



## **MAP POLICY AND ONLINE SALES GUIDELINES**

Thank you for choosing to become a reseller of SNUGGLE PUPPY® branded products ("SP Products"). To maintain the reputation, goodwill, and brand value of SP Products, and to ensure promotion of these products, all authorized resellers, dealers, and/or vendors of SP Products ("Reseller" or collectively "Resellers") shall adhere to the terms and conditions of this MAP Policy and Online Sales Guidelines (the "Policy and Guidelines"). As such, all Resellers shall review and abide by the Policy and Guidelines before using any intellectual property or marketing material belonging to Encompass Pet Group, LLC (referred to as Snuggle Puppy or "SP").

### **I. MINIMUM ADVERTISED PRICING POLICY ("MAP Policy")**

This MAP Policy applies to all advertisements and promotion of SP Products in all media, along with the minimum advertised price ("MAP Price") for each product, identified in **Section I.(c)**. This MAP Policy does not apply to the prices above the MAP Price at which the SP Products may be sold by Reseller to end-user consumers.

SP is focused on promoting the sale and distribution of SP Products and maintaining the reputation, goodwill, and brand value of SP Products for the benefit of SP's authorized Resellers. In recognition of the investment of time and resources required to provide the high-quality level of customer service and product knowledge provided by Resellers to our customers, SP is committed to enforcing the MAP Policy to support our Resellers as they sell and distribute the SP Products and maintain the reputation, goodwill, and brand value of these products. Hence, all authorized Resellers shall comply with the following terms and conditions set forth in the MAP Policy for the advertising and marketing of SP Products.

#### **(a) Policy Rules and Obligations**

The advertised or promotional price of the SP Products cannot be less than the MAP Price for each product as set forth in **Section I.(c)**. Therefore, Resellers shall not create or produce off-premises advertising, notices, or postings that advertise SP Products (including, but not limited to, print ads, direct mail pieces, emails, internet-based ads, Twitter, Facebook, or other social network posts, webpages, pop-ups, downloads, or display) at pricing below the applicable MAP Price for each product. Advertising approaches that would violate this MAP Policy include, without limitation: (i) Incorporating free or discounted products in advertising with any of the SP Products if this has the effect of discounting the price of the said product below the applicable MAP Price; (ii) any removal, strike-through, or alteration of the MAP Price; or (iii) any tactics which SP determines are intended to circumvent the application of this MAP Policy. Incentives such as shipping and handling (e.g., free shipping) may be offered, provided that such incentives are not used to circumvent this MAP Policy. SP monitors advertised prices marketed and advertised by Resellers, and Resellers are expected to provide reasonable cooperation in any investigations by SP of possible violations of this MAP Policy. Hindering, obstructing, delaying, or otherwise failing to cooperate with such investigations is a violation of this MAP Policy. All questions regarding interpretation of this MAP Policy should be addressed to [sales@snugglepuppy.com](mailto:sales@snugglepuppy.com).

#### **(b) Reserved Rights**

SP may, in its sole discretion, modify, suspend or discontinue the Map Policy in whole or in part at any time with or without notice. SP may revise and/or amend the MAP Prices set forth in **Section I.(c)** at any time. Reseller will adhere to SP's determination as to whether the Reseller has violated the MAP Policy and whether a Reseller has advertised any SP Products in any way that suggests or implies a lower price than the MAP Prices set forth in **Section I.(c)**. SP

may, in its sole discretion, cancel any pending orders, restrict future orders, or suspend a Reseller’s account if SP reasonably believes Reseller has violated, or intends to violate, any provisions of this MAP Policy. Nothing in this MAP Policy shall affect SP’s right to terminate the account of any Reseller pursuant to the Reseller Agreement or exercise any rights granted to SP in the Reseller Agreement, including but not limited to those in Section 4 (Reserved Rights).

**(c) Minimum Advertised Price**

Snuggle Puppy and Snuggle Kitty:	<b>\$39.95 USD</b>
New Puppy Starter Kit:	<b>\$69.95 USD</b>
Snuggle Blankets:	<b>\$15.99 USD</b>
Puppy Teething Aid:	<b>\$9.99 USD</b>
Heat Pack three pack:	<b>\$9.99 USD</b>
Heat Pack six pack:	<b>\$15.99 USD</b>
Heat Pack twelve pack:	<b>\$27.99 USD</b>
Snuggle Puppy HERO:	<b>\$39.95 USD</b>
Snuggle Puppy PLUS:	<b>\$49.95 USD</b>
PUPPY BITES supplements:	<b>\$24.95 USD</b>

**(d) Advertising and Marketing Material**

Authorizations and Restrictions. Any photographs, images, texts, graphics, or other marketing material (the “Media”) to be used by Resellers are the property of SP, and unauthorized uses of the Media may violate SP’s intellectual property rights (including but not limited to, trademark and trade dress, copyright, patent, etc.) and other applicable laws. Therefore, any use of the Media hereby granted to Resellers shall be for the sole and exclusive purpose of reselling, marketing, advertising, and promoting SP Products (the “Purpose”). For instance, Reseller shall not, without limitation: (i) change, modify, blur, distort, transform, or otherwise alter Media; (ii) remove any trademark, copyright, or other proprietary notices from the Media; (iii) copy, reproduce, upload, post, transmit, or disseminate the Media outside of the Purpose; (iv) use the Media in any public display, performance, sale, rental, or for any commercial purpose outside of the Purpose; (v) transfer to or authorize use of Media to any other person or entity, public or private; (vi) use SP’s brand names such as “Snuggle Puppy” with unauthorized pictures; (vii) use any Media or SP’s brands on any web site you do not own, including but not limited to, eBay, Amazon, Walmart.com, Pinterest.com, or Etsy.com, unless otherwise agreed to in writing (email sufficing).

Additional Obligations. Reseller acknowledges that: (i) SP may at any time, with or without notice or cause, terminate Reseller’s authorization to use the Media; (ii) Reseller shall only use the Media provided by SP, or other marketing material approved by SP, for the Purpose set forth in this MAP Policy; and (iii) Reseller shall not modify any Media for a particular purpose or use without SP’s prior written approval.

**(e) Failure to Comply**

If SP determines that Reseller has violated this MAP Policy, it may, in its sole and absolute discretion, take action as it deems appropriate and necessary, including but not limited to, terminate Reseller’s authorization to use the Media, take the actions set forth in Section I(b), discontinue all shipping of MAP Products, and/or close the account of any Reseller who violates this MAP Policy.

**(f) MAP Holiday**

Temporary waivers to this MAP Policy may be granted in SP’s sole discretion by the MAP Policy Administrator in a written waiver. If the MAP Policy Administrator grants such a waiver, Resellers must strictly adhere to the terms of that written waiver, and any deviation from its terms is a violation of the MAP Policy.

## **II. ONLINE SALES POLICY (“OSP”)**

Resellers selling, offering to sell, and/or advertising any SP Products online shall comply with the following OSP. This OSP is independent of and separate from any agreement or understanding between Reseller and SP on any matter, and SP will enforce this OSP, strictly and uniformly, with respect to all Resellers. In addition, SP reserves the right to: (i) discontinue doing business with and any Reseller without liability in the event a Reseller violates this OSP; and (ii) review all methods of Reseller’s online sales not covered in the below OSP to ensure Reseller’s compliance with the OSP. The OSP will be updated to address these other online selling methods as they arise.

### **(a) Reseller-Owned Website**

Resellers are permitted to sell, offer to sell, and/or advertise SP Products online through their own Reseller-owned website provided that Resellers comply with the MAP Policy.

### **(b) Amazon.com**

Resellers are not permitted to sell, offer to sell, and/or advertise any SP Products online through Amazon.com.

### **(c) eBay, Other Auction Websites, and Additional Marketplaces**

Resellers are not permitted to sell, offer to sell, and/or advertise any SP Products online through eBay or other auction websites, or on additional marketplaces such as, without limitation, WalMart.com, Pinterest.com, Etsy.com, Facebook Marketplace, and Sears.com.

### **(d) Territory Exclusions**

Resellers are not permitted to sell, offer to sell, and/or advertise any SP Products outside the geographic territory of the United States, or to ship to locations outside of the United States.

### **(e) Unauthorized Resale**

Resellers shall only sell SP Products to end-user consumers purchasing the SP Products for personal use. Resellers are not permitted to sell SP products to any third-party, unauthorized resellers purchasing the SP Products for subsequent resale and/or in bulk, unless otherwise expressly authorized by SP.