

DG BRANDS™ AUTHORIZED RESELLER POLICY

To qualify and remain a DG BRANDS™ Authorized Reseller, your business must adhere to this DG BRANDS™ Authorized Reseller Policy at all times.

- 1. Maintain Current Business Information & Disclose All Locations That Carry DG BRANDS™ Branded Products:** Maintain accurate and up-to-date company information with DG BRANDS™ and disclose all retail locations and websites that carry DG BRANDS™ branded products throughout the term of your reseller relationship with DG BRANDS™. Qualifying retail locations are expected to be one of the following: your physical brick & mortar store(s), your e-commerce-enabled website(s), or temporary storefronts (events, tradeshow, pop up stores, etc.). All DBAs, online aliases, merchant names, etc. must be reported to DG BRANDS™. Hindering, obstructing, delaying, or otherwise failing to provide accurate business information as it pertains to DG BRANDS™ will be seen as a violation of this policy.
- 2. Sell on Approved Retail Website(s) Only:** When selling online, must only take orders via publicly accessible e-commerce enabled web pages hosted on approved websites owned and operated by your company. Selling on 3rd party sites (eBay, Amazon, Alibaba, etc.), drop-ship accounts (Buy.com, Newegg.com, Overstock.com, etc.), classified sites (Craigslist.com, Facebook Marketplace, etc.) or direct messages on forums is strictly prohibited without the explicit, written, prior permission of DG BRANDS™.
- 3. DG BRANDS™ Minimum Advertised Price Policy:** Ensure you understand and abide by DG BRANDS™' MAP Policy. Please refer to our MAP Policy, in the second section below.
- 4. DO NOT USE THIRD PARTY INTELLECTUAL PROPERTY TO ADVERTISE OR SELL DG BRANDS™ PRODUCTS:** You may not use any third-party intellectual property to advertise or sell any DG BRANDS™ PRODUCTS. This includes in catalogues, e-commerce stores, and advertising materials. You cannot identify DG BRANDS™ goods using third party intellectual property, including but not limited to, the names of characters or personas. You are strictly responsible for any use of third-party intellectual property in contravention of this section.
- 5. Sell to Retail Consumers Only:** You may not sell in bulk to B2B accounts, wholesalers, jobbers, or freight forwarders/drop-shippers for other retailers. Sell to your end consumers only.
- 6. Only Purchase DG BRANDS™ Products Directly from Assigned & Authorized Distributor:** Do not buy DG BRANDS™ products from other retailers, or from other sources not explicitly endorsed by DG BRANDS™, and do not sell DG BRANDS™ products that were acquired any way other than from or approved by DG BRANDS™.
- 7. Anti-Diversion:** Reseller will not divert the DG BRANDS™ Products and will not sell to any account or person that Reseller knows or should know is likely to resell the products.

- 8. Sell to Customer(s) Within an Assigned Geographic Territory:** Reseller must restrict customer order shipments to shipping addresses located within your assigned country or designated territory. This includes selling or shipping DG BRANDS™ products to end consumers online if your territory does not include the online channel.
- 9. Operate Ecommerce Business Separately from Offline Retail:** You must have the ability to plan inventory for your ecommerce business separately from inventory planned for your physical store's business & provide accurate sell-thru numbers for each.
- 10. No Bundling DG BRANDS™ Products Without Obtaining Permission:** Must not re-SKU or bundle DG BRANDS™ products in your online assortments & data feeds without receiving prior written permission from DG BRANDS™.
- 11. Policy with respect to use of DG BRANDS™, DG BRANDS™ Owned Trademarks and Maintaining Merchandising Standards:** You are responsible for all aspects of your sales and fulfillment of DG BRANDS™ Products. You will not take any action that diminishes the value or reputation of DG BRANDS™ Products or DG BRANDS™. All trademarks, trade names, style names, logos, tag lines, photographs, images, designs, patterns, copyrights, and other elements of the DG BRANDS™ products, whether protectable or not, provided to you by or on behalf of DG BRANDS™, shall be referred to as the "DG BRANDS™ IP." Any and all use of DG BRANDS IP must be solely for the promotion and sale of DG BRANDS™ products only. Any use of DG BRANDS IP in online advertising that links to or otherwise directs traffic to non-DG BRANDS products is strictly prohibited. If DG BRANDS™ objects to your use of the DG BRANDS™ IP, you will make all changes necessary to correct such use. Specifically: All advertisements that feature DG BRANDS™ Products shall present DG BRANDS™ branded products as being of high value and quality. Advertisements that diminish or degrade or otherwise adversely affect the DG BRANDS™ reputation, logo, brand names, trademarks or other intellectual property rights, or that confuse or mislead consumers as to the quality and value of products are strictly prohibited. DG BRANDS™ Resellers must make every effort to use approved imagery, digital assets and copy in its advertising, especially where DG BRANDS™ is able to provide it. DG BRANDS™ will monitor Reseller's websites, and Reseller's must comply with all change requests from DG BRANDS™. All internet advertising, including but not limited to, Banner ads, Cost-per-Click advertising, Search Engine advertising and Search Engine Data Feeds, or wording provided to any entity engaged in such advertising must follow best practices for content distribution.
- 12. Usage of Licensed Materials:** DG BRANDS™ grants you a non-exclusive, non-transferable, non-sublicensable royalty-free, license to utilize the following materials ("Licensed Materials"), solely in the manner described and subject to the terms of Section 11 herein:
 - a. You may include the words "Authorized DG BRANDS™ Reseller" in advertisements and marketing materials for your physical store as well as any Authorized Retail Websites, as reasonably necessary to identify you as an authorized reseller, provided, that such words are solely used to advertise and market DG BRANDS™ Products. In the event you breach this Policy, the MAP Policy, or are otherwise no longer an authorized reseller of DG

PRODUCTS, this license will automatically terminate, and you will have no further right or license to use any DG BRANDS™ IP and you will cease use of the DG BRANDS™ IP.

- b. You may utilize the DG BRANDS™ IP made available to you on your Authorized Retail Websites and in advertising and marketing material solely to market, advertise and sell the DG BRANDS™ products, subject to the terms of this Policy, and provided that, in the event you breach this Policy, the MAP Policy, or are otherwise no longer an authorized reseller of DG PRODUCTS, this license will automatically terminate and you will have no further right or license to use any DG BRANDS™ IP and you will cease use of the DG BRANDS™ IP.
- c. You agree to cease all uses of the DG BRANDS™ IP if you are no longer an authorized reseller

13. Terms of Sale: All terms of sale are as specified below and shall supersede any purchase order terms and conditions, or other form agreement prepared by Dealer:

- a. **Payment Options:** For current customers, terms to remain in effect unless otherwise contacted. For new customers, credit application needs to be completed for processing. COD, Cash, Money Order or Card (Visa, AMEX or MC) accepted without credit approval. Net terms or COD Company Check are available upon approved credit. Please allow one to two weeks to process DG BRANDS™ Credit Application. All new dealers must provide a DG BRANDS™ Resale Certificate when submitting an Application for Credit. A finance charge of 1.5% per month will be charged on all overdue accounts.
- b. **New Orders and Re-Orders:** All orders are FOB Pre-Paid and Add and subject to change without notification. New Account minimum opening order is \$1,000. Re-order minimum is \$100.
- c. **Commercial Addresses Only:** All addresses will be validated, and no orders shall be shipped to residential addresses, PO Boxes, Mailing Centers (UPS Stores) etc.
- d. **Claims: Shipping discrepancy:** Any discrepancy in the quantity of cartons received from carrier must be reported within 5 days of receipt of goods. Any discrepancy in quantities received, damaged or incorrect merchandise must be reported within 10 days upon receipt of goods. However, HALLOWEEN COSTUME shipments made January through June will be allowed until July 1st to report. By reporting earlier, the ability to replace from stock is increased.
- e. **Returns:** Returns will not be accepted for in-store damages, or for garments which have been worn. All returns must be reported within 10 days of receipt of goods and require approval and a Return Authorization Number from Corporate Headquarters. Returns are subject to a 20% restocking charge. All shipments made as agreed, that are refused and returned to DG Brands™, are subject to a 20% restocking fee plus shipping charges.

- f. Back Orders: Any item not shipped complete on an order automatically becomes a backorder unless you advise DG BRANDS™ Customer Service department in writing to cancel backordered items.
- 14. Indemnification:** Reseller will defend, hold harmless, and indemnify DG BRANDS™ and its affiliates and each of their members, officers, directors, employees, representatives, and agents from any damages, claims, actions, proceedings, or settlements related to or arising from your violation of this Policy.
- 15. Obey the Law, Abide by Policy Rules & Serve Customer Needs:** Must comply with all applicable laws, rules, regulations & policies in connection with the advertising, sale, & marketing of DG BRANDS™ products and use of the DG BRANDS™ IP. Must provide a level of sales support & customer support for our customers that, at a minimum, demonstrate industry best practices.
- 16. Report Sell-Thru:** Collect and provide accurate sell-thru and POS reporting data by SKU and approved retail locations/channels upon request, IN ACCORDANCE WITH DREAMGIRL'S REASONABLE INSTRUCTIONS.

Failure to comply with all of the terms in DG BRANDS™ Authorized Reseller Policy will result in suspension or termination of your account, and the loss of all rights associated therein.