

Stockist Terms & Conditions

Commencing November 6, 2018, Annie Sloan US Inc. (“ASUS”) is the sole authorized distributor of Annie Sloan Interiors, Ltd. (“ASI”) products (the “Products”). On and following the Effective Date, these Stockist Terms & Conditions, together with the Product List (as defined in Section 4), the Order Policy (as defined in Section 4.1), the Minimum Inventory Levels (as defined in Section 4.2), and the Price Policy (as defined in Section 4.3) will constitute the contract between ASUS and you (collectively, the “Contract”). Please read this Contract carefully, complete and submit the registration page on ASUS’s website at www.stockistsus.anniesloan.com, and sign electronically via DocuSign® at the end to indicate your understanding of, and agreement to, this Contract. This Contract sometimes refers to you as “Stockist.”

1. **MODIFICATION OF THE CONTRACT.**

ASUS reserves the right from time to time to unilaterally modify any portion of the Contract, including these Stockist Terms & Conditions, the Product List, the Order Policy, the Minimum Inventory Levels and the Price Policy, by providing Stockist email notice of the modified portions of the Contract. Such modified Contract will be effective ten days following ASUS’s email notice (the “Modified Contract Effective Date”) and will be presumed accepted by Stockist upon Stockist’s submission of an order on or after the Modified Contract Effective Date. Each modified version of the will supersede all prior versions of the Contract.

2. **CONTRACT TERM.** The Contract will commence (the “Effective Date”) on the later of (a) the date on which you sign below or (b) the date on which ASUS provides email notice to you that ASUS has approved your enrollment as a Stockist. The Contract is, thereafter, terminable by either party at will without cause by email notice to the other party. If ASUS sends you a rejection notice, no contract will exist between ASUS and you, and you will not be a Stockist for any purpose hereunder.

3. **STOCKIST APPOINTMENT; REQUIREMENTS AND RESTRICTIONS.**

3.1 **Appointment.** On the Effective Date, you are authorized to hold yourself out to the public as an “Authorized Stockist” or “Authorized Retailer” of the Products until the Contract is terminated under Section 2 with the right to promote, market and sell the Products pursuant to this Contract. You agree to use your best efforts to promote, market, and sell the Products in a professional manner and not to damage the reputation of, or goodwill associated with, the Products or the Annie Sloan® and Chalk Paint® trademarks both during, and after the termination of, this Contract.

3.2 **No Territorial Exclusivity.** Stockist does not have an exclusive right to purchase or sell Products in any area, region or territory. Stockist acknowledges and agrees that ASUS is free to designate other “Authorized Stockists” without restriction.

3.3 **Physical Retail Location and Sales Representatives.** Stockist will at all times maintain one or more physical retail locations approved by ASUS (each a “Stockist Location”) from which Stockist will promote, market and sell the Products to retail consumers. Stockist will ensure that each Stockist Location is staffed during its business hours with at least one sales representative who is knowledgeable, trained and qualified to appropriately assist customers and advise them regarding the Products. Stockist must make sales representatives available to respond promptly to customer questions and concerns both before and after sale of the Products. Stockist and Stockist’s sales representative must represent the Products in a professional manner and refrain from any conduct that is or could be detrimental to the reputation of the Annie Sloan® and Chalk Paint® brands or the Products.

3.4 **Stockist Website Sales.** Stockist may advertise, sell the Products to end users only (and NOT to other resellers of the Products) on and through websites owned or operated by Stockist provided each such website (a) identifies Stockist’s full legal name, mailing address, telephone number and email address, and (b) clearly states the following prior to the customer being able to complete a purchase of the Products and on a page the customer is driven to prior to completing such purchase: “Please visit www.anniesloan.com to find a retailer nearest you.”

- 3.5 **Prohibited Sales Via E-Commerce, Social Media or to Re-Sellers.** Stockist is prohibited from selling or otherwise distributing Products (a) on, through or to third-party e-commerce companies, marketplaces or websites, such as Amazon, Craigslist, Ebay, Etsy, or Walmart Marketplace, (b) on or through social media or other similar internet means that could reach a national audience, or (c) to any person or entity intending to re-sell the Product. Stockist may not ship Products to customers outside of the United States. The limitations in this Section 3.5 do not apply to social media posts such as blogging, Facebook posts, and the like that promote the Products but do not accept orders or otherwise directly implement a sale of the Products.
- 3.6 **Stockist Compliance.** Stockist will comply with any and all (a) applicable laws, rules, regulations and policies of any government agency or authority related to the advertising, marketing, sale or distribution of the Products, and (b) policies and procedures furnished from time to time by ASUS.
- 3.7 **Relationship.** Stockist will be an independent contractor of ASUS. This Contract will not be construed in any way to create a partnership, franchise or agency relationship between Stockist and ASUS. You are not authorized to hold yourself out as an agent of ASUS or ASI or to bind ASUS or ASI in any way.
- 3.8 **Competition.** Stockist may not promote, market, carry, or sell any decorative furniture paintsⁱ, Jolie brand products of any type, or any other products that ASUS hereafter designates by email notice to Stockist as materially competing with the Products, nor will Stockist directly or indirectly engage in, or become interested in, as an individual, owner, director, officer, manager, employee, principal, or agent, a business that promotes, markets, carries, or sells any such decorative furniture paints, Jolie brand products or other designated competing products without ASUS's written consent.
4. **PRODUCTS.** The Products made available by ASUS can be found on the ASUS Product at www.stockistsus.anniesloan.com (the "Product List"), which provides the pricing offered by ASUS for purchases by Stockist.
- 4.1 **Orders.** Stockist will place Product orders pursuant to ASUS's ordering policies at www.nowcommerce.com (the "Order Policy") which may include minimum quantity and case size requirements per order. No order submitted by Stockist will be binding on ASUS unless and until accepted by ASUS. Any dates quoted by ASUS for delivery of the Products are approximate only and ASUS is not liable for any delay in delivery of Products however caused. Any additional or different terms proposed by Stockist (including, without limitation, any terms contained in any document incorporated by reference into a purchase order) are rejected, unless expressly agreed to in writing by ASUS. ASUS' acceptance of an order does not constitute acceptance of additional or different terms other than those in this Contract.
- 4.2 **Product Inventory.** Stockist will at all times carry a full range of the Products and will maintain sufficient stock of the Products in order to ensure optimal availability of the Products for customers. Stockist's Product inventory will at all times satisfy the minimum inventory levels specified at www.stockistsus.anniesloan.com (the "Minimum Inventory Levels").
- 4.3 **Minimum Price Requirements.** ASUS may impose a minimum retail price requirement and/or a minimum advertised price requirement for each Product as specified from time to time on the Product List (the "Price Policy"). ASUS has established the Price Policy in order to maintain the luxury good and high quality image of the Products. Stockist acknowledges ASUS's reason for the Price Policy and agrees that it will not sell any Products at prices below any minimum retail prices or advertise Products at prices below the minimum advertised prices set forth from time to time on the Product List. ASUS may change the minimum retail pricing and minimum advertised pricing by updating the Product List.
- 4.4 **Shipping.** For pricing purposes, the Products will be delivered F.O.B. the location at which the Products are shipped from ASUS's warehouse or distribution center (the "Freight Point"), and you will be responsible for the cost of all shipping, handling, insurance, and other similar costs relating to the delivery of Products from the Freight Point to your Stockist Location. ASUS will make all shipping arrangements, unless you request a specific method or carrier and ASUS agrees to use such

requested method or carrier. Title to the Products will pass to you when the Products leave the loading dock of the Freight Point.

- 4.5 **Product Inspection.** Stockist will inspect the Products upon receipt and during storage for damage, defects, broken seals, evidence of tampering or other nonconformance (collectively, “Obvious Defects”). If any Obvious Defects are identified, Stockist must not offer the Product for sale. If Stockist receives damaged Products, Stockist must note the damage on the bill of lading and provide ASUS a copy of same and evidence of such damage, including pictures.
- 4.6 **Defective Products.** You may receive credit for Products with Obvious Defects noted upon delivery or Products otherwise determined to be defective when delivered to you at your Stockist Location (collectively, “Defective Products”) by complying with ASUS’s then current defective and damaged product procedures. To the extent ASUS determines the Product was defective or damaged when delivered to you, you will receive a credit for the purchase price of such Product and all related shipping costs. This credit will be applied against subsequent invoice amounts due from you to ASUS until fully exhausted.
- 4.7 **Product Storage and Handling.** Stockist will exercise due care in storing and handling the Products, store the Products in a cool, dry place, away from direct sunlight, extreme heat, and dampness, and in accordance with any additional storage guidelines specified by ASUS from time to time.
- 4.8 **Recalls and Consumer Safety.** To ensure the safety and well-being of the end-users of the Products, Stockist will cooperate with ASUS with respect to any Product recall or other consumer safety information dissemination effort.
- 4.9 **Alterations & Bundling Prohibited.** Stockist will sell Products in their original packaging, with all seals intact. Stockist will not sell or label the Products as “used”, “open box” or any other similar descriptors. Relabeling, repackaging (including the separation of bundled products or the bundling of products), misbranding, adulterating, and other alterations are not permitted. Stockist will not tamper with, deface, or otherwise alter any UPC code, lot or

batch code, or other identifying information on Products or packing. Stockist will not remove or destroy any copyright notices, trademarks or other proprietary markings on the Products, documentation, or other materials related to the Products. Removing, translating, or modifying the contents of any label or literature accompanying the Products is prohibited. Stockist will not advertise, market, display, or demonstrate non-ASUS products together with the Products in a manner that would create the impression that the non-ASUS products are made by, endorsed by, or associated with ASUS.

5. PRODUCT PRICING, PAYMENT AND SHIPPING.

- 5.1 **Prices.** The purchase price of each Product will be the price listed on the Product List then in effect (the “Purchase Price”). Pursuant to Section 4.4, the Purchase Price does not include the cost of shipping from the Freight Point.
- 5.2 **Payment.** Stockist must pay the Purchase Price of every order of Product prior to Product shipment, except for purchases on credit under Section 5.3.
- 5.3 **Credit Terms.**
 - 5.3.1 **Available Credit Terms.** ASUS may offer credit to all or certain Stockists as further described on www.stockistsus.anniesloan.com. ASUS reserves the right to adjust such credit availability at any time. If ASUS offers a Stockist credit, Stockist will pay ASUS interest on any amounts not paid in accordance with the terms above (“Delinquent Balance”) equal to the lesser of one percent (1%) per month of the Delinquent Balance or the maximum amount permitted by law (“Interest”) and all costs and expenses, including attorney’s fees, incurred by ASUS in connection with the collection of any delinquent amounts, and ASUS will have the right to charge Stockist’s credit card for any Delinquent Balance and Interest.
 - 5.3.2 **Revocation of Credit.** ASUS reserves the right to revoke credit given to Stockist at any time for any reason or no reason after which Stockist will pre-pay for all Products pursuant to Section 6.2.

6. INTELLECTUAL PROPERTY. As ASI’s licensee in the United States, ASUS hereby

authorizes Stockist to use the Annie Sloan®, Chalk Paint®, and other trademarks, service marks, and copyrighted materials now or hereafter posted for use by Stockists on www.stockistsus.anniesloan.com to advertise and promote the Products. All such use is subject to approval by ASUS under Section 7 below, and all resulting goodwill is solely the property of ASI. Stockist may not register or use any website address or domain name that includes any of ASI's intellectual property except with ASUS's prior written consent, and ASUS may revoke such consent at any time and require Stockist to assign such website addresses and domain names to ASI, ASUS or a designee of ASUS. In no event may Stockist (a) register or use any trademark or service mark that is a colorable imitation or derivation of an ASI trademark or service mark, (b) adopt any trade dress that resembles ASI's then current or past trade dress, (c) misrepresent ASI's products as Stockist's products or (d) otherwise attempt to trade upon the goodwill of ASI and its brands other than as permitted by this Contract.

7. **MARKETING AND ADVERTISING.** These advertising and promotions guidelines are necessary to promote the growth of all Stockists and the Anne Sloan® and Chalk Paint® brands which fully embrace a “buy local” philosophy.

7.1 **Advertisements.** Stockist will submit to ASUS for approval, in its discretion, the use of any Intellectual Property in any and all advertisements, including social media campaigns. Any print advertisement must be limited to publications which are actively circulated in your local area (but may also have circulation outside of your local area).

7.2 **Promotions.** All sale promotions should be designed to encourage consumers to buy from their local Annie Sloan® stockist. No promotions that reduce shipping costs outside of your local area are allowed. You are allowed to provide reduced shipping charges in your own local area or offer reduced tax to encourage local consumers to buy from you. If you offer a volume or kit discount you must still comply with the Price Policy. Promotions within your local area that are designed to encourage traffic into your commercial retail location by consumers in your local area are acceptable and encouraged.

7.3 **Events.** Events are considered tradeshows, conferences, outdoor markets, antique fairs, or any publically held event hosted by a third-party. As an independent business, you should always represent yourself or your business entity at an event and never identify yourself as representing ASUS, ASI or Annie Sloan individually. If an event attracts participants primarily from a local community, then the Stockist(s) in that local area should have the first right of refusal to participate in the event. If two or more Stockists want to participate in the event, the Stockists should come to ASUS for resolution. If the event is considered national or international (i.e. organized by a national or international organization, draws a national or international audience, or moves locations each year) then the event should be open to any and all stockists who wish to participate. If the event reaches a national or international audience, Stockists must communicate the following language to customers through written literature provided by ASUS, “Please visit www.anniesloan.com to find a retailer near you.”

7.4 **Workshops.** All workshops will be conducted in accordance with the ASUS Stockist training program guidelines found at www.stockistsus.anniesloan.com.

7.5 **Market Development Funds.** ASUS may, from time to time in its sole discretion, offer programs to Stockist under which ASUS provides promotional funding for local advertising, trade show attendance, and other advertising and promotional activities approved by ASUS in its sole discretion. If offered, ASUS may discontinue any such programs at any time. Further, ASUS may require Stockist, as a condition to receiving marketing support funding from ASUS, to co-invest in the marketing, advertising and promotional activities in question.

8. COMMUNICATION POLICY.

8.1 **Generally.** ASUS will be responsible for communicating and coordinating between you and other stockists, ASI, and any other Product manufacturer with regard to all matters relating to this Contract or your sale of the Products. You agree to refrain from (i) sending “mass” emails to other stockists of the Products, (ii) contacting any Product manufacturer regarding the Products, and (iii) publicly disparaging ASUS, ASI, any Product manufacturer and/or any other stockist. Additionally, you agree to notify ASUS of any group meetings, conference calls, creation of social media group pages, or similar communication between you and other stockists regarding the Products prior to any such activity taking place. This is not to discourage communication, but rather, to make sure proper communication channels remain open and positive.

8.2 **Social Media.** The communications policies are equally applicable to your social media (e.g. Facebook, Instagram) communications regarding the Products. ASUS may establish official private stockist “Groups” using social media (e.g. Facebook Group Page) which you or your sales representatives are welcome to join. The content of all group page discussions will be moderated by ASUS and negativity and stockist debates will not be tolerated under any circumstances.

9. **TRAINING.** Anyone who becomes a Stockist without previously being trained in the sale of the Products must complete all training programs required under ASUS’s then applicable policies within 30 days following ASUS’s approval of the Stockist and in any event prior to any consumer sale of the Products. All Stockists are subject to any additional training requirements that ASUS may impose from time to time.

10. CONFIDENTIALITY.

10.1 **Confidential Information.** You acknowledge that in connection with your performance as an ASUS stockist, you will receive and have access to proprietary and valuable information of ASI and ASUS, whether produced by ASI or ASUS, their affiliates or any of their consultants, agents or independent contractors, and whether or not marked “confidential,” “proprietary” or with words of similar import, including, without limitation, business

strategies, product concepts, ideas, designs, elements, customer lists, sales and manufacturing information, drawings and illustrations, other confidential or proprietary information and trade secrets, and other intellectual property regarding Annie Sloan® and Chalk Paint® brand products (collectively, the “Confidential Information”). “Confidential Information” will be deemed to exclude (a) information commonly known in the industry, (b) information readily available from public sources such as the media, and (c) information already in the possession of Stockist (unless the disclosing party was in breach of a confidentiality provision by disclosing) when Stockist received the same information from ASUS or otherwise in connection with being a Stockist.

10.2 **Non-Disclosure and Use.** Stockist will hold all Confidential Information previously or hereafter received in the strictest confidence and not disclose any Confidential Information except as required by law (and, in such instance, Stockist will provide ASUS with advance notice of any requirement of law to disclose such Confidential Information in sufficient time to permit ASUS to attempt to obtain a protective order safeguarding the confidentiality of the Confidential Information). Stockist will only use the Confidential Information in connection with its performance under this Contract.

10.3 **Disclosure to Representatives.** Stockist may, on a need-to-know basis only, disclose Confidential Information to its employees, officers, agents, accountants, attorneys, consultants and other representatives (“Representatives”) for the sole purpose of performing under this Contract. Recipient will cause its Representatives who have access to any of the Confidential Information likewise to hold the Confidential Information in strictest confidence and otherwise to comply with and be bound by as Stockist’s obligations of confidentiality under this Section 10. Stockist is legally responsible for any breach of such confidentiality obligations by its Representatives.

10.4 **Duty Upon Termination.** Upon termination of the Contract, Stockist will return all copies of the Confidential Information, in whatever form (including computer discs and other electronic media), to ASUS or will certify the destruction

of the Confidential Information to ASUS. In all circumstances, Stockist will permanently delete any Confidential Information in electronic form from its systems, including trash bins, deleted items files, and archival backups.

11. **INDEMNIFICATION.** Stockist releases and agrees to indemnify, defend and hold harmless ASUS, ASI and their respective affiliates, subcontractors, vendors, officers, directors, employees, agents, consultants and representatives from and against any and all claims, demands, suits, liabilities, injuries (personal or bodily), causes of action, proceedings, losses, expenses, damages or penalties, including without limitation court costs and reasonable attorneys' fees (collectively, "Claims"), arising or resulting from (a) the negligence or willful misconduct of Stockist, its affiliates, subcontractors, officers, directors, employees, agents, consultants and representatives or anyone else for whom Stockist is responsible, or (b) Stockist's breach of any obligation, covenant, representation or warranty under this Contract.

12. **LIMITATION OF LIABILITY.** IN NO EVENT WILL ASUS BE LIABLE FOR ANY PENALTIES (INCLUDING, WITHOUT LIMITATION, ADMINISTRATIVE PENALTIES), SPECIAL, PUNITIVE, INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, HOWEVER OCCURRING, INCLUDING BUT NOT LIMITED TO, DAMAGES FOR ECONOMIC LOSS, LOSS OF GOOD WILL, LABOR COSTS, LOSS OF PROFITS OR REVENUES, OR CLAIMS RESULTING FROM STOCKIST'S CUSTOMERS, REGARDLESS OF WHETHER ANY OF THE FOREGOING ARISES FROM CONTRACT OR ASUS'S PERFORMANCE HEREUNDER OR IN CONNECTION THE PRODUCTS, INCLUDING DEFECTIVE PRODUCTS, FOR ANY PURPOSE WHATSOEVER. Subject always to the foregoing sentence, the total liability of ASUS to Stockist for any other kind of damages arising from any cause of action or Claim whatsoever arising out of, connected with, or resulting from the design, manufacture, sale, resale, delivery, repair, replacement, use or misuse of any Products or Defective Products will in no event exceed the price paid to ASUS for the Product(s), together with related shipping expenses, which gives rise to the cause of action or claim. ASUS and Stockist acknowledge and

agree that the exclusions of remedies and limitation of liability and damages herein reflect a bargained-for allocation and limitation of risk, liability, and damages. This Section will apply notwithstanding any other provision of the Contract.

13. **TERMINATION.** Termination of the Contract will not release either party from any liabilities or obligations that (a) then currently outstanding such as Stockist's obligation to pay for Product it received, (b) the parties have expressly agreed will survive any such termination or (c) by their nature are intended to be applicable following any such termination or expiry. The parties expressly agree that the following Sections of these Terms will survive termination: 6, 10, 11, 12, 13, 14 and 15. Upon termination, Stockist will immediately lose its status as an Authorized Stockist, the License will terminate, and Stockist will immediately cease (a) selling the Products other than to deplete any inventory not repurchased by ASUS as further provided in this Section; (b) acting in any manner that may reasonably give the impression that Stockist is an Authorized Stockist or has any affiliation with ASUS or ASI; and (c) using any Intellectual Property. Upon termination of the Contract by either party, ASUS will have the right, but not the obligation, to repurchase your remaining Product inventory at a price equal to what you paid for that inventory. If ASUS wishes to exercise its Product repurchase right, ASUS will give you notice within fourteen (14) days of termination, and you will deliver the Products to ASUS within fourteen (14) days of receiving such notice. We will pay or credit your account for the returned repurchased Products within fourteen (14) days of our receipt.

14. **AVAILABILITY OF INJUNCTIVE RELIEF.** Notwithstanding anything to the contrary herein, if there is a breach or threatened breach of the Contract by Stockist, it is agreed and understood that ASUS will have the right to specific performance and injunctive relief through restraining orders, injunctions, protective orders or other judicial remedies, by or through any court having jurisdiction, without the need to post a bond or any other security and without the need to prove the likelihood of immediate or irreparable harm or that money damages would be an inadequate remedy, it being acknowledged and agreed by Stockist that such breach of this Contract would necessarily result in irreparable harm to ASUS for which a sum of money would be an inadequate remedy; provided, however, if

ASUS seeks specific performance or injunctive relief, it will not be construed as a waiver or prohibition of any other remedies in the event of a breach or threatened breach of the Contract.

15. **CHOICE OF LAW AND DISPUTE RESOLUTION.** The Contract will be governed by and construed in accordance with the laws of the State of Louisiana, excluding its conflicts of laws principles to the extent they would call for application of the laws of any other jurisdiction. Any dispute arising out of or in connection with the Contract will be subject to the exclusive jurisdiction of the state courts serving Orleans Parish, Louisiana or, if federal jurisdiction exists, the Federal District Court for the Eastern District of Louisiana, and ASUS and Stockist expressly waive any right to contest such courts' personal jurisdiction or appropriateness as a venue to hear the dispute. Should ASUS prove that Stockist breached the Contract, Stockist will be liable for and against all reasonable attorneys' fees and all costs and expenses associated with the dispute. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE PARTIES EACH HEREBY IRREVOCABLY AND EXPRESSLY WAIVE ALL RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM (WHETHER BASED UPON CONTRACT, TORT, OR OTHERWISE) ARISING OUT OF OR RELATING TO THE CONTRACT OR THE PRODUCTS. THE PARTIES ACKNOWLEDGE THAT SUCH WAIVER IS MADE WITH FULL KNOWLEDGE AND UNDERSTANDING OF THE NATURE OF THE RIGHTS AND BENEFITS WAIVED HEREBY, AND WITH THE BENEFIT OF ADVICE OF COUNSEL OF ITS CHOOSING.

16. **MISCELLANEOUS.**

16.1 **Waiver.** No delay or omission on the part of either party in exercising any right under the

Contract will operate or be construed as a waiver of that right or of any other right under the Contract, nor will any delay or omission operate as an estoppel to the future exercise of that right, nor will any delay, omission, or waiver on any one or more occasion be deemed a waiver of that right, or any other right on any future occasion.

16.2 **Severability.** If any term or provision of the Contract, or the application thereof to any person or circumstance, will at any time or to any extent be invalid, illegal or unenforceable in any respect as written, such provision will be ignored so as to not affect any other term or provision hereof, and the remainder of the Contract, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid, illegal or unenforceable, will not be affected thereby and each term and provision of the Contract will be valid and enforced to the fullest extent permitted by law.

16.3 **Assignment.** Stockist may not assign any right or interest in, or subcontract any obligation under, the Contract, in whole or in part, whether by contract, change of control, merger or otherwise, to any other person or entity without the prior written consent of ASUS. ASUS may assign the Contract or any of its rights, interest or obligations under the Contract to one or more of its affiliates or in connection with the transfer of its distributorship rights to the Products to such assigner.

16.4 **Notices.** Any notice required under this Contract will be deemed given when delivered by email (with confirmation of delivery) or by overnight courier such as Fed Ex using your contact information contained in ASUS's records.