

Clorox Professional Products Company Authorized Distributor Sales Policy
Effective October 8, 2018

These Clorox Professional Products Company (“**Clorox Professional**”) Authorized Distributor Sales Policy (the “**Policy**”) applies to all Authorized Distributors of Clorox Professional Products (the “**Products**”) in the United States of America and its territories (the “**Territory**”). By purchasing Products from either an Authorized Re-Distributor of Clorox Professional Products or directly from Clorox Professional for sale to an end user, you (hereinafter “**Distributor**,” “**you**,” or “**your**”) agree to adhere to the following terms. Please read these terms carefully. Until such status is otherwise revoked by Clorox Professional, Distributor shall be considered an “**Authorized Distributor**” hereunder. In addition to all other available remedies, if Distributor violates this Policy, Clorox Professional reserves the right to terminate Distributor’s status as an Authorized Distributor through written notice.

1. Manner of Sale. Sales in violation of these terms are strictly prohibited, are considered a material breach of the Policy, and may result in Clorox Professional’s immediate termination of Distributor’s account or status as an Authorized Distributor, in addition to other remedies. Products sold to unauthorized persons or through unauthorized channels, including unauthorized websites, shall not be eligible for certain Clorox Professional promotions, services, and/or benefits, including, unless prohibited by law, coverage under any Clorox Professional Product guarantees.

1.1 Distributor shall sell Products solely to End Users of the Products. An “**End User**” is any purchaser of the Products who is the ultimate consumer for whom the Products were designed, who intends to use the Products in a commercial or institutional setting, and who does not intend to resell the Products to any third party. Distributor shall not sell to anyone a quantity of the Products greater than that generally purchased by an End User.

1.2 Distributor shall not sell or transfer any of the Products to any person or entity for re-sale without the prior written consent of Clorox Professional. This includes sales to subsidiaries/unique banners owned by Distributor, wholesalers, freight forwarders/drop shippers for other Distributors, online Distributors such as Amazon.com, any person or entity with a direct customer relationship with Clorox Professional, or any other person or entity Distributor knows or has reason to know intends to re-sell the Products.

1.3 Distributor shall not market for sale, sell, invoice, promote, or ship the Products to any individual or business outside the Territory without obtaining Clorox Professional’s prior written consent.

1.4 Distributor is not authorized to sell within the Territory Products purchased outside of the Territory, without obtaining Clorox Professional prior written consent.

1.5 Clorox Professional reserves the right to request information from Distributor regarding where and to whom the Products are being sold, and Distributor shall furnish such information upon request.

1.6 Distributor acknowledges that due to EPA and state regulations, the Clorox Healthcare™ Hydrogen Peroxide branded products can only be sold in healthcare settings, including but not limited to hospitals, nursing homes, and physician offices or to healthcare professionals needing to disinfect their professional medical setting. Distributor agrees to take all reasonable steps to ensure that it only sells the Clorox Healthcare™ Hydrogen Peroxide branded products to End Users who meet this definition,

1.7 Online Sales

1.7.1 Distributor is permitted to market for sale or sell the Products on the Internet through Permissible Websites. A “Permissible Website” is a website that (i) is operated by Distributor in Distributor’s legal name; (ii) conspicuously states Distributor’s full legal name, mailing address, telephone number, and email address; (iii) does not give the appearance that it is operated by Clorox Professional or any third party; and (iv) does not include in its domain name (including any top-level domain or subdomain) any Clorox Professional product name or any trademark owned by or licensed to Clorox Professional, nor a misspelling of any Clorox Professional product name or any trademark owned by or licensed to Clorox Professional. Distributor must notify Clorox Professional in writing of any owned and operated website(s) operating under a different business name than Distributor’s legal name. Clorox Professional reserves the right to limit the sale of its products, including online. Clorox Professional reserves the right to terminate, at any time and in its sole discretion, its approval for Distributor to market and sell Products on the Permissible Websites, and Distributor must cease all such marketing and sales on the Permissible Websites immediately upon notice of such termination. Distributor shall not market or offer for sale the Products on or through any publicly accessible website other than a Permissible Website, including, without limitation, any third-party marketplace website such as Amazon, eBay, Jet, Rakuten, Walmart Marketplace, or Sears Marketplace, without the prior written consent of Clorox Professional. Execution by Clorox Professional of the Authorized Online Seller Agreement constitutes the only means of providing consent to sell the Products on publicly accessible websites other than Permissible Websites. No Clorox Professional employee or agent can authorize such online sales through oral statements, other written agreement, or by any other means. The Policy supersedes any prior agreement between Clorox Professional and Distributor regarding the sale of the Products online. Any authorization previously granted to Distributor by Clorox Professional to sell the Products online is hereby revoked.

1.7.2 With respect to sales of Products through the Permissible Websites, Distributor shall be responsible for all fulfillment to its customers, any applicable taxes associated with such individuals’ purchases of Products, and any returns of Products. Distributor agrees not to use any third-party fulfillment service, such as Amazon Fulfillment Services, to store inventory or fulfill orders for the Products unless the service is that offered by an Authorized Re-Distributor or is separately authorized by Clorox Professional in writing. Further, Distributor agrees not to represent or advertise any product as “new” that has been returned or repackaged. Distributor’s legal name, email address, telephone contact, and mailing address shall be included with each shipment of Products ordered through a Permissible Website.

1.7.3 By selling Products through a Permissible Website, Distributor represents and warrants that the Permissible Websites are and will remain in compliance with all applicable privacy, accessibility, and data security laws, regulations, and industry standards, including, but not limited to, the World Wide Web Consortium Web Content Accessibility Guidelines 2.0 (at the AA level, or, in the absence of a AA level standard, at the A level) and the Payment Card Industry Data Security Standard (“PCI DSS”). Distributor further represents and warrants that it maintains detailed privacy policies and is, and will remain, in compliance with its privacy policies and the requirements of any contract to which Distributor is a party. Further, Distributor represents and warrants that it has implemented and maintains written information security guidelines, which will

include physical, administrative and technological controls designed to prevent the unauthorized access to, disclosure, destruction or loss of personally identifying information.

1.7.4 In marketing the Products on the Permissible Websites, Distributor shall only use images of Products either supplied by or authorized by Clorox Professional and shall keep all Product descriptions up to date. Distributor's use of the Clorox Professional IP (as hereinafter defined) on the Permissible Websites shall be in conformance with any guidelines that may be provided by Clorox Professional and must be commercially reasonable as to the size, placement, and other manners of use. Additionally, when marketing the Products on Permissible Websites, Distributor shall not use any Clorox Professional IP to direct customers to non-Clorox Professional products.

1.7.5 Distributor shall market the Products on Permissible Websites in a manner consistent with the marketing of any non-Clorox Professional products. To the extent Distributor offers enhanced online marketing opportunities for any non-Clorox Professional products, the same opportunities must be made available to Clorox Professional for the online promotion of the Products.

1.7.6 Nothing in this paragraph 1.7 is intended to or shall modify the prohibition on marketing for sale, selling, invoicing, promoting, or shipping Products outside of the United States of America or its territories without Clorox Professional written consent.

2. Distributor's Obligations

2.1 Product Inspection. Promptly upon receipt of Products, Distributor shall inspect the Products for damage, defect, evidence of tampering, or other non-conformance. If any defect is identified, Distributor must not offer the Product for sale and must report the defect to Clorox Professional. Furthermore, Distributor shall regularly inspect its inventory for expired or soon-to-be expired Products and shall remove those Products from inventory. Distributor shall not sell expired Products.

2.2 Product Storage and Handling. Distributor agrees to adhere to all requirements related to the storage, handling, shipment, or disposal of the Products, as set forth on Product labels and/or as specified by Clorox Professional from time to time.

2.3 Alterations Prohibited. Distributor shall sell Products in their original packaging, with all seals intact. Relabeling, repackaging (including the separation of bundled products or the bundling of products), and other alterations are not permitted. Tampering with, defacing, or otherwise altering any lot code, batch code, UPC number, expiration date, or other identifying information on Products is prohibited. Further, Distributor may not remove, translate, or modify the contents of any label or literature on or accompanying the Product.

2.4 Customer Service. Distributor shall be familiar with the special features of all Products kept in inventory and must obtain sufficient product knowledge to advise end-user customers on how to use the Products safely and properly. Distributor must make itself available to respond to customer questions and concerns both before and after sale of the Products and should endeavor to respond to customer inquiries within 24 hours. At all times, Distributor and Distributor's agents must represent the Products in a professional manner and refrain from any conduct that is or could be illegal, gives or could give the appearance of impropriety, or otherwise is or could be detrimental to the reputation of the Clorox Professional brands.

2.5 Recall and Consumer Safety. To ensure the safety and well-being of the End Users of the Products, Distributor shall cooperate with Clorox Professional with respect to any Product recall or other consumer safety information dissemination effort. Should Distributor learn of any incident that could reflect or indicate a safety concern associated with any Product, Distributor shall promptly report the incident or other information learned to Clorox Professional.

2.6 Contact Information. Distributor shall maintain accurate and up-to-date company information and shall promptly notify Clorox Professional of any change in Distributor's telephone number, mailing address, email address, or other contact information by emailing PPDCustomerService@Clorox.com.

2.7 Compliance with Applicable Laws. Distributor shall comply with any and all applicable laws, rules, regulations, and policies related to the advertising, sale, and marketing of the Products.

2.8 Consumer Confusion. Distributor shall not advertise, market, display, or demonstrate non-Clorox Professional products together with Clorox Professional Products in a manner that would create the impression that the non-Clorox Professional products are made by, endorsed by, or associated with Clorox Professional. Distributor shall not advertise, offer for sale, or sell any Products as genuine that in fact are not or falsely or inaccurately represent the features or functionality of any Products.

3. Intellectual Property. Distributor acknowledges and agrees that Clorox Professional or its affiliates own all proprietary rights in and to the Clorox Professional brands, names, logos, trademarks, service marks, trade dress, copyrights, and other intellectual property related to the Products (the "**Clorox Professional IP**"). Distributor shall refrain from questioning or challenging the rights claimed by Clorox Professional or its affiliates in the Clorox Professional IP or assisting any others in doing so. Distributor is granted a limited, non-exclusive, non-transferable, revocable license to use the Clorox Professional IP solely for purposes of marketing and selling the Products as set forth herein. This license will cease upon termination of Distributor's status as an Authorized Distributor. Clorox Professional reserves the right to review and approve, in its sole discretion, Distributor's use or intended use of the IP at any time, without limitation. Distributor's use of the Clorox Professional IP shall be in conformance with any guidelines that may be provided by Clorox Professional and must be commercially reasonable as to the size, placement, and other manners of use. All goodwill arising from Distributor's use of the IP shall inure solely to the benefit of Clorox Professional or its affiliates.

4. Termination. Clorox Professional may terminate Distributor's account and/or status as an Authorized Distributor with or without cause at any time with written notice. Upon termination of Distributor's status as an Authorized Distributor, Distributor shall cease representing itself as an Authorized Distributor of Clorox Professional Products and shall cease all use of anything that may give the impression that Distributor is an Authorized Distributor of Clorox Professional Products or has any affiliation whatsoever with Clorox Professional.

4.1 For Products purchased directly from Clorox Professional, upon notice of termination of Distributor's status as an Authorized Distributor, Clorox Professional, in its sole discretion, may provide Distributor a period of time of up to thirty (30) days to sell through its existing inventory of Products, and for that purpose and to that extent, the provisions of this agreement shall continue in full force and effect, and after this 30 day period, Distributor shall cease representing itself as an Authorized Distributor of Clorox Professional Products and shall cease all use of anything that may give the impression that Distributor is an Authorized Distributor of Clorox

Professional Products or has any affiliation whatsoever with Clorox Professional. Additionally, Clorox Professional, in its sole discretion, may repossess from Distributor all or any part of any stocks of Products then held by Distributor in inventory either by paying or giving credit for their invoice value or the value at which they stand in the books of Distributor, whichever is lower, provided Clorox Professional shall be responsible for arranging for and paying the costs of transport and insurance.

5. Availability of Injunctive Relief. If there is a breach or threatened breach of paragraphs 1, 2, 3 or 4 of the Policy, it is agreed and understood that Clorox Professional shall have no adequate remedy in money or other damages and accordingly shall be entitled to injunctive relief and other equitable remedies; provided, however, no specification in the Policy of any particular remedy shall be construed as a waiver or prohibition of any other remedies in the event of a breach or threatened breach of the Policy. Except as otherwise provided or as the Distributor and Clorox Professional may otherwise agree in writing, no failure, refusal, neglect, delay, waiver, forbearance, or omission by Clorox Professional to exercise any right(s) herein or to insist upon full compliance by Distributor with Distributor's obligations herein shall constitute a waiver of any provision or otherwise limit Clorox Professional's right to fully enforce any or all provisions and parts thereof.

6. Indemnification.

6.1 Distributor shall, and hereby does, indemnify, defend, save and hold harmless, Clorox Professional, and its directors, officers, employees, shareholders, agents and advisors and each of the heirs, executors, successors and assigns of any of the foregoing, from and against any and all liabilities, damages, judgments, costs and expenses (including reasonable attorneys' fees) to the extent they are caused by, arise from, or are incurred in connection with (i) any breach of, or failure to perform, any term, covenant or condition in this Agreement by Distributor, or (ii) the negligence or willful misconduct of Distributor or its officers, employees, agents or contractors.

6.2 Clorox Professional shall, and hereby does, indemnify, defend, save and hold harmless, Distributor, and its directors, officers, employees, shareholders, agents and advisors and each of the heirs, executors, successors and assigns of any of the foregoing, from and against any and all liabilities, damages, judgments, costs and expenses (including reasonable attorneys' fees) to the extent they are caused by, arise from, or are incurred in connection with (i) bodily injury, sickness, including death, or damage to or the destruction of tangible property resulting from defective Clorox Professional Products or defective Products sold, shipped or delivered to Distributor by Clorox Professional; or (ii) the infringement or alleged infringement of any U.S. patent, trademark, trade dress, copyright or other intellectual property right arising out of the offering for sale or sale of such Products. Excluded are any claims, suits, or other actions relating to (i) personal injury caused or alleged to have been caused, in whole or in part, by the negligence or willful misconduct of Distributor, or (ii) any claims, suits, or other actions due to premises liability.

7. Miscellaneous. Clorox Professional reserves the right to update, amend, or modify this Policy at any time. Unless otherwise provided, such amendments will take effect immediately and Distributor's continued use, advertising, offering for sale, or sale of the Products, use of the Clorox Professional IP, or use of any other information or materials provided by Clorox Professional to Distributor following notice of the amendments will be deemed Distributor's acceptance of the amendments. If any provision of the Policy is held contrary to law, the remaining provisions shall remain valid. The Policy will be governed by, and interpreted and enforced in accordance with, the laws of the State of California without reference to the principles of conflicts of laws.