

Santevia Water Systems Inc. Resale Guidelines - United States

Effective January 1, 2021



Santevia Water Systems Inc. (“Santevia”) and its approved distribution partners in the United States hereby establish the following Santevia resale guidelines (the “guidelines”), which apply to all Retailers in the United States (including Puerto Rico, Guam, and the U.S. Virgin Islands). In order for Santevia to effectively implement its marketing and distribution strategy, and to ensure a quality customer experience, all Retailers must adhere to these guidelines. Your purchase of Santevia products (the “Products”) from Santevia for the purposes of resale constitutes your agreement to adhere to the guidelines herein, including future amendments. Failure to follow the guidelines may result in termination of a Retailer’s Santevia account and status as an “Approved Retailer,” in addition to other remedies.

1. General Requirements and Conditions for Retailers

- a. Retailers shall sell Products only as provided herein. Retailers are authorized to sell Products only in those physical retail stores that have been previously approved in writing by Santevia (or by a distribution partner) for such Retailers (the “Approved Stores”) and Retailers shall neither sell Products from nor supply Products to any other location or facility. Retailers shall only sell the Products to end-use consumers and shall not sell or transfer the Products to any party that a Retailer knows, or has reason to believe, intends to resell or distribute the Products. Retailers shall not sell, ship, invoice, or transfer Products to any customer or any other party outside Canada and the United States.
- b. In addition to Approved Stores, Retailers are authorized to advertise and sell Products online but only through the Retailer’s website and only in accordance with the terms herein, including Exhibit A.

A “Retailer’s website” is a website or mobile application that:

- (i) is operated by a Retailer in Retailer’s legal or registered operating name;
 - (ii) conspicuously states Retailer’s legal name or operating (DBA) name;
 - (iii) does not give the appearance that it is operated by Santevia or any third party; and
 - (iv) is operated in compliance with the terms and conditions set forth in the Online Sales Guidelines, attached hereto as Exhibit A, as Santevia may amend from time to time.
- c. Retailers shall not advertise or sell Products on or through any publicly accessible website, including, without limitation, any third-party marketplace website such as Amazon, eBay, Target+, Rakuten, Walmart Marketplace, or Sears Marketplace. These Guidelines supersede any prior agreement between Santevia and Retailer regarding the sale of the Products online.
 - d. Products sold to unauthorized parties, channels, and websites shall not be eligible for certain Santevia promotions, services, and benefits, including wherever permitted by law, coverage under Santevia product warranties or guarantees.

- e. Retailers shall maintain a competent and trained sales staff that are familiar with the Products, and use its best efforts to promote the sale of the Products and maintain good customer relations. Retailers shall not advertise, market or display non-Santevia products together with the Products in a manner that would create the impression that the non-Santevia products are made by, endorsed by, or associated with Santevia.
- f. Retailers and their agents shall not engage in any unethical business practices or advertising or any activities that could reflect negatively on or compromise the Santevia brand, quality or image or which impact or compromise Santevia's ability to protect its confidential information and intellectual property rights. Retailer agrees to cooperate in the investigation of such matters.
- g. All Products shall be packaged in such manner as Santevia shall establish under labels bearing such trade names and marks as Santevia has or may hereafter adopt. Retailers shall not alter, remove, or repackage the packaging for the Products. Tampering with, defacing, or otherwise altering any serial number, UPC code, or other identifying information on Products or their packaging is prohibited. Retailers shall exercise due care in storing and handling the Products, including storing the Products in a dry place away from direct sunlight, extreme heat, and dampness, and in accordance with any additional storage guidelines specified by Santevia from time to time. Promptly upon receipt of the Products, Retailers shall inspect the Products for damage, defect or other nonconformance (collectively, "Defects"). If any Defects are identified, the Retailer must not offer the Product for sale, and must promptly report the Defects to Santevia or their respective Sales Representative within 5 days of receipt. Retailers shall cooperate with Santevia with respect to any Product recall effort.
- h. Retailers shall not make any representation or recommendation or extend any warranty (express or implied) relating to the use, effectiveness or quality of the Products except those warranties as are from time to time published by Santevia and provided to Retailers.

2. Use of Santevia Intellectual Property

- a. Santevia is the exclusive licensee of multiple trademark registrations and applications. Santevia also holds copyrights to the material in all of its catalogues and advertisements ("Copyrighted Material").
- b. Santevia grants to its Retailers a limited, revocable, non-exclusive, non-transferable sublicense ("Limited Sublicense") to use the Trademarks and Copyrighted Material held by Santevia Water Systems Inc. in connection with the sale and promotion of its Products provided that the Retailer complies with this Policy and any other Santevia policies. The Limited Sublicense is solely for the Retailer's use to promote the sale of Products and does not permit Retailers to distribute Trademarks or Copyrighted Material to any third party for any purpose other than developing an advertisement for the Retailer. Any use of the Trademarks or Copyrighted Material shall be accompanied, where appropriate, by an attribution identifying Santevia as the owner of the Trademark or Copyrighted Material used therein. Whenever a Retailer displays the Trademarks, such display shall be accompanied by the ® or ™ symbol, as

appropriate. When using the Trademarks or Copyrighted Material, Santevia must be clearly identified in the advertisement.

Santevia retains all other rights associated with the Trademarks. The Limited Sublicense rights granted in the Guidelines do not include the right of Retailers to register the Trademarks as or within domain names or to use the Trademarks in Retailer trade names, corporate names, or business names.

- c. Santevia reserves the right to review and approve, in its sole discretion, Retailer's use or intended use of the Trademarks at any time, without limitation. Retailers shall, promptly upon written request from Santevia, discontinue or modify any manner in which the Retailer uses any Santevia IP whether or not such use was previously approved by Santevia.

3. Miscellaneous

- a. If a Retailer violates these Guidelines, Santevia reserves the right to terminate such Retailer's status as an Authorized Retailer immediately through written or electronic notice to such Retailer. Nothing contained in these Guidelines, the fulfillment of orders by Santevia, or otherwise shall be deemed a commitment by Santevia to maintain a Retailer as an Approved Retailer for a specified period of time. Upon termination of Retailer's status as an Authorized Retailer, Retailer shall immediately cease (i) selling the Products; (ii) acting in any manner that may reasonably give the impression that Retailer is an Authorized Retailer of Santevia Products or has any affiliation whatsoever with Santevia; and (iii) using any Santevia IP. Santevia will repurchase all remaining Products at the cost when originally purchased, less shipping charges upon termination. All returned products must be in original condition to be eligible for refund.
- b. Santevia reserves the right to change these Resale Guidelines or any other guidelines provided by Santevia that are applicable to a Retailer at any time upon written notice to a Retailer. Unless otherwise provided, such changes will take effect immediately and Retailer's continued use, advertising, offering for sale, or sale of the Products, use of the Santevia IP, or use of any other information or materials provided by Santevia to Retailers under these Guidelines following notice of the changes will be deemed Retailer's acceptance of the changes.
- c. Santevia reserves the right to audit and/or monitor Retailer's activities for compliance with these Guidelines, including, without limitation, inspection of Retailer's facilities and records concerning the Products.
- d. Santevia has a Minimum Advertised Price ("MAP") Policy that applies to all Authorized Retailers of Santevia Products located in the United States. This section is intended to inform you of the MAP Policy. It does not constitute consideration for this agreement between you and Santevia, and does not separately constitute an agreement between you and Santevia regarding the price you will charge your customers for the Products. Santevia does not seek, nor will it accept, from Retailer any assurance of compliance with the MAP policy.

EXHIBIT A SANTEVIA ONLINE SALES GUIDELINES

Retailer's approval to sell Santevia Products on the Retailer's website is conditioned on adherence to the following terms and conditions:

1. The Retailer's website must not give the appearance that they are operated by Santevia or any third party.
2. Anonymous sales are prohibited. Retailers shall include their full legal name or operating (DBA) name clearly on their website. Ship from addresses must be included with any shipment of Products from the Retailer or in an order confirmation email sent at the time of purchase.
3. At Santevia's request, Retailer will reasonably cooperate in demonstrating and/or providing access to, and copies of, all web pages that promote Santevia products on the Retailer's website.
4. The Retailer's website shall have a mechanism for receiving customer feedback and Retailer shall use reasonable efforts to address all customer feedback and inquiries received in a timely manner. Retailer agrees to provide copies of any information related to customer feedback (including any responses to customers) to Santevia for review upon request. Retailer agrees to cooperate with Santevia in the investigation of any negative online review associated with Retailer's sale of the Products and to use reasonable efforts to resolve any such reviews.
5. The Retailer's website shall be in compliance with all applicable privacy, accessibility, and data security laws, regulations, and industry standards.
6. Retailer shall be responsible for all fulfillment to its customers who order Products through their website, any applicable taxes associated with such purchases of Products, and any returns of Products.