Kurgo Wholesale Terms and Conditions

Payment	- Payments may be made by Credit Card or, subject to credit approval, Net 30 Days from the date of the
Terms:	invoice.
	- A monthly interest charge of 1.5% (18% per annum) may be assessed on overdue invoices.
	- Any returned check will be assessed a fee of \$25.00.
Prices:	- Prices and terms are in USD and subject to change without notice.
	- Retail partners are welcome to advertise items above the MSRP, but must abide by Kurgo's MAP Policy.
Conditions	- Kurgo authorizes the sale of its products only in the specific location(s) listed and approved on the initial
of Sale:	order/new account forms.
	- Transshipment to any other location is not permitted.
	- Sales on or to third-party websites such as, but not limited to, Amazon, eBay, Jet.com and Walmart.com
	are not permitted.
	- Sales to online only retailers are not permitted without the expressed written consent of Kurgo.
	- All sales are subject to the Kurgo Unilateral E-Commerce Policy.
Orders:	- Orders (excluding LTL shipments) received and confirmed before 1pm EST will ship the following day.
	- All orders must include a purchase order number and purchasing agent's name.
	- Orders can be placed by phone, email or fax. Written orders are preferred for record keeping purposes.
	- Once an order is confirmed by Kurgo, it cannot be canceled or modified without Kurgo's consent. All
	requests for modifications or cancellations must be sent via fax or email to Kurgo. Modified or cancelled
	orders may be subject to a 15% restocking fee.
	- Kurgo does not guarantee stock availability and reserves the right to split orders if an item is out of stock.
	- Orders in master carton quantities are encouraged.
	- The minimum order amount is \$150.
Product	- All Kurgo products (excluding toys) are covered by a Lifetime Warranty, which guarantees the product to
Quality:	be free from manufacturing defects. Please refer to the warranty included with the product. This warranty
	is limited to the original purchaser only. A copy of the original invoice showing the date the product was
	sold must accompany all warranty claims. Kurgo will replace or repair the defective part at its discretion.
	Under no circumstance will Kurgo assume any liability for a product that has been misused or incorrectly installed.
Returns:	- Returns are only allowed for defective merchandise, or shipping discrepancies which must be reported to
neturiis.	Kurgo within 10 days of merchandise receipt.
	- Accommodation returns may be accepted at Kurgo's discretion and Kurgo's pre-approval is required.
	Freight must be sent pre-paid and a 15% restocking fee may be assessed.
	- A Return Authorization ("RA") number from Kurgo is required for ALL returned items. The RA number can
	be obtained by calling your sales representative or the Customer Service Department. This number must
	be on the outside of all boxes or the shipment may be subject to a 15% restocking fee. Returns must be in
	transit within 14 days of receiving the RA.
	- For returns due to shipping discrepancies or defective merchandise, delivery and return freight credit will
	be issued.
	- All unauthorized and invalid return claims will be charged a 25% restocking fee and will not be credited for
	return freight.
	- Any valid credits are for merchandise only. Any credits issued will only be valid for 12 months from issue
	date.
	- All returns, unless otherwise agreed to on the RA, are to be shipped to Attn: Kurgo Returns, Dart
	Warehouse Corporation, 1835 West Ferry Road, Naperville, IL 60563.
Freight:	- All shipments are FOB Naperville, IL 60563 USA.
	- Shipping shortages and discrepancies must be reported in writing within 10 days of receipt of shipment. If
	merchandise is lost or damaged in transit, it is the customer's responsibility to contact the carrier for
	claim settlement. Kurgo will assist in processing claims at the customer's request.

Kurgo Minimum Advertised Price Policy

Effective June 1, 2016 (the "Effective Date"), Motivation Design, LLC's (dba "Kurgo") Minimum Advertised Price Policy (the "MAP Policy") has been updated and is applicable to all retailers, dealers and resellers ("Retailers") who carry Kurgo products. Under the MAP Policy, no Retailer shall advertise any Kurgo-branded product ("Kurgo Products") at a discount in excess of 10% off the applicable Manufacturer's Suggested Retail Price ("MSRP") as announced by Kurgo from time to time.

In evaluating its position in the marketplace relative to its competitors and its Retailers' competitors, Kurgo has unilaterally determined that the establishment of a MAP Policy is necessary for Kurgo to maintain its reputation as a manufacturer of high-quality pet products. Kurgo believes that retail sales of Kurgo Products through storefront, direct mail and Internet channels, other than in accordance with the MAP Policy, negatively impact Kurgo's reputation, public perception of the quality of Kurgo Products, Kurgo's ability to provide comprehensive warranty and support services, and the overall maintenance of Kurgo's competitive position in the marketplace.

The MAP Policy is as follows:

The MAP Policy is applicable to all Retailers and Distributors who sell Kurgo Products.

- 1. Kurgo will provide its Retailers and Distributors, on a current basis, with the MSRP for Kurgo Products.
- 2. No Retailer shall advertise any Kurgo Product at a discount in excess of 10% of the applicable MSRP as announced by Kurgo from time to time.
- 3. Any Retailer that does not comply with the MAP Policy, will be subject to the following:
 - a. Upon a first offense, Kurgo will send a warning to the Retailer and give it 48 hours to comply
 - b. Upon a second offense, Kurgo will suspend the shipment of some or all Kurgo Products for a period of 30 days and add the Retailer to a list of customers to whom Kurgo Products are not allowed to be sold ("Do Not Sell List") which will be updated and published periodically
 - c. Upon a third offense, Kurgo will suspend the shipment of some or all Kurgo Products for an indefinite period of time
- 4. No Distributor shall sell Kurgo Products to a Retailer on the Do Not Sell List.
- 5. Any Distributor that sells Kurgo Products to a Retailer on the Do Not Sell List, will be subject to the following:
 - a. Upon a first offense, Kurgo will send a warning to the Distributor and give it 48 hours to confirm, in writing, that it is no longer selling Kurgo Products to that Retailer
 - b. Upon a second offense, Kurgo will suspend the shipment of some or all Kurgo Products for a period of 30 days and add the Distributor to the Do Not Sell List
 - c. Upon a third offense, Kurgo will suspend the shipment of some or all Kurgo Products for an indefinite period of time
- 6. Kurgo recognizes that Retailers should retain some flexibility in the marketing and sale of Kurgo Products in order to reflect local conditions and retail practices, provided that such events are within the MAP Policy AND are approved by Kurgo in advance of the events. Accordingly, each of the following events will constitute exceptions to the strict compliance with the MAP Policy:
 - a. Direct sales to employees of Retailers.
 - b. Close-out, going out of business, liquidation or bankruptcy-related sales.
 - c. Special promotional events, consistent with Kurgo's marketing and sales programs.
- 7. Under no circumstances are Kurgo employees or sales representatives authorized to, nor shall they, discuss with any Retailer or other person the sales practices of any Retailer or the application of the MAP Policy to any Retailer. Any questions or comments concerning the MAP Policy must be directly and exclusively submitted to Kurgo, <u>Attention:</u> VP of Sales.
- 8. This MAP Policy applies to all forms of Retailer advertising, including mailings, catalogs, displays at consumer exhibitions and shows, and any and all other forms of advertising media, including, without limitation, the Internet and any other electronic network. Any price information relating to Kurgo Products on an Internet website which can be accessed directly through any hypertext link or by any other method which uses the hypertext transfer protocol (http) is considered to be advertising for purposes of this MAP Policy. Electronic mail sent in direct response to a customer inquiry is not considered to be advertising.

Kurgo takes its MAP Policy seriously and has dedicated resources reviewing all retail outlets to ensure consistent adherence to the policy across channels.

This Policy only concerns advertised prices, and does not relate to actual sales prices of any item. The foregoing is a statement of Kurgo's unilateral Policy and expresses the terms upon which it will deal with its customers. The MAP Policy is subject to revision, at the sole discretion of Kurgo, from time to time. Kurgo does not seek, nor will it accept, any other agreement or understanding with you or anyone else with respect to the prices you may advertise or charge at any time.

By ordering or selling Kurgo products, you agree to abide by these terms and conditions. Updated June 1, 2016

Kurgo Unilateral E-Commerce Policy

Effective June 1, 2016 (the "Effective Date"), Motivation Design, LLC's (dba "Kurgo") Unilateral E-Commerce Policy (the "E-Commerce Policy") has been updated and is applicable to all accounts selling Kurgo Products on any e-commerce site ("E-Retailers").

- 1. E-Retailer must have written authorization from Kurgo in order to sell online.
- 2. E-Retailer must be in good credit standing.
- 3. No E-Retailer, Retailer, Distributor or any other Kurgo Customer may sell on or to third-party sites, including, but not limited to Amazon, eBay, Jet.com and Walmart.com.
- 4. E-Retailers must also operate at least one public brick-and-mortar commercial retail location. Any exceptions will be at Kurgo's sole discretion.
- 5. Any E-Retailer that does not comply with the E-commerce Policy, will be added to a list of customers to whom Kurgo Products are not allowed to be sold ("Do Not Sell List") which will be updated and published periodically.
- 6. No Distributor shall sell Kurgo Products to an E-Retailer on the Do Not Sell List.
- 7. Any Distributor that sells Kurgo Products to an E-Retailer on the Do Not Sell List, will be subject to the following:
 - a. Upon a first offense, Kurgo will send a warning to the Distributor and give it 48 hours to confirm, in writing, that it is no longer selling to that E-Retailer
 - b. Upon a second offense, Kurgo will suspend the shipment of some or all Kurgo Products for a period of 30 days and add the Distributor to the Do Not Sell List
 - c. Upon a third offense, Kurgo will suspend the shipment of some or all Kurgo Products for an indefinite period of time

Kurgo takes its E-Commerce Policy seriously and has dedicated resources to reviewing all retail outlets to ensure consistent adherence to this policy.