



## AUTHORIZED RESELLER POLICY

Pediatric Solutions, LLC (hereafter, “**Pediatric Solutions**”), the owner of the Happy Cappy brand. Happy Cappy hereby adopts this Authorized Reseller Policy (the “**Policy**”) to protect the long-term strength and integrity of its brand and Products.

Effective immediately, only Authorized Resellers may sell Happy Cappy products on eCommerce third-party marketplaces, such as Amazon. Authorized Resellers are merchants who are vetted by Pediatric Solutions for adherence to its quality control standards and who are given written approval to sell Happy Cappy products on eCommerce third-party marketplaces (hereafter, “**Authorized Resellers**”). Any reseller who wishes to sell Happy Cappy products on eCommerce third-party marketplaces must obtain prior written approval from Pediatric Solutions.

All Authorized Resellers accept and are bound by the terms and conditions of this Policy, which detail the channels and methods in which they are authorized to sell Happy Cappy products. Happy Cappy and its Authorized Resellers are individually a “**Party**” and together are the “**Parties.**”

### Terms and Conditions

1. **Authorization.** Authorized Resellers can advertise and sell Happy Cappy products (the “**Product**” or “**Products**”) to end-customers in the United States of America only, in brick-and-mortar locations and on their own internet URL locations approved by Pediatric Solutions. Authorized Distributors may also advertise and sell Happy Cappy products to approved Resellers.
2. **Third-Party Internet Marketplace Sales.** All resellers are prohibited from selling Happy Cappy products on Internet marketplaces including, but not limited to, Amazon, Walmart, eBay, Alibaba, Craigslist, Rakuten, and Sears, unless they obtain written permission from Pediatric Solutions authorizing them to sell on specific internet marketplaces and under specific seller names. Pediatric Solutions may revoke or amend an Authorized Reseller’s internet marketplace authorization by sending notice and such revocation or amendment shall become effective upon delivery of such notice.
3. **End Customers.** Product purchased by Authorized Resellers is intended for sale to end customers only. Accordingly, Authorized Resellers will advertise and resell the Product to end customers only. End-customers are customers who purchase the Product for their personal use or consumption. Authorized Resellers are prohibited from reselling the Product to third-party resellers or distributors without prior written approval from Pediatric Solutions.
4. **Geographic Territory.** The authorization to advertise and resell the Product is limited to the United States without exclusive right to any specific territory. Authorized Resellers must obtain prior written approval from Pediatric Solutions to resell, gift, or export the Product outside the United States. Authorized Resellers must also obtain prior written approval from Pediatric Solutions to resell Product to a buyer who they know, or reasonably should have known, has the intent to export the Product outside the United States.
5. **Duration.** An Authorized Reseller’s approval to advertise and resell the Product will remain in effect until it is terminated by either Party or when Pediatric Solutions terminates this Policy, whichever occurs first.

6. **Quality Control.** Authorized Resellers acknowledge the importance of upholding the good reputation of Pediatric Solutions and its Products. Accordingly, Authorized Resellers will comply with all applicable federal, state, and local laws and regulations. Authorized Resellers also agree to adhere to the highest quality control standards in performing their obligations under this Policy, including the following standards established by Pediatric Solutions:
- a. **Provide Accurate Information.** Authorized Resellers must provide accurate and up to date company and contact information including all DBA's, retail locations, and websites where the Product will be sold.
  - b. **Product Storage.** Authorized Resellers will store the Product in a facility and in a manner that prevents damage to the Product or its packaging.
  - c. **Original Packaging.** Authorized Resellers will only sell Products in their original unaltered, undamaged, and sealed packages with all original markings, documents, and identifying information intact. **Authorized Resellers are prohibited from selling Products that have original labels replaced, altered, destroyed, or bundles made up of items meant to be sold individually or as part of a larger package; such packages are considered altered and will not qualify for refunds, exchanges, or Pediatric Solutions product warranties.**
  - d. **Damaged Product.** Authorized Resellers will destroy, at their own expense, Product that Pediatric Solutions determines is altered, damaged, or does not meet its quality standards.
  - e. **No Brand Commingling.** Authorized Resellers will not advertise or display the Product with non- Happy Cappy products in a manner that creates the impression that the non-Happy Cappy products are made by, endorsed by, or associated with Happy Cappy. Such commingling of products is likely to cause customer confusion and is prohibited.
  - f. **Bundles and Multipacks.** Authorized Resellers will not create, or advertise, bundles or multipacks without the prior written authorization from Pediatric Solutions.
  - g. **Quality Control Audit.** Pediatric Solutions may conduct quality control audits of its Authorized Resellers' advertising, promotional materials, product images, and any documents related to the marketing and advertising of the Product to determine whether the use of the Product and Intellectual Property meet the standards, specifications, and directions approved by Pediatric Solutions. When requested, Authorized Resellers will provide Pediatric Solutions with samples of advertising, promotional materials, product images, and any other documents for review.
  - h. **Product Recall.** If Product recall is necessary, Authorized Resellers will cooperate with Pediatric Solutions to conduct the recall.
  - i. **Drop Shipping.** Order fulfillment by drop shipping is prohibited without prior written approval from Pediatric Solutions.
  - j. **Additional Quality Control Standards.** Pediatric Solutions has the right to issue additional quality control standards to protect its brand's reputation and ensure commercial success of its Products. Authorized Resellers agree to abide by all additional standards issued by Pediatric Solutions.
7. **Customer Service.** Authorized Resellers will offer customer service in a timely, diligent, and professional manner to customers who purchase the Product. Authorized Resellers will use commercially reasonable efforts to ensure customer satisfaction, increase customer loyalty, and preserve customer trust in the Happy Cappy brand.
8. **Intellectual Property.** Pediatric Solutions owns all proprietary rights in and to the Happy Cappy brand, including name, logo, trademarks, service marks, trade dress, copyrights, patents, and any other intellectual property related

to the Products (“**Intellectual Property**”). Pediatric Solutions grants its Authorized Resellers a limited, non-transferable, revocable license to use its Intellectual Property for the purpose of advertising and reselling the Product in a manner consistent with this Policy. The Intellectual Property will not be affixed to, or advertised in connection with, any goods or services other than the Product. All goodwill arising from the Authorized Resellers’ use of the Intellectual Property shall inure solely to the benefit of Pediatric Solutions. Authorized Resellers agree to cease all use of the Intellectual Property upon their termination as an Authorized Reseller. **This limited license is granted only to Pediatric Solutions’ Authorized Resellers.**

**9. Advertising By Pediatric Solutions.** Nothing in this Policy limits Pediatric Solutions’ right to market, advertise, and sell the Product. All decisions regarding the advertising medium or content will remain the sole discretion of Pediatric Solutions.

**10. Product Warranties.** Pediatric Solutions warrants the Products to be free from defects in material and workmanship. Pediatric Solutions warrants that customers who purchase directly from Pediatric Solutions, or from its Authorized Resellers, will receive unexpired product that is safe to consume when used according to the specification printed in the label. Pediatric Solutions also warrants that the products sold by Pediatric Solutions, and its Authorized Resellers, comply with all product safety regulations and appropriate labeling requirements promulgated by the United States Food and Drug Administration, including the Federal Food, Drug and Cosmetic Act, Federal Consumer Product Safety Act, and any other applicable product safety law. Further, Pediatric Solutions warrants that the Products sold by its Authorized Resellers conform to its quality control specifications. Such warranties extend only to Products sold by Pediatric Solutions and its Authorized Resellers who are subject to Pediatric Solutions’ quality control standards. **PEDIATRIC SOLUTIONS WARRANTIES DO NOT EXTEND TO PRODUCTS OBTAINED AND SOLD BY UNAUTHORIZED RESELLERS OR TO PRODUCTS WHICH PEDIATRIC SOLUTIONS CONSIDERS ALTERED.**

**11. WARRANTY DISCLAIMER.** **THE EXPRESS WARRANTIES SET FORTH IN THIS POLICY ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE, OR OTHERWISE. PEDIATRIC SOLUTIONS HEREBY SPECIFICALLY DISCLAIMS ANY OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY WARRANTIES OF NONINFRINGEMENT, QUIET ENJOYMENT, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE.**

**12. Notice of Minimum Advertised Price Policy.** Pediatric Solutions maintains a Minimum Advertised Price Policy that applies to all Happy Cappy products. This section is intended to only give notice of the policy to its Authorized Resellers. It does not constitute consideration for any agreement between Pediatric Solutions and any other party nor a separate agreement regarding the final price that resellers will charge their customers. The Minimum Advertised Price Policy is a unilateral policy and not subject to agreement by any reseller.

**13. Additional Terms and Conditions.** Authorized Resellers agree to comply with the additional terms and conditions set forth by Pediatric Solutions from time to time which may be changed by Pediatric Solutions in its sole discretion.

Pediatric Solutions reserves the right to update, amend, modify, or terminate this Authorized Reseller Policy at any time. Unless otherwise provided, such changes will take effect immediately, and a reseller’s continued use, advertising, offering for sale, or sale of the products will be deemed reseller’s acceptance of the changes.

**If Pediatric Solutions determines that a reseller is in violation of this Policy, Pediatric Solutions may take any and all appropriate legal actions, including, but not limited to, refusing to accept orders from the reseller or instructing its distributors to refuse to accept orders from the reseller.**

Any questions regarding this Policy must be emailed to: [compliance@happycappyshampoo.com](mailto:compliance@happycappyshampoo.com).