



KAO USA INC. AUTHORIZED DISTRIBUTOR POLICY FOR THE UNITED STATES
Effective Date: June 1, 2021

This Kao USA Inc. Authorized Distributor Policy (“Distributor Policy”) is issued by Kao USA Inc. (“Kao”) and applies to Authorized Distributors of those products under the Kao brands set forth in Exhibit A to this Distributor Policy (“Product(s)”) in the United States of America. This Distributor Policy supplements any then-current wholesaler or distribution agreement between you and Kao. By purchasing Products from Kao for distribution to Authorized Resellers (as defined below), you (“Distributor”) agree to adhere to the following terms. Until such status is otherwise revoked by Kao in Kao’s sole and absolute discretion, Distributor shall be considered an “Authorized Distributor.” Kao may review Distributor’s activities for compliance with this Distributor Policy, and Distributor agrees to cooperate with any such investigation, including, but not limited to, permitting inspection of Distributor’s facilities and records related to the sale of the Products.

1. Authorized Customers.

(a) Distributor is authorized to sell Products purchased from Kao only to Authorized Resellers. An “Authorized Reseller” is an individual or business entity that:

- (i) purchases Products from a Kao Authorized Distributor and resells the Products as part of a commercial enterprise;
- (ii) has received and abides by the Kao USA Inc. Authorized Reseller Policy for the United States (“Reseller Policy”); and
- (iii) has not had its Authorized Reseller status revoked by Kao or been identified by Kao as ineligible to become an Authorized Reseller.

(b) If any customer or prospective customer of Distributor is not yet an Authorized Reseller, Distributor shall immediately provide the Reseller Policy to such customer/prospective customer. If such customer/prospective customer accepts the terms in the Reseller Policy, Distributor may thereafter sell Products to such customer, which shall thereafter be an Authorized Reseller unless and until Kao revokes such status. Authorized Resellers are determined by Kao in its sole discretion.

(c) Notwithstanding anything to the contrary in this Distributor Policy, Distributor shall not sell Products to any entity that operates a third-party marketplace website, including, but not limited to, Amazon, Walmart, Target, Kroger, or Groupon.

(d) Distributor shall not sell Products to End Users without Kao’s prior written consent. An “End User” is any purchaser of the Products who is the ultimate consumer of the Products and who does not intend to resell the Products to any third party.

(e) Distributor shall cease or suspend sales to any customer promptly upon request of Kao.

(f) Distributor shall not sell, ship, invoice, or promote the Products outside of the United States of America or to anyone Distributor knows or has reason to know intends to ship the Products outside of the United States of America without Kao’s prior written consent.

(g) Distributor shall distribute policies, updates to policies, Product information, educational materials, and other information to its Authorized Reseller customers as requested by Kao from time to time.

2. Online Sales. Distributor shall not offer for sale or sell the Products on or through any Publicly Accessible Website without the prior written consent of Kao.

(a) A “Publicly Accessible Website” is a website, online marketplace, mobile application, or other online forum that advertises Products or offers Products for sale and displays Product pricing

information in a location that can be viewed by a prospective customer without creating an account and logging in.

(b) **All third-party online marketplace websites, including, but not limited to, Amazon, eBay, Walmart Marketplace, and Target+, are Publicly Accessible Websites. Sales on these websites are prohibited without Kao's prior written consent.**

(c) A website operated by Distributor to facilitate orders from Authorized Resellers that requires the Authorized Reseller to obtain an account and log in to view Product listings and pricing information is not considered a Publicly Accessible Website.

(d) The terms of this Distributor Policy supersede any prior agreement between Kao and Distributor regarding the sale of the Products online. Any authorization previously granted to Distributor by Kao to sell the Products on a Publicly Accessible Website is hereby revoked.

3. **Sales Practices.** Distributor shall conduct its business in a reasonable and ethical manner at all times and shall not engage in any deceptive, misleading, or unethical practices or advertising at any time. Distributor shall not make any warranties or representations concerning the Products except as expressly authorized by Kao. Distributor shall comply with all applicable laws, rules, regulations, and policies (a) applicable to Distributor's business and/or (b) related to the marketing and sale of the Products. Distributor shall represent the Products in a professional manner and refrain from any conduct that is or could be detrimental to the reputation of Kao or the Products. Distributor shall not advertise Products not carried in inventory.

4. **Product Care, Customer Service, and Other Quality Controls.** Distributor shall comply with the KAO USA Inc. Product Care, Customer Service, and Other Quality Controls, attached as Exhibit B, as Kao may amend from time to time.

5. **Intellectual Property.**

(a) Distributor acknowledges and agrees that Kao or its licensors own all proprietary rights in and to the brands, names, logos, trademarks, service marks, trade dress, copyrights, and other intellectual property related to the Products ("Kao IP"). Distributor is granted a limited, non-exclusive, non-transferable, revocable license to use the Kao 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. All goodwill arising from Distributor's use of the Kao IP shall inure solely to the benefit of Kao or its licensors.

(b) Distributor's use of the Kao IP shall be in accordance with any guidelines that may be provided by Kao from time to time and must be commercially reasonable as to the size, placement, and other manners of use. Kao reserves the right to review and approve, in its sole discretion, Distributor's use or intended use of the Kao IP at any time, without limitation. In marketing the Products, Distributor shall only use images of Products either supplied by or authorized by Kao and shall ensure that all Product images and descriptions are accurate and up to date.

(c) Distributor shall not create, register, or use any domain name, social media screenname, or mobile application name that contains any Kao product name or any trademark owned by or licensed to Kao, nor a misspelling or confusingly similar variation of any Kao product name or any trademark owned by or licensed to Kao.

6. **Termination.** Kao reserves the right to terminate Distributor's status as an Authorized Distributor with written or electronic notice. Upon termination of a Distributor's status as an Authorized Distributor, Distributor shall immediately cease (i) selling the Products; (ii) acting in any manner that may reasonably give the impression that Distributor is an Authorized Distributor of KAO Products or has any affiliation whatsoever with KAO; and (iii) using all Kao IP.

7. **Modification.** Kao reserves the right to update, amend, or modify this Distributor 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 Kao IP, or use of any other information or materials provided by Kao to Distributor will be deemed Distributor's acceptance of the amendments.

EXHIBIT A
KAO BRANDS

1. Jergens®
2. Jergens® Natural Glow®
3. SOL by Jergens®
4. Curél® Body Care
5. Curél® Japanese Facial Care
6. Bioré®
7. Ban®
8. John Frieda®, including John Frieda® Precision Foam Colour™
9. MegRhythm®
10. Bio-Oil®
11. MyKirei by KAO®
12. Wakati®

EXHIBIT B
KAO USA INC.
PRODUCT CARE, CUSTOMER SERVICE, AND OTHER QUALITY CONTROLS

1. Comply with all instructions provided by Kao regarding the storage, handling, shipping, disposal, or other aspect of the Products, including instructions provided on Product labels.
2. Store Products in a cool, dry place, away from direct sunlight and excessive heat and humidity and in a sanitary storage location with a facility maintenance program that is designed and equipped to prevent pest activity, microbial activity, and other possible contaminants. Store Products in a manner to avoid package damage such as puncturing or damage from over stacking.
3. Sell Products in their 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.
4. Do not remove, translate, or modify the contents of any label or literature on or accompanying the Products. Do not tamper with, deface, or otherwise alter any serial number, UPC code, batch or lot code, or other identifying information on Products or their packaging. Do not dilute Products.
5. Do not resell any Product that has been returned opened or repackaged.
6. Promptly upon receipt of the Products, inspect the Products and their packaging for damage, defect, broken seals, evidence of tampering, or other nonconformance (a "Nonconformance"). If any Nonconformance is identified, do not offer the Product for sale and promptly report the Nonconformance to Kao USA.
7. Products inventory shall be managed in a "first-in, first-out" (FIFO) manner, with older inventory being sold before newer inventory of the same Product.
8. Cooperate with Kao with respect to any Product tracking systems that may be implemented from time to time.
9. Cooperate with Kao with respect to any Product recall or other consumer safety information dissemination efforts.
10. Report to Kao any customer complaint or adverse claim regarding the Products and assist Kao in investigating any such complaints or adverse claims.
11. Cooperate with Kao in the investigation and resolution of any quality or customer service issues related to the sale of the Products, including disclosing information regarding Product sources, shipment, and handling.