

**OOLY and CALICO SUN Online Dealer
Policy November 2019
(United States Only)**

1. Purpose

OOLY, LLC and Calico Sun by OOLY (“OOLY”) has unilaterally decided that its business interests are best served through the adoption of an Online Dealer Policy for its products. OOLY designs, manufactures and markets products under the OOLY premium brand, which identifies those products to the consuming public as having characteristics of excellence and superior quality. OOLY has invested significant resources in product design, development and marketing to build and maintain its reputation for high quality and to generate goodwill in all the OOLY brands. This Online Dealer Policy is designed to: (1) ensure its products’ quality, reliability, and safety; (2) uphold the OOLY products’ brand as a premium product offering; and (3) support OOLY Online Dealers to provide top-level service to their customers.

2. Effective Date

This Online Dealer Policy (“Dealer Policy”) was initially effective December 1, 2018 and this updated policy is effective November 1, 2019 and supersedes all prior OOLY MAP Policies.

3. Online Dealer Policy Coverage This Dealer Policy applies to all OOLY products sold by its Online Dealers in the United States and sets forth the terms and conditions under which OOLY authorizes an account to sell OOLY products (“Products”) online (“Online Dealer”). No Online Dealer is authorized to sell Products online unless its account is in good standing,

complies with all terms and conditions in this Dealer Policy and all other sales policies and has received an email confirmation from OOLY that the account was reviewed and approved to sell Products online.

4. Authorized Online Dealers

Subject to the terms and conditions of this Dealer Policy and OOLY's unilateral approval of an account to be an Online Dealer, OOLY authorizes the Online Dealer to market, advertise, offer to sell, and to fulfill orders for Products on the Internet only through its company website. The Online Dealer shall maintain its authorized website in compliance with this Dealer Policy. An Online Dealer shall not advertise its website as "exclusive," "official," "certified," "factory direct," or "factory outlet" or the like in relation to the Products or OOLY.

5. Territorial Limitations

Online Dealers may only sell or ship Products to the United States and its territories. This territorial limitation must be clearly specified on the Online Dealer's website.

6. Product and Brand Representation

Subject to the terms and conditions of this Dealer Policy and as further described below, OOLY authorizes the Online Dealer to use the OOLY logo, trademarks, trade names, Product images and Product descriptions and specifications located on the OOLY website.

6.1. All Product names and trademarks must be accurate with correct spelling as set forth on www.ooly.com.

6.2. Online Dealer may only (i) use OOLY Product images Product copy and videos found on wholesale.ooly.com to market and promote the OOLY Products or (ii) use Online Dealer's own Product images and copy

provided such images and copy comply with the OOLY Product Image Guidelines located on the OOLY website or (iii) create video content for online distribution featuring the Products provided such videos comply with the OOLY Product Image Guidelines on the OOLY website and OOLY approved the video prior to distribution.

6.3. Products should be represented using a minimum of two images (thumbnail image and larger image, alternate views if available) and accompanied by the appropriate Product description and specifications. Product descriptions and specifications are available on the OOLY website. If the Online Dealer creates its own Product descriptions and specifications, then those descriptions and specifications must be accurate and not misleading in any manner. The Online Dealer is responsible for screening all Product information to assure compliance with this Dealer Policy.

6.4. All OOLY intellectual properties, including but not limited to logos, Product images and descriptions, lifestyle photography, video content, additional content on ww.ooly.com, blog.ooly.com such as blog entries, OOLY Social Media channels and Product reviews, trademarks and trade names are the exclusive property of OOLY and its affiliates. Any use by the Online Dealer as permitted in this Dealer Policy must be used in accordance with this Dealer Policy and any terms and conditions on OOLY Dealer website including content use regulations. As the exclusive owner of its intellectual property, OOLY reserves the right at any time to change, modify or delete the limited use its trademarks including but not limited to use of any trademarks as pay-per-click search advertising copy.

6.5. OOLY brand name and Products must be spelled correctly and in full on the Online Dealer website. If the Online Dealer misuses the brand name or the brand, Online Dealer shall promptly correct any errors and OOLY reserves the right to prohibit Dealer from selling the Products online.

7. Online Dealer Affiliates and Comparison Shopping Engines

Online Dealers are permitted to have 3rd-party affiliates (“Affiliates”) and comparison shopping engines (“CSEs”) advertise, promote and direct visitors to the Online Dealer’s website. On the condition that such 3rd parties comply with this Dealer Policy. The Online Dealer must ensure that its Affiliates and CSEs (collectively “Online Dealer Affiliates”) comply with the following requirements or the Online Dealer will be terminated:

7.1. An Online Dealer Affiliate must not state or imply that it has a direct relationship with OOLY. Online Dealers must not be affiliated with any entity or individual that (a) uses OOLY trademarks or Product images or descriptions, or names in its URL, (b) uses OOLY trademarks, copyrighted images and descriptions, graphics or text, or (c) otherwise represents that its site is directly associated with OOLY. Online Dealers must not be affiliated with any entity or individual that infringes any of the foregoing, including but not any site that copies or resembles the look and feel of www.ooly.com.

7.2. Online Dealer Affiliates must not bid on, purchase or use the search terms “OOLY, LLC”, “OOLY”, “www.ooly.com”, or other trademarks, Product names or any misspelling or variant thereof on websites, search engines, search portals, or like websites.

7.3. All Online Dealer Affiliates must update Product price and inventory data at least once daily.

7.4. Only the Online Dealer website, and not the Online Dealer Affiliate website, may transact the sale of the Products.

7.5. CSE Syndicate Networks: It is the Online Dealer’s sole responsibility to audit its Online Dealer Affiliates. No traditional retailer who is not an authorized Online Dealer may be a part of an Online Dealer’s CSE network. Only the Online Dealer website may transact the sale of the Product; the customer must be redirected to the Online Dealer website for the sales transaction.

8. Online Advertising

Online Dealers and Online Dealer Affiliates may promote the Products through online advertising, including pay-per-click search advertising, display advertising, email, social media advertising and marketing, and mobile advertising.

8.1 Minimum Advertised Price (“MAP”) Policy: Each Online Dealer remains free to sell OOLY products at any price(s) it chooses, however, failure to comply with the applicable OOLY MAP Policy will have the consequences set forth in that MAP Policy. MAP Policy applies only to the United States.

8.2. Web Loyalty Affiliates: Online Dealers may participate in consumer Web Loyalty programs that provide consumer rewards for online purchases.

8.3. CSEs and Shopping Feeds: Online Dealers may feed Product data to 3rd party comparison shopping engines.

8.4. Advertising Message: While an Online Dealer is free to advertise and sell OOLY Product at prices the Dealer may freely choose, the following words and phrases may not be associated with the OOLY brand and OOLY in-line Products in any online advertising or Online Dealer websites: “blow out”, “cheap”, “discount(ed)”, “discounter”, “savings”, “save”, “markdown”, “clearance”, “for less”, “best price”, “\$XXX off”, “coupon”, “coupon code”, “lowest price”, “lower price”, “unbeatable price”, “bargain”, “under \$XXX”, “below \$XXX”, “budget price”, “steal”, “reduction”, “reduce(-d)”, “price slash”, “slashed prices”, “price-cut”, “decreased price”, “blowout”, “\$XXX savings”, a strike through of OOLY’s MSRP pricing (e.g., (\$125.00)) and “% off.”

8.5. Advertising for Discontinued Products: OOLY Products that are

discontinued by OOLY (in its sole discretion) at the end of a season (either for a season or permanently) may be featured in advertising for clearance or end-of-season sale events and the words or phrases set forth in Section 8.4 may be associated with discontinued OOLY Products provided such advertising clearly identifies the Product as “discontinued.” A Product is considered “discontinued” if it is no longer listed in the OOLY Catalog Price List and OOLY MSRP List. Please see FAQ #4 for further information on advertising discontinued Products.

9. Website Standards

Online Dealer websites must comply with all applicable federal, state, provincial and local laws, including but not limited to all truth-in-advertising laws. In addition, Online Dealer websites must meet the following minimum standards or contain the following elements:

9.1. Information Architecture: Website architecture must have a clear design, intuitive navigation, search, high-resolution images, keyword and brand search capabilities. Easy global site access is required for all consumer service telephone numbers, addresses, email, hours of operation and return policies and process.

9.2. Order Process: A “Shopping Cart” is required in which a consumer can change quantities and/or remove items. There must be a checkout process that provides a clear statement of all charges including shipping and taxes. An order confirmation number should be provided upon the submission of a completed order that, at a minimum, allows the consumer to track purchased Products through Online Dealer’s consumer service department. Order processing and shipment should be completed within forty-eight hours (excluding weekends and major US holidays) at the quoted shipping cost. Information should be provided regarding the expected arrival of any backordered items within forty-eight hours of consumer order (excluding weekends and major US holidays). The consumer must have the option to cancel the order upon notification of the

item being on backorder. A Product returns policy and credit system should be adopted that is adequate for consumers to return merchandise to the Online Dealer and receive credit for items purchased through the Website.

9.3. Customer Service: An Online Dealer website should strive to provide excellent customer service. Customer service representatives should have high-quality OOLY Product knowledge. Fast and accurate responses should be made to customer inquiries within twenty-four hours of receipt.

9.4. Technology Standards: Online Dealer sites must have a secure transaction form using encrypted-data streams or secure encryption technology, and must be PCI compliant, and a high standard of transaction security should be maintained, including technology advances that become available. The Online Dealer should employ dedicated personnel in-house or Web agency that provides dedicated personnel to Online Dealer.

9.5. Privacy Policy: Online Dealer websites will post and enforce a privacy policy compliant with applicable federal, state and local laws and regulations including COPPA compliance if applicable.

9.6. Content: Online Dealer websites shall be in good taste and reflect favorably on OOLY brand, Products, services, employees and ambassadors. Content shall not contain profanity, defamatory statements, pornography, sexually explicit materials or political material or contain any derogatory statements or slurs related to race, gender, ethnicity, national origin, sexual orientation, physical or mental disabilities or any other protected classes. All content must be accurate, complete and current. All content shall not infringe upon any third party intellectual property rights or rights of publicity.

10. Inventory

In-stock and out-of-stock items must be updated once daily (minimum) and

must be clearly marked as such.

11. Warranty and Limitations of Liability

The Online Dealer should conspicuously post and comply with any warranty and limitations of liability requirements applicable to any Products sold on the website.

12. Sales and Inventory Data

An Online Dealer must provide to OOLY, LLC information on its customer location, products sold and inventory information, but not customer pricing information, specific to OOLY, LLC Products upon request from OOLY, LLC.

13. Registered URLs

Online Dealers may not register any URL using OOLY trademarks, including but not limited to "OOLY, LLC" or any Product, collection, or series names or any misspelling variation thereof including typos or alphanumerics. If an Online Dealer is found to own this type of URL, the Online Dealer agrees it will transfer the domain ownership to OOLY or its affiliates and it will be responsible for all related costs.

14. OOLY Brand Shops

If OOLY Products are sold via an OOLY "Brand Shop," no other trademarks, trade names, links or imagery of any other company may be used within or in connection with the Brand Shop.

15. Intellectual Property OOLY is the sole owner of all intellectual property rights associated with its products, including, but not limited to, all patent licenses, copyrights, registered and applied-for trademarks, trade names, brands, images, descriptions, and likenesses of its products ("Intellectual Property"). No alterations or assignments to OOLY's

Intellectual Property will be allowed without prior written consent from OOLY. OOLY reserves the right to revoke Intellectual Property use privileges at any time for any reason without prior notification or warning to any Online Dealer. Online Dealers acknowledge that OOLY is the owner of the Intellectual Property and confirm and agree that any use of the Intellectual Property by the Online Dealers and any goodwill generated by its use by the Online Dealers shall enure to the exclusive benefit of OOLY.

16. OOLY Advertising Contributions To support its Online Dealers, OOLY contributes the cost of all marketing materials such as the OOLY website, product images, product descriptions, catalogues, merchandising solutions, public relations, traditional and digital media to support its brand and in doing so furnishes a limited right to use to OOLY Intellectual Property for the express purpose of supporting its Online Dealers' online advertising of all OOLY products. All online advertisements using OOLY products or any OOLY Intellectual Property must fully comply with all local, state and federal laws on advertising.

17. Dealer Policy Noncompliance

OOLY shall determine any noncompliance of this Dealer Policy, in its sole discretion. OOLY will not accept any communication from any Online Dealers regarding its compliance with this Dealer Policy. In the event a retailer chooses not to follow this Dealer Policy, OOLY has the unilateral right to: a) revoke marketing allowances; b) revoke Intellectual Property use privileges; and/or c) terminate the business relationship altogether.

18. No Agreement - Unilateral Action This Dealer Policy has been unilaterally developed and adopted by OOLY and will be unilaterally enforced by OOLY. The business relationship between OOLY and each of its Online Dealers remains independent and "at will" and as such OOLY

reserves the right to terminate such business relationship without cause and at any time. Nothing in this Dealer Policy is intended to be a contract or agreement between OOLY and any Online Dealer as to the terms of this Dealer Policy.

19. Dealer Policy Modifications

OOLY reserves the unilateral right to modify, suspend, or discontinue this Dealer Policy, in whole or in part.

20. Compliance with Laws

Online Dealers must comply with all federal, state, provincial and local laws while advertising and selling OOLY products, including but not limited to all truth-in-advertising laws.

21. Contact Information

OOLY sales personnel have no authority to modify or grant exceptions to the Dealer Policy or have any communications with any Online Dealer regarding the terms or non-compliance with this Dealer Policy. All questions or comments regarding this Dealer Policy are to be directed to the policy administrator at OnlineAdmin@ooly.com.

Frequently Asked Questions

1. Am I allowed to ship outside of the country where my online store is located? Yes, but you are only permitted to ship to the United States and its territories and to Canada.

2. I have an eBay Store. Can I sell OOLY Products on eBay? No, eBay is not an approved sales channel for OOLY Products.

3. I have an Amazon Store Data Feed. Can I sell OOLY Products on Amazon.com? No, Amazon.com is not an approved OOLY sales channel for Online Dealers. Any site that does not redirect shoppers to your approved store to complete their purchase is not an approved sales channel. Amazon.com is an authorized reseller of OOLY Products only through its relationship directly with OOLY.

4. Can I advertise discontinued Products? Although it is discouraged, OOLY Products that are discontinued **by OOLY (in its sole discretion)** at the end of a season (either for a season or permanently) may be featured in advertising for clearance or end-of-season sale events through the following media channels: online banner, portal (or comparison shopping engines), affiliate, email, mobile, print, out-of-home, television and radio advertising. Such advertising must clearly identify the Product as “discontinued.” **A Product is considered “discontinued” if it is no longer listed in the OOLY Catalog Price List and OOLY MSRP List.**

5. What website can the Products be sold on? OOLY Products may only be advertised and sold on the single domain name that the OOLY Sales Team has previously approved and no other domain names.