



Welcome to DM Merchandising

In short - welcome to DM, please sign your life away. Just kidding! Our team is beyond excited to have you on board. DM partners with tons of amazing retailers and we love a new face to make smile! With over 3,000 innovative products and an array of solutions-based services, we're totally focused on you. DM is here to take the friction out of doing business.

If the attached document makes your eyes cross a little, don't worry. Broken down, it's a simple agreement to keep our partnership going strong, and we're laying out the gist of it in The Big Print. Keep reading to set your mind at ease and get the main points of our Reseller Agreement.

That little (ha) doc full of jargon is designed to protect both our business and yours. It includes info about the best places and people to whom you should sell, pricing and price protection, marketing and merchandising materials, returns and more good stuff.

(If you're having trouble getting to sleep, we recommend the full version. Works better than melatonin!)

The Big Print

→ Welcome to the DM Family

- Once you sign this doc, we're officially in business! Just know DM has a ton of happy retail partners and our brands are not exclusive to any one customer.

→ Power To The People

- Your customers must be the true end-user. DM products are not for resale by anyone but you.

→ Oh, The Places You (Won't) Go

- *You may not sell DM products anywhere but locations and platforms specific to your business.*
 - *You are not authorized to sell on third-party platforms like Amazon, Walmart.com, Jet or Zulily, just to name a few.*
 - *In addition, you may not redistribute DM products to sellers on third-party platforms.*

→ Trust The Look

- We love creating amazing brands! All we ask is that you don't change, alter or edit our artwork, copy, logos or branding in any way after receiving DM products. They're golden as is, if we do say so ourselves.
- If you're into creating your own promotional materials - awesome! - please reach out to our team for correct logos, fonts, current images and more to make sure you're on brand and - most importantly - DM products are recognizable to your customers.
- You get to use all our branding, logos, fonts, images and anything else you can think of - woohoo! - just as long as you promise not to change anything and do your best to keep our brands looking great.
- Please do *not* create any kind of website, social media account or similar platform in any of our brand or product names. Let us handle that. Get it? Handle? Follow us @thedmdifference for more jokes.

→ The Ultimate Price Protection (MAP Policy)

- *Some of our brands are so hot, we ask that you agree to protect their value in the marketplace. Minimum Advertised Prices only apply if you're promoting an item online or in print, so you can still sell them at a price point that works for you, as long as it's in the privacy of your brick-and-mortar store.*



- *Don't worry! No one can advertise protected products at lower than the MAP, so it's really a win for all involved.*

→ **Everyone Needs A (Tax) Break**

- Please be ready to provide a Resale Certificate for any and all applicable stores in any and all states. If not, your orders will not be tax exempt. Bummer.

→ **Check It Out Before Returning**

- Give your DM products a once-over and let us know if there are issues within 30 days. Please do not sell DM products you think are defective in any way.
- Get in touch with our Customer Service team at 800.548.6784 / customerservice@dmmerch.com and we'll do our very best to get you back in business quickly.

→ **It's All In The Family**

- Our biggest secret is pricing. Please do *not* share our wholesale pricing to any other person or business. We love to keep your margins high, but can only do that with complete confidentiality.

That's a wrap, well at least on the highlights. Now to bore you with the fine print. Don't worry, all the fun stuff was summarized above.

This Reseller Agreement ("Agreement") is entered into by and between DM Merchandising, Inc., organized in the state of Illinois and located at 835 N Church Ct Elmhurst, IL 60126 (the "Company") and the undersigned reseller ("Reseller"), on behalf of itself and all of its parents, subsidiaries, affiliates and related companies. Parties may be referred to individually as a "Party" and collectively as "Parties". The "Effective Date" of this Agreement is the date this Agreement is agreed to by both Parties.

Preamble

The Parties wish to enter into an agreement whereby Company will sell Products to Reseller for purposes of resale to Consumers, and the Reseller acknowledges that it has read, understood, and agrees, except where explicitly provided herein, to be bound by the terms and conditions outlined in this Agreement.

Definitions

For purposes of this Agreement, the following terms shall have the following meanings, unless the context clearly requires otherwise:

- (a) "Products" are any products that are sold by Company and purchased by the Reseller from Company.
- (b) "Consumers" are end-buyers whose purchase is intended to be the final point of sale, meaning a buyer purchasing the Products for the buyer's own use and not for purposes of resale.
- (c) A "Resale Certificate" is a statement signed by the Reseller that indicates the merchandise purchased is for resale purposes only, not a sale to a Consumer, and therefore no tax is due.
- (d) "Authorized Selling Platforms" are Reseller's brick-and-mortar storefronts and proprietary self-run websites owned by the Reseller that sell Products to Consumers.
- (e) "Unauthorized Selling Platforms" are any sales channels which are not Authorized Selling Platforms, including, but not limited to, 3rd party selling platforms such as Amazon, Walmart.com, Jet, Zulily, or any other online platform or affiliate which is not an Authorized Selling Platform.



- (f) "Company IP" means all Product brands, names, logos, trademarks, service marks, trade dress, copyrights, and other intellectual property related to the Products.

Section 1 - Non-exclusivity

- (a) Company hereby grants to Reseller and Reseller hereby accepts from Company the non-exclusive right to sell Products subject to all terms and conditions set forth in this Agreement.

Section 2 - Authorized Sales

- (a) Reseller shall only sell Products to Consumers through Authorized Selling Platforms.
- (b) Reseller shall not sell, ship, or promote the Products outside the United States of America without Company's prior written consent.
- (c) Upon request, Company may request all current and intended channels of sale of Products from Reseller. Reseller shall provide that information to Company within a fair and reasonable timeframe.
- (d) Unless approved in writing, Reseller should not sell to any person or entity Reseller knows or has reason to know intends to resell the Products. Reseller is authorized only to sell to Consumers.
- (e) If Reseller sells the Products via an online Authorized Selling Platform, Reseller shall operate any such website in compliance with the DM Merchandising online sales guidelines.

Section 3 - Unauthorized Selling Platforms

- (a) Reseller shall not, directly or indirectly, including through any agents, distribute, market, sell or solicit orders for Products from, on, or through Unauthorized Selling Platforms.
- (b) Reseller further covenants and agrees not to distribute, market or sell Products to any person or entity Reseller knows or has any reason to believe will resell the Products, including via Unauthorized Selling Platforms.
- (c) If Reseller becomes aware that any person to whom Reseller supplies any Products is marketing or selling the Products, or is planning to resell the Products, including via any Unauthorized Selling Platforms, Reseller shall cease forthwith to supply such person with Products.

Section 4 - Promotional Obligations

- (a) Any and all promotional materials for Products must use approved Company IP, including trademarks and copyrights, correctly. Alteration or redesign of Company IP, including assets, logos or copy is strictly prohibited.
- (b) Reseller shall conduct its business in a reasonable and ethical manner at all times and shall not engage in any deceptive, misleading, or unethical practices or advertising at any time.
- (c) Reseller shall not make any warranties or representations concerning the Products except as expressly authorized by Company.
- (d) Reseller shall comply with all applicable laws, rules, regulations, and policies (a) applicable to Reseller's business and/or (b) related to the marketing and sale of the Products. Reseller shall represent the Products in a professional manner and refrain from any conduct that is or could be detrimental to the reputation of Company or the Products.

Section 5 - MAP (Minimum Advertised Price) Policy



- (a) Company has a unilateral Minimum Advertised Price Policy (the “MAP Policy”), which applies to all authorized resellers of Products located in the United States of America. This Section 5 is intended to inform Reseller of the MAP Policy. It does not constitute consideration for any agreement between Reseller and Company, and does not separately constitute an agreement between Reseller and Company regarding the price Reseller will charge Reseller’s customers for the Products. A copy of the MAP catalog is available at <https://www.247dm.com/map-catalog/> and the MAP policy is included below the signature page.

Section 6 - Resale Certificate for Sales Tax

- (a) Upon request Reseller agrees to provide Company with Reseller’s current Resale Certificate(s) in order to receive tax exempt treatment on orders. Expired Resale Certificate(s) will not be honored.
- (b) Some states require a separate Resale Certificate for each location within a state (if there are multiple locations within a state). In such cases, Reseller will be required to provide a valid Resale Certificate for each location within a state.
- (c) If Reseller has stores in more than one state, Reseller will be required to provide a valid resale certificate number for each ship-to state to receive tax exempt treatment on orders.

Section 7 - Notice of Defects or Shortages and Initiating a Return Authorization

- (a) Reseller is responsible for inspecting, and shall inspect, Products promptly upon receipt. Any Products with defects or shortages should be reported to Company within 30 days of receipt, and Reseller agrees not to resell any defective Products.
- (b) Reseller should call customer service at 800-548-6784 or email customerservice@dmmerch.com to report defective or shorted Products.
- (c) Upon notification, Company will make every reasonable effort to help Reseller depending on the situation. If a return is warranted Company will initiate an RA (return authorization) to help facilitate the return.
- (d) Company will credit any payments after Products are checked in at receiving warehouse. The process may take up to 14 days after receipt.

Section 8 - Confidentiality

- (a) This Agreement, and its attachments and documents referenced herein, constitute confidential, proprietary information of Company and shall not be used for any purpose other than the authorized advertising and sale of the Products nor disclosed to any third party without the prior written consent of Company.
- (b) Prices of Products are confidential, and for the use of the Reseller only. Publishing or revealing the wholesale pricing is strictly prohibited.
- (c) Failure to preserve the Company and Reseller confidentiality will result in the immediate and permanent termination of the Reseller relationship.
- (d) Company reserves the right to seek compensation for any loss or damages that would result from any breach of confidentiality.

Section 9 - Governing Law/Dispute Resolution/Waiver of Jury Trial

- (a) This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Illinois, without regard to its conflict of law rules.
- (b) In the event of a dispute over the terms or performance under this Agreement the Parties expressly submit to personal jurisdiction and venue in the federal or state courts of record in DuPage County, Illinois. In the event of a breach or threatened breach of



this Agreement by Reseller, Reseller is responsible for Company's attorneys' fees and costs associated with any lawsuit or other action necessary to obtain appropriate relief.

Section 10 - Entire Agreement

- (a) These terms and conditions of sale constitute the entire agreement between Company and Reseller regarding the contemplated transactions, superseding any prior agreements and understandings between the Parties relating thereto.

Section 11 - Termination

- (a) Company, in its sole and absolute discretion, may terminate this Agreement, and/or its authorization for Reseller to market and sell the Products through one or all of the Authorized Selling Platforms, and Reseller must cease all such marketing and sales immediately upon receiving notice of such termination.

[Signature Page Follows]



In witness whereof, the Parties or their duly authorized representatives have executed this Reseller Agreement as set forth below.

() - I (Reseller) certify that I agree to the terms and conditions outlined in this agreement

() - I (Reseller) certify that I will not sell through unauthorized selling channels, as defined in this agreement, including any 3rd party marketplace.

() - I (Reseller) have read the DM Merchandising Minimum Advertised Price Policy and agree to follow the conditions and requirements outlined.

() - I (Reseller) agree to not sell product to any distributors or wholesalers.

DM Merchandising, Inc.

By: _____

Signature: _____

Title: _____

Date: _____

[ENTER COMPANY LEGAL NAME] ("Reseller"), a [JURISDICTION OF ORGANIZATION]
[ENTITY TYPE]

[HEAD OFFICE COMPANY ADDRESS]

By: _____

Signature: _____

Title: _____

Date: _____



DM MERCHANDISING MINIMUM ADVERTISED PRICE POLICY

- (a) Advertising and promotional activities play a critical role in establishing brand equity and the reputation of Products. Company's MAP Policy is designed to ensure that all advertising focuses on features, benefits, guarantees and quality. This advertising is essential to ensure the correct value of Products is perceived in the minds of Consumers.
- (b) Company will publish MAP for certain Products directly on their website and can be accessed live from this link; <https://www.247dm.com/map-catalog/>
- (c) MAP pricing is established by Company and may be adjusted at Company's sole discretion.
- (d) The MAP policy applies to all advertisements of Products in any and all media, including, but not limited to, flyers, posters, coupons, mailers, inserts, newspapers, magazines, catalogs, mail order catalogs, email newsletters, email solicitations, internet or similar electronic media, television, radio, and public signage.
- (e) The MAP policy is not applicable to any in-store advertising that is displayed only in the store and not distributed to any customer(s).
- (f) The inclusion in advertising of free or discounted Products, covered by the MAP policy, would be contrary to the policy if it has the effect of discounting the advertised price of the covered product below the MAP.
- (g) If pricing is displayed, any strike-through or other alteration of the Minimum Advertised Price is prohibited.
- (h) Resellers are free to sell Products at any prices they choose, if it is not below MAP. MAP does not establish maximum advertised prices.
- (i) Reseller shall maintain the confidentiality of Company's MAP policy.
- (j) Intentional or repeated failure to abide by this policy will result in termination of this Reseller Agreement, a minimum 12-month ban from doing business with Company, and further legal action to the fullest extent permitted by applicable law.
- (k) It is Reseller's responsibility to actively and regularly check MAP pricing to ensure compliance.