

Selective Distribution Policy

(European Union, Norway, Iceland, Liechtenstein, the United Kingdom and Switzerland)

In order to promote and support the Peli Products brand and reputation, to ensure that Peli's products are sold in a manner that ensures a quality sales experience and high level of customer service and to maintain Peli's ability to offer users a lifetime warranty, Peli Products, S.L.U. ("Peli") sells all Peli products (excluding products from the Peli-Hardigg Technical Packaging rotomoulded range) (the "Products") in the European Union, Norway, Iceland, Liechtenstein, the United Kingdom and Switzerland (the "Territory") solely through the Peli Selective Distribution System (the "Selective Distribution System"). The Selective Distribution System includes: (i) Peli (and its group companies); and (ii) member resellers ("SDS Members").

SDS Members' adherence to this Selective Distribution Policy (the "**Policy**") is a condition for admission to, and continued membership in, the Selective Distribution System. SDS Members are not permitted to sell on third party marketplaces without Peli's prior written consent.

Peli may admit resellers to the Selective Distribution System, at its sole discretion, if they meet the selective distribution criteria for resellers, as set out in the Annex of this Policy and as amended by Peli from time to time, (the "Reseller Criteria").

SDS Members may purchase Products only from Peli or from another SDS Member and may sell Products only in the Territory. Within the Territory, SDS Members may sell Products only to other SDS Members or to End Users. For the purposes of this Policy, the term "**End User**" refers to a purchaser of the Products who is the ultimate user of the Products and who does not intend to resell the Products to any third party. A purchaser that incorporates Products into a wider solution for which the Products are a component shall be treated as an End User for these purposes.

Peli shall periodically, or on request, provide SDS Members with its current Do No Sell list. Inclusion of a reseller on Peli's Do Not Sell list, as amended from time to time, indicates definitively that the reseller in question is not an SDS Member.

If an SDS Member is approached by a prospective buyer wishing to purchase Products for resale (a "**Prospective Buyer**"), that SDS Member (the "**Approached Member**") shall seek from Peli, and Peli shall provide, confirmation of whether the Prospective Buyer is currently an SDS Member. The Approached Member shall not supply the Prospective Buyer with Products until it has received confirmation that the Prospective Buyer is an SDS Member.



If Peli confirms that the Prospective Buyer is not an SDS Member, the Approached Member shall inform the Prospective Buyer that is unable to supply it with Products, due to the existence of the Selective Distribution System. Should the Prospective Buyer express a desire to join the Selective Distribution System, the Approached Member shall offer to pass on its contact details to Peli, to enable Peli to consider its potential admission.

Ongoing compliance with the Reseller Criteria is a condition for continued participation in the Selective Distribution System. Failure to comply with the Reseller Criteria will entitle Peli to withdraw an SDS Member's appointment and terminate supply of Products (in addition to any other available remedy).

All SDS Members must meet the Core Criteria, as set out in section A of the Annex. SDS Members are authorised to sell Products only from physical locations that meet the Brand Environment Criteria for physical sales, as set out in section B of the Annex, and that have been approved by Peli (in its sole discretion) in writing.

SDS Members are authorised to sell Products through web sites only if the web site is operated in the SDS Member's own name, meets the Brand Environment Criteria for online sales, as set out in section C of the Annex, and has been approved by Peli (in its sole discretion) in writing.

SDS Members are by default not allowed to sell on any third-party online marketplace (i.e., a website operated by a third party through which a seller sells products, such as Amazon or eBay). Ad hoc permissions are granted only if the SDS Member in question satisfies the marketplace selling criteria as set out in section D of the Annex and verified by Peli, the SDS Member has been designated by Peli as an authorised marketplace seller, and the marketplace in question is included in Peli's list of authorised marketplaces as provided by Peli to authorised marketplace sellers and as amended from time to time. Peli reserves the right to designate an SDS Member as an authorised marketplace seller at its sole discretion.

If Peli determines in its sole discretion that an SDS Member has ceased to comply with the Reseller Criteria, Peli may require the SDS Member to take corrective action and may limit the SDS Member's access to the Products until the problem is corrected. Should the SDS Member fail to correct the lack of compliance, Peli may revoke its status as an SDS Member and remove it from the Selective Distribution System with immediate effect (in addition to any other available remedy).



ANNEX

Selective Distribution Criteria for Resellers

A. SDS Member Core Criteria

- 1. SDS Members must represent the Peli brand in a courteous and professional manner and refrain from conduct that could harm the Peli brand. For the avoidance of doubt, SDS Members are free to set their own resale price.
- 2. SDS Members must indicate their sourcing channel when requested to do so by Peli.
- 3. SDS Members must not give the impression when selling or advertising the Products that they are associated with Peli, over and above their offering of Products for sale, provided that they may confirm their status as an SDS Member to other SDS Members, if expressly asked for this confirmation by another SDS Member. In particular, they may not use terms such as 'Peli authorised reseller' or 'Peli selective distribution network member' to refer to themselves in any marketing materials or statements to End Users.
- 4. SDS Members must provide details of other SDS Members to which they have sold Products when requested to do so by Peli.
- 5. SDS Members must comply with Peli's Trademark & Copyright Policy, available as a separate document.
- 6. SDS Members may only sell Products that they have in stock, or which they are able to obtain from Peli or from another SDS Member in a reasonable amount of time, and must keep sufficient levels of stock to satisfy reasonable customer demand.
- 7. SDS Members may not advertise Products with the intention and/or effect of substituting them with competitive goods.
- 8. SDS Members must allow Peli to inspect any facility where they store the Products.
- 9. SDS Members must not sell any Products that have been reconditioned, refurbished or are otherwise in an inferior condition to new Products unless they receive explicit consent from Peli Products.
- 10. SDS Members must ensure the presence or prompt availability of adequately trained sales staff during business hours who have enough knowledge about the Products to answer typical customer questions.
- 11. SDS Members' sales representatives must attend training and review materials as directed by Peli.



- 12. SDS Members' sales representatives must participate and complete all the Peli webinars for Products they sell. At least one staff member has to participate in each webinar, although it is not required that it has to be the same staff member in every case.
- 13. SDS Members must provide after-sales service to End Users in accordance with Peli's warranty.
- 14. SDS Members must have at their disposal a repair bench in order to repair the Products in accordance with Peli's warranty. A visual inspection (whether in person, by photo or video) will be required.
- 15. SDS Members that sell Peli injection moulded cases must be able to replace handles and latches from any Peli case. A visual inspection (whether in person or through a video) to verify this capability will be required.
- 16. SDS Members must allow Peli to request visual inspection (whether in person, by photo or video) of their business to confirm their compliance with the Reseller Criteria, including but not limited to visiting facilities, reviewing relevant records etc.
- 17. SDS Members must cooperate with Peli in investigating any End User complaints or other product quality issues.
- 18. SDS Members must designate an employee or other agent to be in charge of compliance with the Policy and give that person's contact information to Peli.

B. Brand Environment Criteria (physical sales)

- 1. SDS Members' physical place of sale, showrooms and trade show stands must convey a premium image consistent with the Peli brand. They must be clean, well-organised and visually appealing.
- 2. SDS Members must display Products in a dedicated space within their store and not mix Products with competing products in the display.
- 3. SDS Members must not give less priority in their store to the Products than to products of other manufacturers / suppliers, including by placing them in a less desirable part of their store, and more generally must refrain from any adverse discrimination of the Products compared to products of other manufacturers / suppliers.
- 4. SDS Members must display a sufficiently broad and up to date range of Products in store.



5. SDS Members that are authorised for physical sales may sell Products at a distance from their authorised physical location by means of catalogue, email or telephone, provided that when doing so SDS Members must use Product images provided or approved by Peli, which must be reproduced in high quality, and must keep all Product images and descriptions up to date. This authorisation does not extend to online sales, which are covered separately under section C.

C. <u>Brand Environment Criteria (online)</u>

- 1. SDS Members' websites must be of a high-quality standard, showing excellent graphic design, usability, and navigation features, with low latency. In addition, SDS Members must not use links, banners, pop-up windows or other images that may negatively impact on Peli's reputation.
- 2. SDS Members may not use any Peli intellectual property, nor any misspellings of any Peli intellectual property, in the construction of their domain name, including top-level domains and sub-domains, for any part of their website(s).
- 3. SDS Members may not sell online anonymously. The full name, address, and telephone contact of their business should be clearly indicated on the SDS Member's website. SDS Members' websites must not give the appearance that they are operated by Peli or its affiliates.
- 4. SDS Members must display a sufficiently broad and up to date range of Products on their websites.
- 5. SDS Members must list all Products that they sell on their website and must indicate whether Products are in stock when offering the Products for sale.
- 6. SDS Members must use Product images, video and/or other media provided or approved by Peli, which must be reproduced in high quality.
- 7. SDS Members must keep all Product images and descriptions up to date and must remove outdated Product images and descriptions from their website(s).
- 8. Product listings must be displayed on a dedicated Peli page that is accessible directly from the SDS Member's main site's landing page and conveys a premium image consistent with the Peli brand and may not be shown alongside listings of other brands' products. SDS Members must list other brands' products under a



separate URL or on a separate page under the same URL. As a result, Product listings may not be combined with listings of competing products on the same web page.

- 9. SDS Members must ship Products within a reasonable amount of time from order receipt.
- 10. SDS Members must provide an online support facility to enable consumers to ask questions about Products before purchase.
- 11. SDS Members must comply with any mandatory language requirements determined by the law of the country into which the Products are to be sold to End Users.
- 12. SDS Members must maintain acceptable seller feedback scores.

D. Marketplace selling criteria

- 1. SDS Members must inform Peli of which third-party marketplace(s) they sell on and/or plan to sell on at any given time.
- 2. SDS Members must not sell on any marketplace unless it is included in Peli's list of authorised marketplaces, as provided by Peli to authorised marketplace sellers and as amended from time to time and unless they have received explicit permission from Peli
- 3. SDS Members must demonstrate a proven ability to operate a high quality, high volume marketplace seller service. In particular, they must achieve and maintain a high customer feedback score on all third-party marketplaces on which they sell Products.
- 4. SDS Members must display their business name and contact information on their online marketplace storefront. This contact information must include their true business address, in addition to either a local phone number in every country to which they ship Products, or an email address or other electronic messaging option.
- 5. SDS Members must allow Peli to inspect their current seller profile on demand, as well as all other data and information collected by the online marketplace relating



to its sale of Products. On the Amazon marketplace, this information will include all pages and data within the SDS Member's Amazon Seller Central portal, and all communications between them and any customers through the Amazon messaging system relating to the sale of Products.

- 6. If Peli and/or a SDS Member determines that the SDS Member's performance information shows an unusual level of negative consumer feedback or other problems, the SDS Member must cooperate with Peli to develop a plan to remedy the problems. If the performance information does not return to satisfactory levels, Peli will have the right to withdraw the SDS Member's authorisation and terminate its membership of the Selective Distribution System.
- 7. SDS Members must cooperate with Peli in investigating and addressing any negative reviews left by customers on the marketplace site.
- 8. If SDS Members use a third-party fulfilment service such as Fulfilment by Amazon, the fulfilment service must be reliable and reputable and must satisfy all relevant Reseller Criteria. Peli may prohibit the use of any third-party fulfilment service that it deems inconsistent with its Selective Distribution System.
- 9. SDS Members must not use any fulfilment service that could result in orders being fulfilled from a different seller's inventory. All Products ordered from an SDS Member must be fulfilled from the SDS Member's own inventory. If SDS Members use Fulfilment by Amazon, they must apply their own Fulfilment Network Stock Keeping Unit (FNSKU) stickers to prevent inventory commingling.
- 10. SDS Members must require their fulfilment service (including third-party storage and shipping services) to return all unsaleable Products to themselves or their appointed representatives. SDS Members must handle these unsaleable Products as directed by Peli.