

Zurn Elkay Water Solutions eCommerce Authorized Reseller Policy

September 1, 2022

This Policy applies to all companies and brands which are part of the Zurn Elkay Water Solutions (ZEWS) portfolio. Zurn Elkay Water Solutions (ZEWS) is committed to working with customers to facilitate the sale of ZEWS Products through ecommerce channels. ZEWS maintains an eCommerce Authorized Reseller Policy to protect ZEWS brand and intellectual property, as well as authorized channel partners. This Policy is also in place to protect end customers, ensuring they receive accurate product information, pricing and warranty protection that meets ZEWS standards. Finally, this Policy works to ensure fair competition among Resellers as well as supporting those who have invested in stocking and marketing ZEWS Products and abide by ZEWS Policies and programs. ZEWS will interpret and enforce this Policy at its sole discretion. To be considered an eCommerce Authorized Reseller ("Reseller"), you must meet the following requirements:

1. Applicability

- a) This Policy applies to all resales of the Products. Regardless as to where the Products were acquired, either directly from ZEWS, through an authorized distributor, or some other procurement method, a Reseller must comply with the terms of this Policy.

2. Sell on Approved Websites Only

- a) Unless otherwise explicitly authorized in writing by ZEWS senior leadership, subsequent to the effective date of this Policy, Resellers may only take orders via websites owned and operated by their own company. Selling on third party marketplaces (e.g., Amazon, eBay, Walmart, etc.), drop-ship accounts (e.g., Buy.com, Jet.com, Newegg, etc.) or classified sites (e.g., Craigslist, Facebook Marketplace, etc.) is strictly prohibited.

3. Territory Sales

- a) If a Reseller sells Products outside of their geographic territory or region, they will receive national pricing from ZEWS.
- b) Provide an online account to your branded store for ZEWS upon request.

4. Maintain Accurate Brand & Production Information

- a) Maintain proper use of all ZEWS trademarks.
- b) Sell Product only in original packaging. Relabeling, repackaging (including the separation of bundled Products or the bundling of Products), and other alterations to Products or their packaging are not permitted.
- c) Do not duplicate, or develop different, UPCs to differentiate a Product.

- d) Handle and store the Products in a safe manner and in compliance with ZEWS storage and handling guidelines. This includes storing Products in secure, climate-controlled warehouses.
- e) Ecommerce Resellers must provide the California Proposition 65 warning (**⚠WARNING:** Cancer and Reproductive Harm - www.P65Warnings.ca.gov) on the Product display page for each Product. This is the same warning that appears on each Product or its packaging. Failure to provide this warning may result in legal action against the Reseller by the state of California or California consumers.

5. Trademarks, Copyrights

- a) Resellers that comply with this Policy have a limited, non-exclusive, non-sublicensable, revocable license to use ZEWS trademarks and copyrights in connection with the sale of the Products. Reseller shall not alter, modify, or change any trademark or copyright, nor shall Reseller use any trademark or copyright other than for the promotion and sale of the Products, nor shall Reseller use any trademark or copyright in any manner that negatively impacts such trademark or copyright or the ZEWS. Failure to comply with the Policy will result in the automatic revocation of the license granted herein and a total forfeiture of the rights granted herein. ZEWS reserves the right to revoke this license at any time for any or no reason.

6. Sell Only to End Users

- a) Only distributors purchasing Products directly from ZEWS are authorized to resell products through ecommerce in accordance with this Policy.
- b) Authorized Resellers should not sell ZEWS Products to other ecommerce Resellers. ZEWS recognizes that sales to ecommerce Resellers may inadvertently occur from time to time. Therefore, in the event you inadvertently transact with other ecommerce Resellers, you must disclose the details of those transactions (e.g., when and to whom such Products were sold) so that ZEWS may enforce this Policy.
- c) Sellers transacting ZEWS Products through ecommerce that did not procure the Product from ZEWS directly are not authorized to sell ZEWS Products online or use ZEWS trademarks, copyrights, images or Product information. ZEWS reserves the right to take enforcement action against the seller and supplier of the Product in accordance with this Policy.

7. Disclose All Seller Names & Properties

- a) Maintain accurate and up to date company information and disclose all retail locations, web properties, temporary storefronts and seller names across all channels directly to ZEWS. Any Reseller transacting through ecommerce must report all websites and seller names advertising or transacting ZEWS Products to ecommerce@zurn.com.

8. Product Inspection

- a) Promptly upon receipt of the Products, Reseller agrees to inspect the Products for damage, defects, evidence of tampering, or other non-conformances (a "Defect"). If any Defect is identified, Reseller must not offer the Product for sale and must promptly report the Defect to ZEWS.

9. Recall and Consumer Safety

- a) To ensure the safety and well-being of the end users of the Products, Reseller agrees to cooperate with ZEWS with respect to any Product recall or other consumer safety information dissemination efforts.

10. Customer Service

- a) Reseller will maintain customer service phone and email response functions to handle customer complaints, returns and other customer service functions. At ZEWS request, Reseller will provide any reports or other information related to such customer services.

11. Product Loss and Theft

- a) If any significant quantity of Products purchased by Reseller are lost or stolen, Reseller will promptly report such event to ZEWS.

12. Report Unauthorized Resellers

- a) If Reseller has information or reasonably suspects that any person is purchasing and reselling or distributing Products in a manner not authorized by ZEWS or in violation of this Policy, Reseller must promptly notify ZEWS. ecommerce@zurn.com

13. Support of Manufacturer's Warranty

- a) Reseller may extend to any proper purchaser of the Products the original manufacturer's warranty in accordance with its terms. Reseller may not modify or alter the original manufacturer's warranty, represent, or characterize the original manufacturer's warranty in any misleading manner, or extend its own warranty with respect to the Products. Failure to comply with this Policy will result in the total forfeiture of Reseller's right to offer Zurn's consumer warranty.

14. Other Information, Documents and Reports

- a) Reseller must provide ZEWS with any supplemental information, documents, and reports that ZEWS may request in order to validate Reseller's compliance with this Policy and to support Zurn's warranty support and customer support obligations and initiatives.
- b) Upon request, provide ecommerce sell-through point-of-sale data by SKU and web property.

15. Zurn's Minimum Advertised Price Policy

- a) All Resellers acknowledge they've received Zurn's MAP Policy as set forth here: <https://www.zurn.com/terms>.

16. Legal Compliance

- a) Resellers acknowledge that they will comply with all applicable laws, rules and regulations related to advertising, sale and marketing of ZEWS Products, including but not limited to:
 - i) Don't make false or misleading claims or engage in deceptive sales tactics.
 - ii) If you email customers, comply with CAN-SPAM (and other similar laws).
 - iii) If you maintain an online presence, publish a privacy Policy and comply with it.
 - iv) Use known and trusted checkout vendors only and ensure that credit card transactions flow through a PCI-compliant payment stack (i.e., one in which credit card numbers are not collected by the merchant).

17. Enforcement

- a) Resellers acknowledge that they will comply with all applicable Resellers that fail to comply with any term in this Policy will be subject to enforcement actions at ZEWS discretion including but not limited to:
 - i) Loss of authorization to sell ZEWS Product online.
 - ii) Loss, termination or non-renewal of rebate incentives, co-ops or other marketing funds from ZEWS
 - iii) Suspension of shipments
 - iv) Permanent termination of Resellers account with ZEWS
- b) Resellers may not circumvent any term of this Policy through any means. ZEWS will interpret any violations of this Policy in its sole discretion. No failure or delay of enforcing this Policy shall be deemed a waiver of right. ZEWS reserves the right to modify this Policy at any time.

18. eCommerce Authorized Reseller Benefits

- a) Resellers that abide by all facets of this Policy will be deemed authorized to sell ZEWS Products in ecommerce, provided they maintain constant adherence to the Policy. Authorized Resellers understand they do not have any proprietary rights to Zurn's trademarks or other intellectual property but are authorized to use Zurn's trademarks, copyrights, images, and Product information for the sole purpose of reselling ZEWS Products.
- b) Tier 1 Resellers satisfying the requirements of this Policy will receive the following additional benefits:
 - i) Access to ZEWS enriched Product data, with authorization to use said data in advertising and selling ZEWS Products through ecommerce.
 - ii) Dedicated support from the ZEWS eCommerce team.
 - iii) Access to a ZEWS authorized Reseller badge to be placed on their website.
 - iv) Placement in the Zurn.com online seller distributor locator.
 - v) Priority assistance to drive demand of ZEWS Products through ecommerce.

- vi) Access to custom branded stocking labels.
- c) Tier 2 Resellers satisfying the requirements of this Policy will receive the following additional benefits:
 - i) Access to ZEWS enriched Product data, with authorization to use said data in advertising and selling Products through ecommerce.
Access to a ZEWS authorized Res