DELTA BRAND AUTHORIZED RESELLER POLICY
Effective August 15, 2020

To: Reseller Customers of Authorized Distributors of Delta Products

Re: Delta Brand Authorized Reseller Policy

Delta Faucet Company (“DFC”) is committed to protecting and maintaining its highly regarded brands and reputation for excellence, technology, and innovative solutions in the kitchen and bath to help people use water in better ways. Consistent with these commitments, DFC has designed products that meet the discerning demands of the end consumer. DFC believes that certain sales, advertising and customer service practices are inconsistent with its competitive strategy for these products and for the Delta brand image as an innovation and technology leader in the plumbing industry. These practices also may undermine the commitment of DFC and its Authorized Resellers to provide an appropriate level of service, merchandising, advertising and promotion in support of DFC’s strategy for its products and, in turn, the Delta brand image. This Delta Brand Authorized Reseller Policy applies to all Delta branded products (“Products”).

This Delta Brand Authorized Reseller Policy (“Reseller Policy”) replaces and supersedes any prior applicable Delta Brand Sales or Reseller Policies. By purchasing Products from DFC or an Authorized Delta Distributor for resale to End Users (as defined herein), you (“Reseller”) agree to adhere to the following terms. Until such status is otherwise revoked by DFC in DFC’s sole and absolute discretion, Reseller shall be considered an “Authorized Reseller” hereunder. DFC may review Reseller’s activities for compliance with this Reseller Policy, and Reseller agrees to cooperate with any investigation, including, but not limited to, permitting inspection of Reseller’s facility and records related to the sale of the Products.

1. Authorized Customers: Reseller is authorized to sell Products to End Users. An “End User” is a purchaser of the Products who (i) is the ultimate consumer of the Products and who does not intend to resell the Products to any third party, or (ii) purchases the Products to install for an ultimate consumer and who does not intend to resell the Products in an uninstalled state. Reseller shall not sell or transfer Products to any person or entity Reseller knows or has reason to know intends to resell the Products in an uninstalled state. Reseller shall not sell, ship, invoice, or promote the Products outside the United States of America without DFC’s prior written consent.

2. Online Sales:
   a) Reseller shall not advertise or sell Products on or through any website, online marketplace (including, but not limited to Amazon, eBay, Houzz, Walmart Marketplace, or Sears Marketplace), mobile application, or other online forum without the prior written consent of DFC, granted through execution by DFC of the Delta Brand eCommerce Sales Application and Agreement. The terms of this Reseller Policy supersede any prior agreement between DFC and Reseller regarding the sale of Products on or through websites, mobile applications, and other online forums. Any authorization previously granted to Reseller by DFC to sell the Products on or through a website, mobile application, or other online forum is hereby revoked.
   b) If Reseller is interested in becoming an Authorized Online Reseller, Reseller must submit a Delta Brand eCommerce Sales Application and Agreement, which shall be subject to approval by DFC in its sole discretion. DFC will consider new applications on at least a quarterly basis. Additional information regarding the application and approval process may be obtained by emailing PolicyEnforcement@Deltafaucet.com.

   a) 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.
b) Reseller shall not make any warranties or representations concerning the Products except as expressly authorized by DFC.

c) Reseller shall comply with any and all applicable laws, rules, regulations, and policies related to the advertising, sale, and marketing of the Products.

d) Reseller shall represent the Products in a professional manner and refrain from any conduct that is or could be detrimental to the reputation of DFC, the Delta brand, or the Products.

e) Reseller shall not sell, ship, invoice, or promote Products outside the United States of America or to anyone Reseller knows or has reason to know intends to ship Products outside of the United States of America without DFC’s prior written consent.

4. Trade Exclusive Products.

a) DFC may, in its sole discretion, designate products that may require specialized care and expertise in the sale and distribution of the products as “Trade Exclusive Products.” Trade Exclusive Products are identified as such in the then-current Product price file.

b) Reseller shall not sell Trade Exclusive Products on the internet unless Reseller is:
   i. designated as an Authorized Online Retailer, and
   ii. affiliated with a trade brick and mortar showroom.

c) Provided Reseller is an Authorized Online Retailer affiliated with a trade brick and mortar showroom, Reseller may only sell Trade Exclusive Products on Reseller’s own website. Reseller shall not offer for sale or sell Trade Exclusive Products on any third party marketplace websites, unless DFC authorizes Reseller to sell Trade Exclusive Products specifically. Such authorization is separate and in addition to any authorization to sell Products on third party marketplace websites generally.

5. Product Care, Customer Service, and Other Quality Controls.

a) Reseller shall comply with all instructions provided by DFC regarding the storage, handling, shipping, disposal, or other aspect of the Products, including instructions provided on Product labels. Reseller shall store Products in a cool, dry place, away from direct sunlight.

b) Reseller shall sell Products in their original packaging. Relabeling, repackaging (including the separation of bundled Products or the bundling of Products), and other alterations to Products or their packaging are not permitted. Reseller shall not remove, translate, or modify the contents of any label or literature on or accompanying the Products. Reseller shall not tamper with, deface, or otherwise alter any serial number, UPC code, or other identifying information on Products or their packaging.

c) Reseller shall not represent or advertise any Delta Product as “new” that has been returned open or repackaged.

d) Promptly upon receipt of the Products, Reseller shall inspect the Products and their packaging for damage, defect, broken seals, evidence of tampering, or other nonconformance (a “Defect”). If any Defect is identified, Reseller shall not offer the Product for sale and must promptly report the Defect to DFC at sales@deltafaucet.com.
e) Reseller shall be familiar with the special features of all Products marketed for sale and must obtain sufficient Product knowledge to advise customers on the selection, installation, and safe use of the Products, as well as any applicable warranty, guarantee, or return policy. Reseller must be available to respond to customer questions and concerns both before and after sale of the Products and should endeavor to respond to customer inquiries promptly.

f) Reseller shall cooperate with DFC with respect to any Product tracking systems that may be implemented from time to time.

g) Reseller shall cooperate with DFC with respect to any Product recall or other consumer safety information dissemination efforts.

h) Reseller shall report to DFC any customer complaint or adverse claim regarding the Products of which it becomes aware. Reseller shall assist DFC in investigating any such complaints or adverse claims.

i) Reseller shall cooperate with DFC in the investigation and resolution of any quality or customer service issues related to Reseller’s sale of the Products, including disclosing information regarding Product sources, shipment, and handling.

6. **Intellectual Property.** Reseller acknowledges and agrees that DFC or its licensors own all proprietary rights in and to the Delta brand, names, logos, trademarks, service marks, trade dress, copyrights, and other intellectual property related to the Products (the “Delta IP”). Reseller is granted a limited, non-exclusive, non-transferable, revocable license to use the Delta IP solely for purposes of marketing and selling the Products as set forth herein. This license will cease upon termination of Reseller’s status as an Authorized Reseller. All goodwill arising from Reseller’s use of the Delta IP shall inure solely to the benefit of Delta or its licensors. Reseller’s use of the Delta IP shall be in accordance with any guidelines that may be provided by Delta from time to time (“Brand Guidelines”) and must be commercially reasonable as to the size, placement, and other manners of use. DFC reserves the right to review and approve, in its sole discretion, Reseller’s use or intended use of the Delta IP at any time, without limitation. Reseller shall not create, register, or use any domain name or any mobile application that contains any Product name or any trademark owned by or licensed to DFC, nor a misspelling or confusingly similar variation of any Product name or any trademark owned by or licensed to DFC.

7. **Modification.** DFC reserves the right to update, amend, modify, or discontinue this Reseller Policy at any time. Unless otherwise provided, such amendments will take effect immediately and Reseller’s continued use, advertising, offering for sale, or sale of the Products, use of the Delta IP, or use of any other information or materials provided by DFC to Reseller will be deemed Reseller’s acceptance of the amendments.

8. **Termination and Violations.** If Reseller violates this Reseller Policy or Reseller falls out of good credit standing with DFC, DFC reserves the right to stop selling Products to Reseller and/or terminate Reseller’s status as an Authorized Reseller with written or electronic notice in DFC’s sole discretion. Upon termination of Reseller’s status as an Authorized Reseller, Reseller shall immediately cease (i) selling the Products; (ii) acting in any manner that may reasonably give the impression that Reseller is an Authorized Reseller of the Products or has any affiliation whatsoever with DFC; and (iii) using all Delta IP.
9. **Confidentiality.** This Reseller Policy, and its attachments, if any, constitute confidential, proprietary information of DFC 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 DFC.

No DFC employee or representative is authorized to modify or change this Reseller Policy for any particular Authorized Reseller. DFC alone will implement, interpret and enforce this Reseller Policy in its sole discretion and independent judgment.

Please make sure that all appropriate people in your organization receive a copy of this Reseller Policy. This Reseller Policy is in addition to and separate from all other DFC policies.

Thank you for your continued support of DFC and the Delta brand.