



Dear Valued Reseller,

At Apex Tool Group, LLC ("ATG"), we are committed to you and appreciate your loyalty and partnership.

To protect the integrity of our authorized distribution channels in the United States and our brands, ATG is implementing a U.S. Authorized Seller Program for the Crescent®, including H. K. Porter®, JOBOX®, Lufkin®, Nicholson®, and Wiss® (collectively "Crescent"), and GEARWRENCH® brands, effective November 1, 2024.

Among other benefits, our Authorized Seller Program will ensure that sellers of ATG products understand and take the steps necessary to ensure product quality and provide the excellent customer service integral to our brands' reputation. In addition, our Authorized Seller Program will assist us in identifying and taking action against unauthorized sellers harming you and your customers by selling damaged, diverted, or otherwise poor-quality products.

Your obligations under our new Authorized Seller Program are outlined in the **Apex Tool Group, LLC Authorized Reseller Policy for the United States**, which is attached for your review. You are expected to comply with the Authorized Reseller Policy to be an "Authorized Reseller" of our products. The key features of the Authorized Reseller Policy are noted below:

- **Permissible Customers:** ATG is committed to maintaining the integrity of its authorized distribution channels and to stopping the diversion of our products to unauthorized sellers. To this end, you may sell ATG products solely to end users and not to persons or entities who intend to resell ATG products.
- **Online Sales:** **You may not sell ATG products online without ATG's prior written consent.** This prohibition includes your own ecommerce website, as well as sales through third-party online marketplaces such as Amazon, eBay, and Walmart Marketplace. Our rules regarding online sales will be strictly enforced. If you wish to apply for permission to sell online, please visit <https://www.apextoolgroup.com/reseller-policies> for our Online Seller Application and Terms and Conditions.
- **Ensuring Product Quality and Customer Satisfaction:** To ensure that the customers who purchase ATG products have the best experience possible, the Authorized Reseller Policy outlines our expectations for the service you will provide to your customers and describes certain steps you must take to maintain the quality of ATG products until they reach end users.

Finally, ATG has a unilateral Minimum Advertised Price Policy ("MAP Policy"), which applies to all authorized sellers of ATG products advertising to end users in the United States. Please note that ATG will soon revise its MAP Policy, and an updated MAP Policy will be sent prior to its effective date.

Thank you for your careful attention to the attached documents and your continued support of ATG, and the Crescent, and GEARWRENCH brands. If you have questions regarding the Authorized Reseller Policy or Authorized Seller Program, please contact your Sales Representative or email us at ATG-ResellerPolicy@ApexToolGroup.com.

Sincerely,

Apex Tool Group, LLC



APEX TOOL GROUP, LLC AUTHORIZED RESELLER POLICY FOR THE UNITED STATES
Effective Date: November 1, 2024

This Apex Tool Group, LLC Authorized Reseller Policy for the United States ("Reseller Policy") is issued by Apex Tool Group, LLC ("ATG") and applies to Authorized Resellers of Crescent®, including H. K. Porter®, JOBOX®, Lufkin®, Nicholson®, and Wiss® (collectively, "Crescent") and GEARWRENCH® branded products ("Product(s)") in the United States of America. By purchasing Products from ATG or an Authorized ATG Wholesaler of the Products for retail sale, you ("Reseller") agree to adhere to the following terms. Until such status is otherwise revoked by ATG in ATG's sole and absolute discretion, Reseller shall be considered an "Authorized Reseller." This Reseller Policy supplements any then-current reseller agreement between you and ATG and supersedes the Internet Distributor Policy and Internet Brand Integrity Policy. ATG may review Reseller's activities for compliance with this Reseller Policy, and Reseller agrees to cooperate with any such investigation, including, but not limited to, permitting inspection of Reseller's facilities and records related to the sale of the Products.

1. **Authorized Customers.** Reseller is authorized to sell Products only to End Users in the United States. An "End User" is any 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. Reseller shall not sell or transfer Products to any person or entity Reseller knows or has reason to know intends to resell the Products. Reseller shall not sell, ship, or promote the Products outside the United States of America without ATG's prior written consent.

2. **Online Sales.** Reseller shall not offer for sale or sell Products on or through any website, online marketplace (including, but not limited to, Amazon, eBay, and Walmart Marketplace), mobile application, or other online forum without the prior written consent of ATG. The terms of this Reseller Policy supersede any prior agreement between ATG and Reseller regarding the sale of the Products on or through websites, mobile applications, online marketplaces, and other online forums. Any authorization previously granted to Reseller by ATG to sell the Products on or through a website, mobile application, or other online forum is revoked.

3. **Sales Practices.** Reseller 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. Reseller shall not make any warranties or representations concerning the Products except as expressly authorized by ATG. Reseller shall comply with all applicable laws, rules, regulations, and policies (a) applicable to Reseller's business and/or (b) related to the marketing and sale of the Products. Reseller shall represent the Products in a professional manner and refrain from any conduct that is or could be detrimental to the reputation of ATG or the Products. Reseller shall not advertise Products not carried in inventory.

4. **Product Care, Customer Service, and Other Quality Controls.** Reseller shall comply with the Apex Tool Group, LLC Product Care, Customer Service, and Other Quality Controls, attached as Exhibit A, as ATG may amend from time to time.

5. **Intellectual Property.**

(a) Reseller acknowledges and agrees that ATG or its licensors own all proprietary rights in and to the Crescent and GEARWRENCH brands, names, logos, trademarks, service marks, trade dress, copyrights, and other intellectual property related to the Products (the "ATG IP"). Reseller is granted a limited, non-exclusive, non-transferable, revocable license to use the ATG IP solely for purposes of marketing and selling the Products as set forth herein. This license will cease upon termination of Reseller's status as an Authorized Reseller. All goodwill arising from Reseller's use of the ATG IP shall inure solely to the benefit of ATG or its licensors.

(b) Reseller's use of the ATG IP shall be in accordance with any guidelines that may be provided by ATG from time to time, including those available at <https://www.apextoolgroup.com/reseller-policies>, and must be commercially reasonable as to the size, placement, and other manners of use. ATG reserves the right to review and approve, in its sole discretion, Reseller's use or intended use of the ATG IP at any time, without limitation. In marketing the Products, Reseller shall only use images of Products either supplied by or authorized by ATG and shall ensure that all Product images and descriptions are accurate and up to date. Reseller shall not modify or alter any ATG IP in any way without prior written approval from ATG.

(c) Reseller shall not create, register, or use any domain name, social media screen name, or mobile application name that contains any ATG product name or any trademark owned by or licensed to ATG, nor a misspelling or confusingly similar variation of any ATG product name or any trademark owned by or licensed to ATG. ATG's marks, logos, images, and artwork may not be used in social media usernames, handles, or similar aspects for the Reseller's social media accounts.

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

7. **Modification.** ATG may amend this Reseller Policy at any time. Unless otherwise provided, such amendments will take effect immediately, and Reseller's continued use, advertising, offering for sale, or sale of the Products, use of the ATG IP, or use of any other information or materials provided by ATG to Reseller will be deemed Reseller's acceptance of the amendments.

EXHIBIT A

**APEX TOOL GROUP, LLC
PRODUCT CARE, CUSTOMER SERVICE, AND OTHER QUALITY CONTROLS**

1. Comply with all instructions provided by ATG regarding the storage, handling, shipping, disposal, or other aspect of the Products, including instructions provided on Product labels. Store Products in a cool, dry place, away from direct sunlight.
2. 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.
3. 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, or other identifying information on Products or their packaging.
4. Do not advertise or resell as “new” any Product that has been returned opened or repackaged.
5. Promptly upon receipt of the Products, inspect the Products and their packaging for damage, defect, broken seals, evidence of tampering, or other nonconformance (a “Defect”). If any Defect is identified, do not offer the Product for sale and promptly report the Defect to your Authorized Wholesaler.
6. Be familiar with the special features of all Products marketed for sale and obtain sufficient Product knowledge to advise customers on the selection, fit, and safe use of the Products, as well as any applicable warranty or return policy. Be available to respond to customer questions and concerns both before and after sale of the Products and respond to customer inquiries promptly.
7. Ensure that any third-party logistics provider engaged to store inventory of or fulfill orders for the Products is aware of and complies with all Product quality controls and customer service standards described herein or otherwise conveyed by ATG. Ensure that any such third-party logistics provider stores all inventory of Products segregated by seller such that no Products provided to the third-party logistics provider are commingled with those owned by any third party. ATG reserves the right to request additional information regarding the use of third-party logistics providers and such information must be provided promptly to ATG. Cooperate with ATG in investigating any concerns related to the Products that may relate to the use of a third-party logistics provider.
8. Cooperate with ATG with respect to any Product tracking systems that may be implemented from time to time.
9. Cooperate with ATG with respect to any Product recall or other consumer safety information dissemination efforts.
10. Implement commercially reasonable loss prevention and anti-diversion measures. Notify ATG promptly in the event of a theft or other loss of a material quantity of Products.
11. Report to ATG any customer complaint or adverse claim regarding the Products and assist ATG in investigating any such complaints or adverse claims.
12. Cooperate with ATG 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.