

# **KONG European Partner Programme**

# RESELLER AUTHORISATION CRITERIA FOR THE RETAIL SALE OF KONG PRODUCTS FROM BRICK AND MORTAR PREMISES ("KONG BRICKS CRITERIA") AND ONLINE ("KONG CLICKS CRITERIA")

KONG toys have been the gold standard of dog toys for over forty years. What's the magic?

- Safety is always at the top of our list. We would never make a bad decision for our customers' pets, period.
- We are committed to quality. Everything we make is the absolute best it can be without any corners cut, ever.
- We take pride in being an original. Like our Classic KONGs, made with natural KONG rubber, it's the reason people and pets all over the world know KONG by name.
- We know dogs need variety. It's a fact: dogs get bored, just like we do. So KONG has toys in all kinds of shapes and sizes. We keep the healthy play coming and we never stop innovating.

Every KONG toy is designed and produced with these core values and principles in mind. Our KONG European Partner Programme thus aims to ensure that every retailer selling KONG products (the "Products") from brick and mortar premises and/or online lives up to and safeguards these principles, and in particular:

- Ensures that pet owners choose the best and safest Product for their pet's safety, wellbeing and enjoyment;
- Provides an excellent and high quality sales experience; and
- Promotes and enhances KONG's superior brand reputation.

As an Authorised Reseller of the Products, you agree that it is a condition of your authorisation that you will:

- (i) If you promote or sell the Products from brick and mortar premises, only promote or sell the Products from a physical store(s) that complies at all times with the **KONG Bricks Criteria** and which has been pre-approved in writing by KONG ("**Authorised Physical Store**");
- (ii) If you promote or sell the Products online, only promote or sell the Products from a website that complies at all times with the **KONG Clicks Criteria** and which has been pre-approved in writing by KONG ("Authorised Website");
- (iii) If you promote or sell the Products from both brick and mortar premises and online (i.e. you are a "hybrid" retail reseller), comply with both (i) and (ii) above (in other words, you must comply with both the KONG Bricks Criteria and KONG Clicks Criteria and obtain KONG's express written approval for every physical store and website from which you sell the Products);
- (iv) Only purchase products directly from KONG, Authorised Distributors in the European Economic Area, Switzerland and the United Kingdom ("Europe"), or Authorised Resellers in Europe;
- (v) Only resell the Products to end-users, other Authorised Resellers or Authorised Distributors in Europe.

You acknowledge and agree that failure to comply with these conditions will entitle KONG to withdraw your reseller authorisation with immediate effect. Please note that KONG may amend these Criteria and the Products to which they apply from time to time, by giving 30 days' notice.



# Reseller Authorisation Criteria for All Resellers (Brick and Mortar and Online)

#### 1. HIGH QUALITY RETAIL BUSINESS

- 1.1 You must have an established reputation and track record for the retail sale of good quality pet toys and supplies, or a documented financial and business plan aiming at establishing such a reputation and track record.
- 1.2 You must have irreproachable professional conduct and history of such conduct. You must undertake sales in a customer-friendly, trustworthy, punctual, correct, accurate, and generally high quality manner.
- 1.3 KONG brand advocates aspire to educate vs. sell the KONG brand.

#### 2. SALES OPERATION

- 2.1 In order to be able to offer consumers the correct KONG for their dog, you must promote and sell the full line of KONG Classic toys and consumables (snacks and treats). You must maintain sufficient stocks to satisfy customer demand.
- 2.2 You agree to provide KONG with reports of your inventories, sales and other pertinent information regarding your handling of the Products (including, without limitation, details of sales and revenues achieved for each Authorised Physical Store and Authorised Website from which you sell KONG products (as applicable)), as KONG may from time to time reasonably request.
- 2.3 You must not ship or sell the Products to any customers outside of Europe. You must obtain KONG's express written authorisation before making any sales to any customers based outside of Europe.
- 2.4 You must sell the Products in their original packaging and never modify original KONG packaging or the Products in any way before reselling.

# 3. COMPLIANCE AND CONDUCT

- 3.1 You will be responsible for and must comply with all applicable local and European Union regulations, statutes and rules.
- 3.2 You must not use, disseminate or disclose any of KONG's confidential information which you receive or to which you have access as an Authorised Reseller, except as may be strictly necessary to properly perform your obligations as an Authorised Reseller or as may be required by law.
- 3.3 You must notify each of your employees who are involved in sales of KONG products of these Criteria and what is required of them. You must establish policies and procedures that will ensure compliance with these Criteria and must take affirmative steps to ensure compliance.
- 3.4 You must preserve and enhance the reputation and goodwill of KONG and the KONG products and agree to avoid any illegal or unethical actions, including without limitation "bait and switch" practices. You must not engage in unfair sales practices or make incorrect, misleading, deceptive or denigrating statements about KONG or the Products.



# Reseller Authorisation Criteria for the Retail Sale of KONG Products from Brick and Mortar Premises

# KONG BRICKS CRITERIA

# 1. YOUR PHYSICAL STORE(S)

1.1 Your physical store(s) must offer a high quality and user-friendly retail environment synonymous with the reputation and brand image of the Products and which helps consumers to identify easily the correct Product for their pet. Specifically, your physical store(s) must comply with the following quality requirements.

### 2. DISPLAY REQUIREMENTS

- 2.1 You must ensure that the Products are depicted within a section of the store dedicated to KONG products, which in turn is contained within a section of the store dedicated to pet toys from other reputable manufacturers / suppliers. With the exception of your own-brand products (if applicable), you must not give less priority in your store to KONG products than to products of other manufacturers / suppliers, and more generally must refrain from any discrimination of KONG products compared to products of other manufacturers / suppliers.
- 2.2 The Product display area must comply with all of KONG's branding guidelines and requirements as it may specify from time-to-time, including (but not limited to) the Brand Shop Installation Booklet and the KONG Brand Block.
- 2.3 You must use only those images (including product images), marketing materials, graphics or other visual or audio materials provided or approved in writing by KONG, in your store or on any physical or electronic marketing or promotional materials used, paid for or associated with your business.
- 2.4 You must accurately describe the Products using only the protected intellectual property of KONG which you have been authorised to use in writing by KONG ("Licensed IP") within the most recent calendar year. You agree to use the Licensed IP in accordance with all of KONG's intellectual property guidelines communicated by KONG from time to time. You must not suggest or imply that your website, advertisement, sponsored link, or any other online marketing used or paid for by you is in any way related to the official KONG website(s) owned and operated by KONG.

# 3. QUALITY CONTROLS

- 3.1 It is important to us that every customer and their pet receive the best and safest product, in a perfect condition. We want every customer to be satisfied not only with the KONG product they have purchased but also with the experience of purchasing and receiving that product. To ensure that this is the case, KONG requires that all its resellers carry out the following practices:
  - (a) sort, package and (if desired by the customer) bag each KONG product it sells separately;
  - (b) conduct rigorous quality control checks on every KONG product, including (but not limited to) checking the integrity of all packaging of every KONG product sold to ensure it is undamaged.
- 3.2 In addition to the above, to assist KONG in its goal to ensure that every customer is satisfied with the KONG product they receive, KONG requires its resellers to undertake product quality control checks on 3 of every 10,000 KONG products it sells. This should include:



- (a) carrying out a detailed assessment of the packaging of the KONG product;
- (b) breaking open the packaging:
- carrying out a detailed assessment of the KONG product for any faults, damage or any other abnormalities; and
- (d) accurately and comprehensively documenting the product quality control check.
- 3.3 The above check is to be carried out at the cost of the reseller. Where the reseller discovers faults, damage or any other abnormalities with at least 2 out of the 3 products it tests, it will:
  - (a) immediately inform KONG; and
  - (b) cease selling any KONG products to customers until it receives confirmation from KONG that it may resume doing so.

#### 4. CUSTOMER SERVICE - KONG RETAIL EDUCATION

- KONG is constantly innovating and seeking to build on its reputation as the provider of the gold standard for dog toys, to ensure that every customer and their pet receives the best and safest product for them. KONG believes that dogs need play and expects its resellers to take active steps to convey this message to customers and promote the KONG brand. It is KONG's view that one of the most effective ways it can ensure its customers are happy with the KONG product they receive, maintain its reputation and promote its brand is to directly interact with its customers and listen to their feedback. For this reason, you must provide consumers with access to trained advisers who can obtain feedback from customers, handle their queries and deliver helpful, immediate and personalised advice as detailed below:
  - (a) Your store must at all times during opening hours be staffed by a sufficient number of well-informed retail staff who have received the **KONG Retail Sales Associate Education** and who can provide accurate and helpful advice regarding the features of the Products, build pet parent trust, and help consumers identify the most suitable product for their pet.
  - (b) Your store must be open during hours which reflect standard industry practice, including on Saturdays.
- 4.2 You must offer a reliable and user-friendly returns policy, including an efficiently operating return service which at least (i) allows return of the ordered products within 14 days of purchase or more in case of longer local legal requirements and (ii) guarantees free returns.



# Reseller Authorisation Criteria for the Retail Sale of KONG Products Online

# KONG CLICKS CRITERIA

#### 1. YOUR WEBSITE

1.1 Your website must offer a high quality, visually pleasing and user-friendly retail environment synonymous with the reputation and brand image of the Products and which helps consumers to identify easily the safest and most suitable Product for their pet. Specifically, your website must comply with the following quality requirements:

# Display and content requirements

- 1.2 You must ensure that the Products are depicted within a section of the website dedicated to KONG products, which in turn is contained within a section of the website dedicated to pet toys from other reputable manufacturers / suppliers. With the exception of your own-brand products (if applicable), you must not give less priority on your website to KONG products than to products of other manufacturers / suppliers, and more generally must refrain from any discrimination of KONG products compared to products of other manufacturers / suppliers.
- 1.3 Your website, the Product pages, and any advertisement, sponsored link, or any other online marketing used, paid for or associated with your business, must comply with KONG's online brand representation and strategy, including any online branding or intellectual property guidelines as provided by KONG from time to time. Specifically, you agree to:
  - (a) spell KONG with all capital letters;
  - (b) use KONG approved benefits copy and bullets only;
  - (c) utilise KONG approved images, marketing banners, video clips, graphics or other visual or audio content only, represented in the approved order of importance; and
  - (d) accurately present and describe the Products using approved KONG intellectual property only and in accordance with all of KONG's specifications;
  - (e) not set up or register any business, domain name, store front, or social media username including any trademark owned by or licensed to KONG, or any KONG product name, or any misspelling of any trademark owned by or licensed to KONG or of a KONG product name; and
  - (f) prominently display your logo and/or name and not display on your website, or any other website, advertisement, sponsored link, or any other marketing used or paid for by you, any KONG intellectual property in any manner that could suggest, give the impression that, or be perceived by a visitor to the website (or advertisement etc.), that it is operated by KONG or in any way related to the official KONG website(s).



#### Website features

- 1.4 Your website must provide user-friendly search facilities which ensure accurate, consistent and relevant search results in relation to the Products and the KONG Enhanced Education tools designed to assist the consumer in purchasing a safe and correct toy for their pet. You must ensure that brand searches for KONG products and brands only yield results for KONG' products, and do not contain results for competitors' products.
- 1.5 You must display the total price (exclusive of final shipping cost) for a Product on the Product page including VAT and any other applicable tax or fee.
- 1.6 You must provide the capability for customers to submit customer reviews on your website.

# **Ordering process**

- 1.7 Your website must be a secure site for customer transactions and you must keep all customer data safe and process customer data in accordance with applicable laws. Encrypted security software and secure bank transactions must be enabled at all times.
- 1.8 Your website must contain a clear and conspicuous link to your terms and conditions of sale, including but not limited to payment terms, delivery terms, and policies and procedures for customer returns, refunds and exchanges. Your terms and conditions must be displayed or linked during at least one stage of the ordering process (or during more stages of the ordering process if required by local law). Your website must clearly and conspicuously set forth that: (a) you, and not KONG, are making the sale to the customer and (b) the terms and conditions directly and indirectly applying to returns, refunds and exchanges by customers are yours and not KONG. You must provide your own facilities and personnel to address and resolve all KONG product exchange, refund or return requirements.
- 1.9 You must offer at least two customer-friendly payment methods matching the common retail Internet industry standards in the countries in which you actively market or promote KONG products.
- 1.10 You must have a mechanism in place for confirming to the customer each order placed through your website and when each order has been shipped to the delivery address. You must use your best efforts to ship the products within three (3) business days from the customer's order. You must further provide the capability for customers to track the shipment and obtain real-time updates on the actual status of delivery.

# 2. THIRD PARTY MARKETPLACES / PLATFORMS

2.1 With the exception of the third party marketplaces or platforms listed in Criterion 2.3 below, you shall not sell on any third party marketplace or platform without first (i) demonstrating to KONG that your webshop complies fully with these KONG Clicks Criteria and (ii) having received KONG's prior written confirmation that your webshop is a compliant Authorised Website. For these purposes, references to "website" elsewhere in the KONG Clicks Criteria shall include references to a webshop on a third party marketplace. For the avoidance of doubt, if you use a third party fulfilment partner, you shall remain solely and directly responsible for your compliance with all the KONG Clicks Criteria, including for conducting the quality control processes and checks set out at paragraph 4 yourself. You shall not delegate compliance with any KONG Clicks Criteria to any third party.



- 2.2 In addition to complying with the remainder of the KONG Clicks Criteria, in order for a webshop on a third party marketplace / platform to qualify as an Authorised Website, you must comply with the following criteria:
  - (a) you must take active steps to identify and optimise key words for the search of KONG products on the relevant third party marketplace / platform and accordingly optimise the visibility of KONG products and the promotion of the KONG brand on that third party marketplace / platform. You must agree to work with KONG for these purposes;
  - (b) you must work with KONG and must obtain regular approval (at least fortnightly) for all content (including without limitation product descriptions and details, images, and titles) on your webshop product pages, to ensure that content remains optimised, up-to-date, accurate, and compliant with KONG's branding guidelines. You must obtain KONG's approval for any content changes or updates you make to webshop product page; and
  - (c) you must achieve and maintain a customer feedback score on the relevant third party marketplace that is at least 95% positive.
- 2.3 Any sales via a third party marketplace / platform that has been designated by KONG as an excluded marketplace / platform are prohibited. The excluded third party marketplaces / platforms are as follows:
  - (a) Alibaba.com; Allegro.pl; ArtFire.com; Atomicmall.com; Bigcartel.com; Bigcommerce.com; Blujay.com; Bonanza.com; Buy.com (Rakuten); Cdiscount.com; Craigslist.com; Cratejoy.com; CustomMade.com; Depop.com; eBay.com; eBid.net; eCRATER.com; Etsy.com; Facebook Marketplace; Flipkart.com; Flubit.com; FNAC.com; Folksy.com; Fruugo.com; Gumtree; iOffer.com; JD.com; Jet.com; Laredoute.co.uk; LemonStand.com; Magento.com; MercadoLibre.com: Newegg.com; Notonthehighst.com; Offeritem.com; OTTO.de; Pixmania.com; Pricefalls.com; PriceMinister.com; Rakuten.com; Real.de; Sell.com; Sears.com; Selz.com; Shophandmade.com; Shopify.com; SOCexchange.com; Spartoo.com; Squarespace.com; StyleLend.com; Symphony Commerce.com; Taobao.com; Tictail.com; VideDressing.com; Volusion.com; Weebly.com; Wigix.com; WooCommerce.com; Xoole.com; Zibbet.com; 3tailer.com (and any local domains of the same); and
  - (b) any such other third party marketplaces or platforms as KONG may specify from time to time.

#### 3. QUALITY CONTROLS

- 3.1 It is important to us that every customer and their pet receive the best and safest product, in a perfect condition and in a timely manner. We want every customer to be satisfied not only with the KONG product they have purchased but also with the experience of purchasing and receiving that product. To ensure that this is the case, KONG requires every reseller of KONG products to carry out the following quality control practices:
  - (a) individually sort, package, and bag each KONG product it sells separately;
  - (b) ensure that every KONG product it sells is packaged in such a way so as to protect it from damage before it is received by the customer; and



- (c) conduct rigorous quality control checks on every KONG product sold, including (but not limited to):
  - (i) checking all shipment pallets and cases for damage;
  - (ii) ensuring that each product being sent to a customer is the correct one, including checking details such as SKU product numbers, ASIN numbers, shipment papers, etc.;
  - (iii) checking each KONG product being sent to a customer for obvious defects or damage; and
  - (iv) checking the integrity of all packaging and shipping seals for every KONG product sent to a customer; and
  - including on the label and/or in the delivery packaging the Reseller's business name and contact details for returns or after-sales services, including physical address, telephone number and email address; and
  - (vi) ensuring all labelling on each KONG product is correct to enable it to arrive with the customer safely and in a timely fashion.
- 3.2 In addition to the above, to assist KONG in its goal to ensure that every customer is satisfied with the KONG product they receive, KONG requires its resellers to undertake product quality control checks on 3 of every 10,000 KONG products it sells. This should include:
  - (a) carrying out a detailed assessment of the packaging of the KONG product;
  - (b) breaking open the packaging;
  - (c) carrying out a detailed assessment of the KONG product for any faults, damage or any other abnormalities: and
  - (d) accurately and comprehensively documenting the product quality control check.
- 3.3 The above check is to be carried out at the cost of the reseller. Where the reseller discovers faults, damage or any other abnormalities with at least 2 out of the 3 products it tests, it will:
  - (a) immediately inform KONG; and
  - (b) cease sending any KONG products to customers until it receives confirmation from KONG that it may resume doing so.
- 3.4 You must also carry out at least one online compliance test purchase every month, whereby you purchase a KONG product from each Authorised Website on which you sell KONG products, to determine:
  - (a) average time for the delivery to be made;



- (b) whether the product received is the one that was ordered; and
- (c) the condition of the packaging of the product and the product itself and whether it has been damaged during transit.

You must record the results of each online compliance test purchase. If the compliance test purchase falls below the standards a reasonable customer would expect, you must report this to KONG immediately and take corrective action to ensure that any issues highlighted by the compliance test purchase are remedied to a standard acceptable to KONG.

Please note: if you use a third party fulfilment service, you remain solely responsible for carrying out all of the quality controls in this section 3 (together with complying with the rest of these KONG Clicks Criteria) directly, i.e. they may not be delegated to any third party.

#### 4. CUSTOMER SERVICES

- KONG is constantly innovating and seeking to build on its reputation as the provider of the gold standard for dog toys, to ensure that every customer and their pet receives the best and safest product for them. KONG believes that dogs need play and expects its resellers to take active steps to convey this message to customers and promote the KONG brand. It is KONG's view that one of the most effective ways it can ensure its customers are happy with the KONG product they receive, maintain its reputation and promote its brand is to directly interact with its customers and listen to their feedback. For this reason, you must provide consumers with access to trained advisers who can handle customer queries and deliver helpful, immediate and personalised advice as detailed below:
  - (a) You must operate a landline telephone customer service line and ideally a live chat online feature, the details of which must be prominently and clearly displayed on your website.
  - (b) You must provide customer support in the local language and during standard industry practice opening hours, including on Saturdays, in the countries in which you actively market or promote the Products. You will also use your best efforts to provide customer services in other languages consistent with the delivery locations of customers. Outside these hours, a customer must be able to leave either a voicemail or send an email requesting customer support. These requests must be answered as soon as possible, but under no circumstances later than the next business day.
  - (c) All customer-facing staff (this includes all interactions over the telephone, the online live chat feature, and email) must be familiar with the Products you sell and with the KONG Enhanced Education tools on your website, so that they can provide accurate and helpful advice regarding the features of the Products, build pet parent trust, and help consumers to use the Enhanced Education tools to identify the most suitable Product for their pet.
- 4.2 KONG also requires all of its resellers to have:
  - (a) the ability for customers to leave feedback on the KONG product and their experience in purchasing that product with the reseller;
  - (b) a high feedback rate from its customers;



- (c) a low defect rate reported by its customers; and
- (d) at least a score of 9.5 on Trust Pilot or an equivalent review platform.
- 4.3 You must reply to any negative reviews posted by customers on your website within 24 hours of any comment and/or score being posted by the customer.
- 4.4 You must offer a reliable and user-friendly returns policy, including an efficiently operating return service which at least (i) allows return of the ordered products within 14 days of purchase or more in case of longer local legal requirements and (ii) guarantees free returns. You must provide the capability for customers to print out return labels online, include a return label in the delivery packaging or offer collection services for returned products.

### 5. COMPLIANCE AND CONDUCT

- 5.1 You will be responsible for and must comply with all applicable local and European Union regulations, statutes and rules, including relating to taking orders or conducting business over or through the Internet, data protection, data privacy, consumer protection, and local VAT/tax registrations, filings and payments in the country
- You must not partner with any third party that uses adware, spyware or other software to engage in popup or pop-under advertising and / or generates non-user initiated activity (e.g., forced clicks or redirects).
- 5.3 You must not use superlatives to describe the quantity of KONG inventory or the KONG online shopping experience, on any website, in any advertisement, sponsored link, or any other online marketing used, paid for or associated with your business. Examples of prohibited phrases include, but are not limited to, the "largest available online offering of KONG" or "best KONG website".