



PARROT AUTHORIZED RESELLER PROGRAM POLICY

To qualify and remain a non-exclusive Parrot, Inc. ("Parrot") Authorized Reseller, your business must adhere to the following Parrot Authorized Reseller Policy at all times. All Authorized Resellers are independent contractors, not employees, of Parrot. Authorized Resellers shall be listed on Parrot's webpage.

1. Maintain Current Business Information & Disclose All Locations That Carry Parrot Products during the Term

Maintain accurate and up-to-date company information and disclose all retail locations that carry Parrot products throughout the term of your reseller relationship with Parrot. This information will be initially disclosed on an **Authorized Reseller Application**. If the application is approved by Parrot, then the applicant will be appointed as an Authorized Reseller in accordance with the terms of this policy for one (1) year, which one (1) year term shall successively renew thereafter until such time as either Parrot or the Authorized Reseller provides written notice of its intent to terminate, for any reason, the appointment as an Authorized Reseller on at least thirty (30) days' notice. Parrot reserves the right to immediately terminate the appointment upon Authorized Reseller's noncompliance with this policy or Parrot's MAP Policy if the default under either policy is not cured within ten (10) days of Authorized Reseller's receipt of written notice of the default.

Qualifying retail locations can only be one of the following: your physical brick & mortar store(s), your commerce-enabled website(s), or temporary storefronts (events, tradeshow, pop up stores, etc.).

2. Sell on Approved Retail Website(s) Only

Must only take orders via publicly accessible ecommerce enabled web pages hosted on approved websites owned and operated by your company.

Selling on 3rd party sites (eBay, Amazon, Alibaba, etc.), drop-ship accounts (Rakuten.com, Newegg.com, Overstock.com, etc.), classified sites (Craigslist.org, Facebook Marketplace, etc.) or direct messages on forums is strictly prohibited *unless* an Authorized Reseller receives Parrot's prior

written approval, which approval may be granted in Parrot's sole and absolute discretion.

3. Report Sell-Thru

Provide Parrot with sell-thru information by SKU, by week and approved retail location upon request. Parrot reserves the right to perform an audit of financial statements pertaining to Parrot sales or the business operations (conduct) to ensure compliance with this policy.

4. Parrot's Trademark & Brand Policy

Must agree to comply with Parrot's Trademark & Brand Policy and represent yourself as a Parrot Authorized Reseller in all online advertising & sales collateral. Setting up businesses, registering domain names, or social media usernames that contain any of Parrot's trademarks is strictly prohibited. To ensure compliance with Parrot's Authorized Reseller Policy, you must only use approved marketing materials for all Parrot products.

You can read the entirety of Parrot's Trademark & Brand Policy here:

PARROT AUTHORIZED RESELLER PROGRAM POLICY

<http://www.Parrot.com/authorized-reseller-program/us/trademark-policy>

5. Parrot's Minimum Advertised Price Policy

Ensure you understand and abide by Parrot's MAP Policy. You can read the Policy in its entirety here: <http://www.Parrot.com/US/MAP>

6. Sell to Customers within Country of Principal Place of Business

An Authorized Reseller shall restrict customer order shipments to shipping addresses located within the country of Authorized Reseller's principal place of business. This includes selling or shipping Parrot products to end consumers online if such country does not include the online channel. For example, if an Authorized Reseller's principal place of business is in the United States of America, the Authorized Reseller shall only sell Parrot products in the United States of America.

7. Sell to Retail Consumers Only

You may not sell in bulk to B2B accounts, wholesalers, or freight forwarders/drop-shippers for other retailers. Sell to your end consumers only.

8. Only Purchase Parrot Products Directly From Assigned & Authorized Distributor

Do not buy Parrot products from other retailers, or from other sources not explicitly endorsed by Parrot.

9. Only Sell Parrot Products in Original Packaging

Do not alter original Parrot packaging in any way prior to reselling Parrot products. Removing Parrot products from packaging and reselling Parrot products in different packaging or under a different name is strictly prohibited.

10. Ecommerce Business Separately from Offline Retail

You must have the ability to plan inventory for your ecommerce business separately from inventory planned for your physical store's business & provide accurate sell-thru numbers for each.

11. Use Known 3rd Party Shopping Carts

You must use a known 3rd party shopping cart system on all commerce-enabled websites owned and operated by your company.

12. Ensure PCI Compliance

Must ensure PCI compliance for all approved commerce-enabled websites owned & operated by your company.

13. Maintain Updated Privacy Policy

Must publish and maintain a publicly accessible privacy policy.

14. Use Parrot Supplied Core Product Data in Feeds

Must be able to use standard set of Parrot supplied data in product data feeds that you distribute to 3rd party advertising venues unless prior written permission is obtained by Parrot in advance.

15. No Bundling Parrot Products without Obtaining Permission

Must not re-SKU or bundle Parrot products in your online assortments & data feeds without receiving prior written permission from Parrot.

16. Obey the Law, Abide by Policy Rules & Serve Customer Needs

Must comply with all applicable laws, rules, regulations & policies related to advertising, sale, & marketing of Parrot products. Must provide a level of sales support & customer support for our customers that, at a minimum, demonstrate industry best practices.

17. Audit

In order to verify Authorized Reseller's compliance with this policy, any other Parrot policy and applicable regulation, Authorized Reseller shall give Parrot reasonable access to Reseller's facilities during normal business hours to make inspections of Reseller's premises and to audit the books and records of Reseller relating to products purchased by Reseller and sales of Products by Reseller, including the right to make copies of or abstracts from such books and records.

18. Authorized Reseller Employees

Authorized Reseller shall be responsible for all of its own expenses and employees in association with the sale or distribution of Parrot products, and Authorized Reseller shall, at its own expense, hire and train all employees or independent contractors that it may require to carry out its obligations under this policy.

19. Discontinuation/Changes To Products

Parrot may, in its sole discretion, discontinue the sale of any of the products and make such changes affecting their form, fit or function as it, in its sole discretion, determines, by giving Authorized Reseller prior notice but without incurring any liability to Authorized Reseller. Parrot will use commercially reasonable efforts to provide such notice at least thirty (30) days in advance.

20. Taxes

Authorized Reseller shall bear the cost of any and all taxes, levies, duties and fees of any kind, nature or description whatsoever applicable to any products supplied by Parrot to Reseller. Authorized Reseller shall pay Parrot all such sums upon demand unless Authorized Reseller provides Parrot, at the time of the submission of its purchase orders, tax exemption certificates or licenses acceptable to the appropriate taxing authorities.

21. Purchase Acceptance/Controlling Terms

Parrot shall have the right in the exercise of its sole and absolute discretion to reject any purchase order, either in whole or in part, placed by Authorized Reseller, and no purchase order shall be binding upon Parrot unless accepted by Parrot in writing or by delivery of Products in whole or partial fulfillment. Anything herein to the contrary notwithstanding, unless otherwise expressly agreed to in writing by Parrot, any shipment of products to Authorized Reseller in whole or partial fulfillment of any purchase order

placed by Authorized Reseller shall not be deemed to constitute an acceptance by Parrot of any of the terms and conditions of such purchase order, except as to the identification of the products, and the quantities involved. All such purchase orders shall be governed by the provisions of this policy.

22. Indemnification; LIMITATION OF LIABILITY

Authorized Reseller shall indemnify Parrot and its affiliates and subsidiaries, including their respective owners, officers, directors, employees, representatives and agents (collectively, the "Parrot Indemnified Parties"), against any loss, liability, damage, cost or expense (including reasonable attorneys' fees) arising out of or relating to (i) Authorized Reseller's breach of this or any other applicable Parrot policy or agreement or violation of any other applicable law or regulation that governs the sale of Parrot products; (ii) or any act or omission of Authorized Reseller, its employees, agents or representatives; or (iii) third-party claims arising from your customer's use or misuse of the products or their activities or omissions in connection with said products. Any provision herein which by its nature is indicated or intended to extend beyond the expiration or termination of appointment shall survive any expiration or termination of the appointment as Authorized Reseller.

THE PARROT INDEMNIFIED PARTIES SHALL NOT BE LIABLE FOR LOST PROFITS, LOSS OF BUSINESS, OR CONSEQUENTIAL, SPECIAL, INCIDENTAL, INDIRECT, OR PUNITIVE DAMAGES, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, OR FOR ANY CLAIM BY ANY THIRD PARTY, EXCEPT AS EXPRESSLY PROVIDED HEREIN. TO THE FULL EXTENT PERMITTED BY LAW, PARROT'S LIABILITY FOR CLAIMS AND LIABILITIES, INCLUDING OBLIGATIONS UNDER ANY INDEMNITY, WHETHER OR NOT INSURED, SHALL BE LIMITED TO THE AMOUNT ACTUALLY PAID FOR THE PRODUCT(S) GIVING RISE TO SUCH CLAIM. AUTHORIZED RESELLER AGREES THAT THESE LIMITS OF LIABILITY SHALL SURVIVE AND CONTINUE IN FULL FORCE AND EFFECT DESPITE ANY TERMINATION OR EXPIRATION OF THE APPOINTMENT OF AN AUTHORIZED RESELLER. IF ANY PART OF THIS RELEASE AND LIMITATION OF LIABILITY IS DEEMED UNENFORCEABLE BY A COURT OF COMPETENT JURISDICTION, AUTHORIZED RESELLER AGREES TO THE MAXIMUM EXTENT OF RELEASE AND LIMITATION OF LIABILITY IN THE PARROT INDEMNIFIED PARTIES' FAVOR AS MAY BE PERMITTED UNDER SUCH JURISDICTION.

23. Warranty; DISCLAIMER

The only warranties (and remedies for breach thereof) made by Parrot with respect to the products shall be those made to consumer purchasers. ALL OTHER WARRANTIES, REPRESENTATIONS AND GUARANTEES, WHETHER EXPRESS OR IMPLIED, ARISING BY LAW, CUSTOM, ORAL OR WRITTEN STATEMENTS OF PARROT, OR OTHERWISE (INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR OF ERROR-FREE AND UNINTERRUPTED USE) ARE HEREBY SUPERSEDED, EXCLUDED AND DISCLAIMED. Authorized Reseller shall not make or give any representation, warranty, promise or assurance with respect to the Products.

24. Inventory

Upon the expiration or termination of the appointment of an Authorized Reseller, Parrot shall have a right of first refusal to repurchase Authorized Reseller's Parrot product inventory at a twenty-five percent (25%) discount or coordinate the resale of such inventory in Parrot's sole discretion.

Failure to comply with all of the terms in Parrot's Authorized Reseller Policy will result in suspension or termination of your account.