



Dear Retailer,

At KSSM, LLC *D/B/A* Baby Foot USA (“Baby Foot”), we are committed to you—the retailer partners of our Foot branded products (“Products”). To protect Baby Foot’s distribution channels, the integrity of its brand, the quality of its Products, and support your business, **Baby Foot is implementing an Authorized Seller Program, including the attached KSSM, LLC *D/B/A* BABY FOOT USA AUTHORIZED RETAILER POLICY (“Authorized Retailer Policy”), which will be effective November 5, 2018.**

Key Features of the Authorized Retailer Policy:

- **Where and to Whom You May Sell the Products:** Baby Foot is committed to maintaining the integrity of its authorized distribution channels and to stopping the diversion of the Products to unauthorized sellers. To this end, the Authorized Retailer Policy requires that you sell the Products solely to end users and not to persons or entities who intend to re-sell the Products. In addition, the Products may not be marketed for sale or shipped outside of the United States.
- **Internet Sales:** **The Authorized Retailer Policy provides that you are only permitted to sell the Products on websites that you own or operate as set forth in the Authorized Retailer Policy. Sales on or through third-party marketplace sites such as Amazon, eBay, Walmart, etc. are not permitted without prior written consent from Baby Foot.** This provision will be strictly enforced.
- **Ensuring Product Quality and Satisfaction:** To ensure that the consumers who purchase the Products have the best experience possible, we have outlined our expectations for the service you will provide to your customers. The Authorized Retailer Policy also describes certain steps you must take to maintain the quality of the Products.

Finally, Baby Foot has a unilateral Minimum Advertised Price Policy (“MAP Policy”) that applies to all Authorized Retailers of Baby Foot Products located in the United States of America. A copy of the MAP Policy is attached for your review and reference.

Thank you for your careful attention to the attached documents and for your continued support of the Baby Foot brand.

Sincerely,

KSSM, LLC *D/B/A* Baby Foot USA



KSSM, LLC D/B/A BABY FOOT USA AUTHORIZED RETAILER POLICY
Effective Date: November 5, 2018

KSSM, LLC D/B/A Baby Foot USA (“Baby Foot”) has issued this KSSM, LLC D/B/A Baby Foot USA Authorized Retailer Policy (“Authorized Retailer Policy”) that applies to certain Authorized Retailers of Baby Foot’s products (“Product(s)”) in the United States of America. By purchasing Products, Retailer agrees to adhere to the following terms and conditions. Until such status is revoked by Baby Foot in its discretion, Retailer shall be considered an “Authorized Retailer.” This Authorized Retailer Policy supplements any then-current retailer agreement between Retailer and Baby Foot. Baby Foot may review Retailer’s activities for compliance with this Authorized Retailer Policy, and Retailer agrees to cooperate with any such investigation, including, but not limited to, permitting inspection of Retailer’s facilities and records related to the sale of the Products.

1. **Sales to End Users Only.** Retailer shall sell Products only to End Users. An “End User” is (1) any purchaser of Products who is the ultimate consumer, and (2) who does not intend to resell Products to any third-party. Retailer shall only sell to End Users a quantity of Products generally purchased by a person for personal use and shall not sell or transfer Products to any person or entity Retailer knows or has reason to know intends to resell the Products.

2. **Online Sales.**

a) **Permissible Websites:** Retailer shall only market or sell the Products online through Permissible Websites. A “Permissible Website” is a website or a mobile application that:

- is operated by Retailer in Retailer’s legal name or registered fictitious name;
- clearly states Retailer’s full legal name, mailing address, telephone number, and email address;
- is operated in compliance with the terms and conditions set forth in the Online Sales Guidelines, attached hereto as Exhibit A, as may be amended by Baby Foot from time to time.

Retailer shall not market or sell Products through any other website, mobile application, or other online forum, including as a third-party seller on any marketplace website (such as Amazon.com, eBay.com, etc.), without Baby Foot’s prior written authorization.

b) **Termination and Supersedes Prior Agreements:** Baby Foot may terminate Retailer’s approval to market or sell Products on the Permissible Websites, and Retailer shall immediately cease sales upon such termination. This Authorized Retailer Policy supersedes any prior agreement regarding the sale of the Products through websites, mobile applications, or other online forums.

3. **Other Sales Practices.**

- a) **U.S. Sales Only:** Retailer shall not sell, ship, or invoice Products to customers outside the United States.
- b) **Business Practices:** Retailer shall conduct its business in an ethical manner and shall comply with all applicable laws, rules, regulations, and policies regarding the advertising, sale, and marketing of Products.
- c) **Authorized Representations Only:** Retailer shall not make any warranties or representations regarding the Products except as expressly authorized in writing by Baby Foot.

4. **Baby Foot Product Care and Quality Controls.**

a) **No Alterations:** Retailer shall not alter the Products in any way and shall sell Products in their original packaging. Relabeling, repackaging (including the separation of bundled products or the bundling of products), and other alterations are prohibited. Retailer shall not remove, translate, or modify the contents of any Product label or literature. Retailer shall not tamper with, deface, or alter any serial number, item number, UPC code, batch or lot code, or other identifying information on Products or their packaging.

- b) **Product Handling/Storage:** Retailer shall comply with all instructions provided by Baby Foot regarding the storage, handling, shipping, disposal or other aspect of the Products. Retailer shall store Products in a cool, dry place, away from direct sunlight, extreme heat, and dampness.
- c) **Product Shipping.** All Products shipped by Retailer to the End User must clearly identify the Retailer as the seller.
- d) **Returned/Repackaged Products:** Retailer shall not represent or advertise any Product as “new” that has been returned in an opened or repackaged manner.
- e) **Product Inspection:** Promptly upon receipt, Retailer shall inspect the Products for damage, defects, broken seals, evidence of tampering, and other nonconformance (a “Defect”). If a Defect is identified, Retailer shall not offer the Product for sale and shall report the Defect to Baby Foot by email at quality@babyfoot.com.
- f) **Recall and Consumer Safety:** Retailer shall cooperate with Baby Foot with respect to any Product recall or other consumer safety information dissemination efforts.
- g) **Product Tracking:** Retailer shall cooperate with Baby Foot regarding any Product tracking systems.
- h) **Investigations:** Retailer shall cooperate in the investigation and resolution of any Product issues regarding quality and customer service, including disclosing information regarding Product sources and Retailer’s customer service, shipment, and handling procedures.

5. **Customer Service.**

- a) **Product Knowledge:** Retailer shall be familiar with special features of Products and must obtain sufficient Product knowledge to advise customers on their selection and safe use including any applicable guarantee or return policy.
- b) **Adverse Claims:** Retailer shall promptly respond to customer inquiries before and after Product sales; shall report to Baby Foot any customer complaint or adverse claim regarding the Products of which it becomes aware; and shall cooperate in any investigation regarding the same.

6. **Intellectual Property.** Retailer acknowledges and agrees that Baby Foot or its licensors owns all proprietary rights in and to the Baby Foot brands, names, logos, trademarks, service marks, trade dress, copyrights, and other intellectual property related to the Products (the “Baby Foot IP”). Retailer shall not create, register, or use any domain name or any mobile application that contains any Baby Foot product name or any trademark owned by or licensed to Baby Foot, nor a misspelling or confusingly similar variation of any Baby Foot product name or any trademark owned by or licensed to Baby Foot.

7. **Termination.** Upon Retailer’s violation of this Policy, Baby Foot has the right to terminate Retailer’s status as an Authorized Retailer upon written or electronic notice. Upon termination, Retailer shall cease: (1) selling Baby Foot Products, and (2) acting in any way that gives the impression that Retailer is an Authorized Retailer or has any affiliation whatsoever with Baby Foot.

8. **Modification.** Baby Foot reserves the right to update, amend, or modify this Retailer Policy with written or electronic notice. Unless otherwise provided, such amendments will take effect immediately and Retailer's continued use, advertising, offering for sale, or sale of the Products, or use of any other information or materials provided by Baby Foot to Retailer following notice of the amendments will be deemed Retailer's acceptance of the amendments.

9. **Confidentiality.** This Authorized Retailer Policy, and its attachments, if any, constitute confidential, proprietary information of Baby Foot 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 Baby Foot.

EXHIBIT A

KSSM, LLC D/B/A BABY FOOT USA ONLINE SALES GUIDELINES

Retailer's approval to sell Products on Permissible Websites is conditioned on the following terms and conditions:

1. Retailer shall be responsible for all Product fulfillment to its customers who order through a Permissible Website, any applicable taxes associated with such individuals' purchases of Products, and any returns of Products. Furthermore, Retailer's full legal name, mailing address, email address, and telephone contact must be included with any shipment of Products from Permissible Websites
2. Retailer shall not use any third-party fulfillment service to store inventory or fulfill orders for the Products unless separately authorized by Baby Foot in writing.
3. Under no circumstances shall Retailer fulfill orders in any way that results in the shipped Product coming from stock other than Retailer's.
4. The Permissible Website(s) must not give the appearance that it is operated by Baby Foot or any third party.
5. Retailer represents and warrants that the Permissible Websites are and will remain in compliance with all applicable privacy, accessibility, and data security laws, regulations, and industry standards.
6. In marketing the Products on Permissible Websites, Retailer shall only use images of Products either supplied by or authorized by Baby Foot and shall keep all Product images and descriptions up to date.
7. Retailer shall not advertise Products not carried in inventory.
8. The Permissible Websites shall have a mechanism for receiving customer feedback, and Retailer agrees to use reasonable efforts to address all customer feedback and inquiries received in a timely manner. Retailer shall provide copies of any information related to customer feedback (including any responses to customers) to Baby Foot for review upon request. Retailer shall cooperate with Baby Foot in the investigation of any negative online product review associated with Retailer's sale of the Products and to use reasonable efforts to resolve any such reviews.
9. At Baby Foot's request, Retailer agrees to reasonably cooperate in providing access to, and copies of, all pages that comprise Retailer's Permissible Websites.



KSSM, LLC D/B/A BABY FOOT USA MINIMUM ADVERTISED PRICE POLICY
Effective Date: December 3, 2018

Certain advertising practices undermine KSSM, LLC D/B/A BABY FOOT USA's ("Baby Foot") reputation, brand, goodwill, and premium image with its target consumer retail population; discourage its sellers from investing in Baby Foot products; and providing the best possible service and support to customers. To protect the integrity of the brand, Baby Foot has adopted this unilateral Minimum Advertised Price Policy (the "MAP Policy"), which applies to all authorized sellers of Baby Foot products in the United States. This MAP Policy supersedes all prior Baby Foot policies or representations regarding minimum advertised prices or resale prices for the Covered Products (as defined below) applicable to sellers.

Products Subject to MAP Policy and Minimum Advertised Price

This MAP Policy applies to advertisements of all Baby Foot products with a minimum advertised price ("MAP") set forth herein. The Original Baby Foot Peel, the Limited Edition Baby Foot Peel, the Baby Foot Peel for men, and all other foot peels have a minimum advertised price of \$25 each, and the Baby Foot Moisturizing Foot Mask has a minimum advertised price of \$15 each (collectively, the "Covered Products"). Baby Foot is solely responsible for establishing the MAP for the Covered Products and communicating the MAP to all sellers. **While sellers remain free to sell all Covered Products at any price, it is a violation of this MAP Policy for a seller to advertise any Covered Products at a price lower than the MAP.**

Advertising and Advertisements

For purposes of this MAP Policy, the terms "advertise" and "advertisement" includes all promotional or pricing information displayed by any type of media, including, but not limited to:

- newspapers
- catalogs
- magazines
- flyers
- brochures
- television
- radio ads
- billboards
- outdoor signage
- websites
- blogs
- social media
- affiliate marketing networks/comparison shopping engines
- seller-initiated text messages or emails to customers or prospective customers
- mobile/smart phone applications
- banner ads
- online product ads
- paid search ads
- pay-per-click ads
- display ads
- mobile ads
- product listing ads
- sponsored links
- ads in any other media in a digital format that is conveyed via the Internet
- any other marketing or promotional materials, whether displayed online, through broadcast, or other media

Such advertisements also include, but are not limited to:

- Offering coupons, discounts, rebates, or other inducements that, when applied, result in a price lower than the MAP, including through use of a storewide sale, a category-wide sale, a promotional code, or other similar provision that can be applied to the Covered Products. Consumer loyalty programs that reward buyers with a rebate are permitted so long as the rebate does not occur during the sale process, such as an instant rebate.
- Bundling Covered Products with other products or services (whether made by or provided by Baby Foot or another entity) in a manner that implies below-MAP pricing for the bundled Covered Product.
- Strikeouts or strikethroughs of pricing information, "see price in cart," or other statements that suggest a lower price for a Covered Product may be found at the final online checkout stage.
- Permitting any third-party to alter the advertised price for any Covered Product.

The terms “advertise” and “advertisement” do not include signage displayed within a brick-and-mortar selling location, any materials related to a consumer product show, a free or reduced-price shipping advertisement (as long as such offer applies to all or almost all other products offered by the seller in the same product category), and pricing information displayed at the final online checkout stage of a transaction. The “final online checkout stage” is when the Covered Product is put into a shopping cart that contains the customer’s name, shipping address, email address, and payment information. Pricing information in the “shopping cart” or “checkout” stages must be obscured technically so that it is not retrievable by shopping and pricing engines and not displayed on search page results within the seller’s website.

MAP Holidays/Promotions

Sellers of the Covered Products may advertise the Covered products below the MAP on Black Friday (the day after Thanksgiving) and Cyber Monday (the first Monday after Thanksgiving) each year. Baby Foot will notify all resellers of any other authorized promotions, generally not fewer than thirty (30) days in advance.

This MAP Policy Is Not an Agreement and Is Non-Negotiable

This MAP Policy does not constitute an agreement between Baby Foot and any other entity. Baby Foot shall not solicit or accept any compliance assurance with this Policy from any seller or any other party, and each seller must choose whether to comply with this Policy. **This MAP Policy is not negotiable and shall not be altered for any seller.**

Noncompliance

Baby Foot will take the following actions against any noncompliant seller:

First Violation: Baby Foot will notify the seller in writing, either by email or by mail, of the violation.

Second Violation: For a seller’s second violation of this MAP Policy during a twelve (12) month period following the First Violation, Baby Foot will terminate its business relationship with the seller. Baby Foot will revoke its acceptance of any pending orders and cancel any pending orders.

This MAP Policy will be enforced by Baby Foot in its sole discretion and without notice. Sellers have no right to enforce this MAP Policy.

Policy Administration

Baby Foot may update, revise, suspend, terminate, reinstitute, or modify this MAP Policy at any time in its sole discretion. Any such modifications will be made available to all authorized sellers. If Baby Foot changes the MAP on any Covered Products, it will provide at least fourteen (14) days’ notice to sellers before the changes are effective.

No Baby Foot employee or agent, including a Baby Foot sale representative, is authorized to modify, interpret, or grant any exceptions to this Policy; solicit or obtain the agreement of any person or entity to comply with this Policy; or otherwise discuss any aspect of this Policy with any seller, including any seller’s compliance with the terms.

Any questions or inquiries about this MAP Policy shall only be submitted in writing and directed to Baby Foot’s MAP Policy Administrator at MAP@babyfoot.com. Baby Foot will not accept any other form of communication from sellers regarding this MAP Policy.