright, patent, or name associated with KONG, which the Reseller purchased or obtained from a source other than KONG, an Authorised Distributor or an Authorised Reseller.

# 6. Geographic Sales Boundary

6.1 The Reseller may only sell and advertise for sale the Products within Europe. The Reseller is hereby expressly prohibited from soliciting or consummating sales outside of Europe, unless it has obtained KONG's express written consent.

#### 7. Intellectual Property

- 7.1 During the Authorisation Term and so long as the Reseller's appointment has not been terminated by either party, the Reseller is granted a limited, non-sublicenseable, non-exclusive, non-transferable, revocable license to use the Licensed IP for the sole purpose of advertising and promoting the sale of Products within Europe. This license will cease immediately upon termination of the Reseller's status as an Authorised Reseller.
- 7.2 The Reseller acknowledges and agrees that KONG owns all proprietary rights in and to the KONG brand, name, logo, trade marks, service marks, trade dress, copyrights, and other intellectual property related to the Products and the Licensed IP. The Reseller shall have no right, title, or interest in the Licensed IP. All use of the Licensed IP and the goodwill associated therewith shall inure to the benefit of KONG.
- 7.3 The Reseller shall ensure that the Licensed IP is:
  - (a) used in conjunction with the ® or TM designations as directed by KONG;
  - (b) not modified in any manner without the prior written consent of KONG;
  - (c) used alone without any other terms, marks, or designs which may detract from the Licensed IP; and
  - (d) used and displayed according to any branding or intellectual property specifications or conditions which KONG may provide or amend from time to time, including but not limited to KONG's brand voice and brand visual guidelines.
- 7.4 The Reseller shall not do anything inconsistent with KONG's ownership of the Licensed IP, including, but not limited to, using, causing or permitting another party to use the Licensed IP as any part of a uniform resource locator ("URL") or metadata tag, or as a keyword or search engine term without KONG's prior written consent. This does not include the use through Google's and Yahoo's Adword programs and/or other web service providers' similar adwords programs.
- 7.5 The Reseller shall not, at any time during or after termination of this Reseller Addendum, in connection with any business similar to that of KONG, adopt, use or register without the prior written consent of KONG a word or symbol or a combination of the two which is (in KONG's sole discretion) the same as or confusingly similar to the Licensed IP.
- 7.6 The Reseller undertakes not to copy the Products or to manufacture its own versions of the Products nor shall the Reseller authorise any third party so to do. Additionally, the Reseller shall not sell any Product for the purposes of incorporation into the Reseller's own products to any customer who would use them to manufacture the same type of goods as those produced by KONG.
- 7.7 The Reseller shall not, during the Authorisation Term or thereafter, challenge KONG's title to or rights in the Licensed IP. If the Reseller challenges the validity of the Licensed IP or KONG's title to or rights in the Licensed IP, KONG shall be entitled to immediately terminate this Addendum and any supply agreement or accepted purchase orders it has in place with the Reseller.
- 7.8 KONG alone is responsible for the registration and maintenance of any marks or designs that relate to the Products. The Reseller shall not obtain or try to obtain or register for itself anywhere in the world any trade marks or trade names, or other intellectual property that is the same as or similar to the Licensed IP.
- 7.9 The Reseller shall promptly give notice in writing to KONG if it becomes aware of:
  - (a) any infringement or suspected infringement of the Licensed IP or any other intellectual property rights relating to the Products within Europe; or
  - (b) any claim that any Product or the manufacture, use, sale or other disposal of any Product within Europe, whether or not under the Licensed IP, infringes the rights of any third party.
- 7.10 In respect of any matter that falls within Clause 7.9:
  - (a) KONG shall in its absolute discretion, decide what action to take in respect of the matter (if any);
  - (b) KONG shall conduct and have sole control over any consequent action that it deems necessary and the Reseller shall on being so requested by KONG and at KONG's cost assist in taking all steps to defend the rights of KONG including the institution at KONG's cost of any actions which it may deem necessary to commence for the protection of any of its rights;
  - (c) KONG shall pay all costs in relation to that action and shall be entitled to all damages and other sums that may be paid or awarded as a result of that action; and
  - (d) the Reseller shall, at the request and expense of KONG, provide any reasonable assistance to KONG (including the use of its name in, or being joined as a party to, proceedings) with any action to be taken by KONG under this Clause 6.1, provided that the Reseller is given such indemnity as it may reasonably require against any losses, costs and expenses it may incur as a result of or in connection with providing such assistance.

### 8. Data Protection

- 8.1 The Reseller shall at all times:
  - (a) be in compliance with all applicable privacy, accessibility, and data security laws, regulations, and industry standards, including, but not limited to, the General Data Protection Regulation;
  - (b) maintain detailed privacy policies and be in compliance with its privacy policies and the requirements of any contract to which the Reseller is a party; and
  - (c) have implemented and maintain written information security guidelines, which include physical, administrative and technological controls designed to prevent the unauthorised access to, disclosure, destruction, or loss of personally identifying information.

#### 9. Auditing / reporting

- 9.1 KONG reserves the right to request from the Reseller reports of inventories, sales and other pertinent information regarding its handling of the Products, as KONG may from time to time reasonably request. KONG shall grant the Reseller at least thirty (30) days within which to comply with any such request, except that KONG is permitted to require an immediate response to a notice requesting information required to verify the Reseller's compliance with this Agreement.
- 9.2 KONG reserves the right to audit and/or monitor the Reseller's activities for compliance with this Agreement, including, but not limited to, inspection of the Reseller's facilities and records concerning the Products.

#### 10. No agency

10.1 Nothing in this Agreement is intended to, or shall be deemed to, establish any partnership or joint venture between any of the parties, constitute any party the agent of another party, or authorise any party to make or enter into any commitments for or on behalf of any other party. Each party confirms it is acting on its own behalf and not for the benefit of any other person. The Reseller shall not (a) act as, or represent itself as, an agent of KONG for any purpose; (b) pledge KONG's credit; (c) give any condition or warranty on KONG's behalf; (d) make any representation on KONG's behalf; or (e) attempt to commit KONG to any sales contracts or any other legally binding agreement.

#### 11. Authorisation Term and Termination

- 11.1 The term of this Addendum shall begin on the date that <u>KONG</u> provides the <u>Reseller with KONG</u>'s express written confirmation that the <u>Reseller is authorised</u> as an Authorised Reseller (the "Authorisation Date"), and shall continue in full force and effect for one (1) year from the Authorisation Date (the "Initial Authorisation Term"). This Addendum will automatically renew for consecutive one (1) year terms ("Renewal Authorisation Term(s)", and together with the Initial Authorisation Term, the "Authorisation Term").
- 11.2 This Addendum may be terminated as follows:
  - (a) by KONG, immediately upon written notice to the Reseller in the event of a breach by the Reseller of Clauses 2, 3, 4, 5, 6 or 7 of this Addendum; or
  - (b) by KONG, immediately upon written notice to the Reseller if any Contract (as defined in the Terms and Conditions of Supply between the Parties, if applicable) is terminated as a result of a breach or default by the Reseller;
  - (c) by either party immediately by giving written notice to the other party if:

- (i) the other party: (i) is dissolved; (ii) ceases to conduct all (or substantially all) of its business; (iii) is or becomes unable to pay its debts as they fall due; (iv) is or becomes insolvent or is declared insolvent; or (v) convenes a meeting or makes or proposes to make any arrangement or composition with its creditors;
- (ii) an administrator, administrative receiver, liquidator, receiver, trustee, manager or similar is appointed over any of the assets of the other party;
- (iii) an order is made for the winding up of the other party, or the other party passes a resolution for its winding up (other than for the purpose of a solvent company reorganisation where the resulting entity will assume all the obligations of the other party under this Addendum);
- (iv) (where that other party is an individual) that other party dies, or as a result of illness or incapacity becomes incapable of managing his or her own affairs, or is the subject of a bankruptcy petition or order.
- 11.3 If this Addendum is terminated for any reason:
  - (a) any Contract (as defined in the Terms and Conditions of Supply between the Parties, if applicable) between KONG and the Reseller shall immediately terminate;
  - (b) the Reseller shall immediately cease:
    - (i) selling the Products;
    - (ii) selling the Products or acting in any manner that may reasonably give the impression that the Reseller is an Authorised Reseller or has any affiliation whatsoever with KONG; and
    - (iii) using the Licensed IP.
- 11.4 The following provisions in this Addendum shall survive termination: 11.

#### 12. Genera

- 12.1 No breach of any provision of this Addendum will be waived except with the express written consent of the party not in breach.
- 12.2 If any provision of this Addendum is determined by any court or other competent authority to be unlawful and/or unenforceable, the other provisions of the Addendum will continue in effect. If any unlawful and/or unenforceable provision would be lawful or enforceable if part of it were deleted, that part will be deemed to be deleted, and the rest of the provision will continue in effect (unless that would contradict the clear intention of the parties, in which case the entirety of the relevant provision will be deemed to be deleted).
- 12.3 KONG may freely assign its rights and obligations under this Addendum without the Reseller's consent. Save as expressly provided in this Clause, neither party may without the prior written consent of the other party assign, transfer, charge, license or otherwise dispose of or deal in any rights or obligations under this Addendum.
- 12.4 This Addendum is made for the benefit of the parties, and is not intended to benefit any third party or be enforceable by any third party. The rights of the parties to terminate, rescind, or agree any amendment, waiver, variation or settlement under or relating to this Addendum are not subject to the consent of any third party.
- 12.5 This Addendum will be governed by and construed in accordance with the laws of England and Wales; and the courts of England will have exclusive jurisdiction to adjudicate any dispute arising under or in connection with this Addendum.

For information on how we may use your data, please see <a href="https://www.kongcompany.com/eu-gdpr-privacy-policy">https://www.kongcompany.com/eu-gdpr-privacy-policy</a>

I confirm that I have carefully read, understand and agree to be bound by the terms of this Authorised Reseller Addendum:

Signature:	
Name of authorised representative:	
Job Title:	
Reseller company name:	
Date:	