

CordaRoy's Reseller Agreement

THIS AGREEMENT is made this _____ day of _____, 20__, by and between Cordaroy's Wholesale, Inc. ("CORDAROYS"), with its principal place of business located at 3417 West University Avenue, Gainesville, FL 32607, and _____ (the "Reseller"), with its principal _____ place _____ of _____ business _____ located _____ at _____.

By participating in CORDAROYS Authorized Reseller Program, Reseller acknowledge that "Reseller" have read, understand, and agree to be bound by these Terms and Conditions:

1. The products included in this agreement are but not limited to:
Cordaroy's Convertible Sleepers in all sizes, Cordaroy's Pet Beds, and related accessories, (the "Products").
2. Distribution Right: CORDAROYS hereby appoints and grants Reseller the non-exclusive and non-assignable right to sell the Products of CORDAROYS to customers. The customers are end users who purchase the products from the Reseller for their personal use. The Reseller shall have a reseller permit or business license issued by its State or its government where the Reseller's company is located or registered.
3. Reseller's Purchases: The Products described herein which I shall purchase from CORDAROYS' directly, will be resold by me in the form of tangible personal property; provided, however, that in the event any of such products is used for any purpose of business, it is understood that the Reseller is required by Sales and Use Tax Law to report and pay tax measured by the purchase price of the Products.
4. Price and Payment: Prices for Products will be made available in CORDAROYS Wholesale Price Lists or the Reseller website to qualified Resellers. CORDAROYS will notify Reseller of changes in prices for CORDAROYS Products and the basis therefore. Notwithstanding the foregoing, CORDAROYS may change the commercial list prices for the CORDAROYS Products upon thirty (30) days notice. Any price change shall apply to purchase orders placed after the expiration of the thirty (30) days notice period.

Reseller shall acquire CORDAROYS Products by placing orders with CORDAROYS (in a form approved by CORDAROYS, usually through the Reseller website). CORDAROYS will acknowledge receipt and reserves the right to reject any order.

All pricing is stated in U.S. dollars and all payments are to be made in U.S. dollars. All prices for Reseller CORDAROYS Products are exclusive of taxes.

5. Tax Implications: Reseller acknowledges and agrees that it is the responsibility and obligation of the Reseller to report as income all compensation received under this agreement and pay all applicable taxes on that income. Reseller also acknowledges that CORDAROYS is obligated to charge and collect all applicable sales tax on purchases Reseller makes until Reseller provides a valid resale certificate to CORDAROYS.
6. Intellectual Property: Except for the rights expressly granted herein, these Terms and Conditions do not transfer any intellectual property rights from one party to the other, and each party shall retain all right, title and interest in and to its intellectual property rights. No intellectual property (such as trademarks, copyrights and other trade secrets) shall be used by Reseller in any way not in accordance with this agreement or with the express written permission of CORDAROYS. This section will survive the termination of the Reseller Program.

7. Trademarks and Logo Use: CORDAROYS hereby grants to the Reseller a limited right-to-use license (the "License") for certain CORDAROYS trademarks and logos (the "Logos") for the duration of the Agreement as described herein, and under the following terms and conditions:
 - a. This License is granted for the benefit of CORDAROYS' Resellers and others with a legitimate intent to advertise and sell CORDAROYS' Products;
 - b. CORDAROYS has full ownership right to the Logos and the Reseller does not acquire any rights, title or interest in or to the marks beyond that set forth herein;
 - c. If the Reseller uses the Logos in conjunction with logos representing awards or publications of companies granting such awards, it shall be the responsibility of the Reseller to give appropriate attribution to such companies, and to correctly identify such logos with their respective companies; and
 - d. The Reseller may not, under any circumstances, alter the appearance of the Logos, either by alteration, size, color or combination with any other logo. Breach of this section will be grounds for immediate termination of this License, and any other legal remedies CORDAROYS may deem appropriate.
8. CORDAROYS reserves the right to modify or terminate its Reseller Program at any time without notice or liability.
9. Non-existent in this contracted agreement is there any implied or hidden impose liability or obligation on CORDAROYS for any expenditure made or incurred by the Reseller, or for any sale or promotional activity undertaken by the Reseller, except pursuant to written and explicit request of representatives of CORDAROYS.
10. Terms: The term of this Agreement shall be for one (1) years from the date hereof, unless sooner terminated. Following such Initial Term, this Agreement shall be automatically renewed for successive one year, unless either party notifies the other in writing of an intention not to renew the Agreement within thirty (30) days of the end of the Initial Term.

Termination shall not relieve either party of obligations incurred prior thereto. This Agreement may be terminated under the following stipulations without exception under any circumstances:

- a. by the Reseller at anytime upon thirty (30) days written communiqué notice to CORDAROYS.
 - b. by CORDAROYS upon thirty (30) days written communiqué' notice to the Reseller for cause or in the event the Reseller breeches this contact (in any manner);
 - c. by CORDAROYS upon thirty (30) days written communiqué notice to the Reseller in the event the Reseller becomes involved in any arrangements with creditor, voluntary or involuntary bankruptcy proceedings under the Bankruptcy Laws of the United States;
11. Notice or Communication. Any notice or communication required or permitted hereunder (other than Administrative Notice) shall be in writing and shall be sent by registered mail, return receipt requested, postage prepaid and addressed to the addresses set forth below or to such changed address as any party entitled to notice shall have communicated in writing to the other party. Notices and communications to CORDAROYS shall be sent to:

CORDAROYS Wholesale, Inc.
 3417 West University Avenue
 Gainesville, FL 32607
 Main: (352) 332-1837
 Fax: (352) 332-7504

CORDAROYS's Initial: _____

Reseller's Initial: _____

12. Relationship of Parties. The relationship between the parties established by this Agreement shall be solely that of vendor and vendee and all rights and powers not expressly granted to the Reseller are expressly reserved to CORDAROYS. The Reseller shall have no right, power or authority in any way to bind CORDAROYS to the fulfillment of any condition not herein contained, or to any contract or obligation, expressed or implied
13. Indemnity. The Reseller agrees to hold CORDAROYS free and harmless from any and all claims, damages, and expenses of every kind or nature whatsoever (a) arising from acts of the Reseller; (b) as a direct or indirect consequence of termination of this Agreement in accordance with its terms; or (c) arising from acts of third parties in relation to products sold to the Reseller under this Agreement, including, but not limited to execution of liens and security interests by third parties with respect to any such products.
14. Assignment. This Agreement constitutes a personal contract and Reseller shall not transfer or assign same or any part thereof without the advance written consent of CORDAROYS.
15. Dispute Resolution: Any dispute relating to the interpretation or performance of this Agreement or the grounds for the termination thereof shall be resolved at the request of either party through final and binding arbitration. Such arbitration shall be conducted by a single arbitrator in accordance with the then-current commercial arbitration rules and supplementary procedures for commercial arbitration of the International Chamber of Commerce ("ICC"). Any such arbitration will be conducted in Gainesville, FL. Such arbitrator shall be selected by mutual agreement of the parties or, failing such agreement shall be selected according to the aforesaid ICC rules. The parties shall bear the costs of such arbitrator equally.

The prevailing party in any such arbitration or in any judicial enforcement or review proceeding shall at the sole discretion of the arbitrator be entitled to its reasonable attorney's fees and costs in addition to any other amount of recovery by such arbitrator or court.
16. Applicable Law. This Agreement shall be governed by the laws of the State of Florida and is accepted by CORDAROYS at its Corporate Office address in 3417 West University Avenue, Gainesville, FL 32607. All payments hereunder shall be made at CORDAROYS's Corporate Office address.
17. Miscellaneous: The Reseller agrees to the best of their ability to abide by the expectations included in Exhibit A to this agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized officers as of the date and year indicated above.

CORDAROYS WHOLESALE, INC.

By: _____

Name:

Title:

COMPANY NAME OF RESELLER: _____

By: _____

Name:

Title:

(Authorized Officer)

CORDAROYS's Initial: _____

Reseller's Initial: _____



Reseller Expectations-Exhibit A

- 1) Product Display Area and Point of Purchase Materials – We recommend that you **display at least one Cordaroy's sleeper of each size that you carry** preferably in vignette with other furniture to show the functionality of Cordaroy's sleepers. All product on display must be presentable, regularly "fluffed" and cleaned. To assist with the display you will receive a "Shark Tank" banner, a "Roy the Frog" 3 stage demo, and upon request a loop DVD or USB drive of the product demonstration video. Upon product setup the Reseller agrees to share pictures of the layout for approval and recommendations by Cordaroy's. Pictures for approval can be emailed to wholesale@cordaroy.com.
- 2) Product Demo - The **number one way to sell Cordaroy's Product is by doing a product demo**. We highly recommend that our Resellers show the product demo of the bean bag chair converting to a bed. This adds value, otherwise we just look like an expensive bean bag chair. Resellers should use the training materials provided in 1) above and all training and videos provided on the wholesale website to assist with the demo.
- 3) Listing in Approved Reseller Section on Cordaroy's Website – Upon approval as a Cordaroy's Reseller your company name and location will be listed on Cordaroy's website. This is why it is **important that you carry product in store for customers to take with them after purchase**. When customers contact Cordaroy's looking for product in your area we will direct them to your store location.
- 4) Minimum Quantity Purchase and Drop Ships – Cordaroy's requires a minimum purchase of one pallet for initial orders upon being approved as a reseller. **Ordering by the pallet will minimize your freight expense** as there is a minimum charge. A pallet will hold 16-20 Cordaroy's Sleepers depending on the size. If you order a full pallet remember that 2 of the boxes will be the covers for the sleepers on the pallet. If a Reseller has their own shipper, it will be shipped FOB Thomasville, Georgia. For Resellers that regularly carry Cordaroy's sleepers in stock, Cordaroy's will occasionally drop ship product directly to your customers. For those resellers who do not regularly carry our product and request "drop ship" for the customer there will be a \$10 drop ship fee. For all drop ships freight is the Reseller's responsibility.
- 5) Order Processing and Payment – Reseller is required to submit their purchase orders through our "Online Reseller Portal". This assures that no errors are made in keying your order. The online orders import directly into our accounting software which speeds up your processing time getting the order to you faster. The typical processing time for orders is 5-7 business days with Holiday orders taking 7-10 business days.

Payment for the order is expected at the time of shipping. The Reseller must complete a "credit card authorization" form to be kept on file for future orders. Cordaroy's will email you when the order is complete and payment has been charged.

- 6) Online Website and Catalog Listing – Listing Cordaroy's products on your website or other websites requires approval from Cordaroy's. Cordaroy's needs to approve the images and content being used for the listing. The Reseller understands that violation of this policy will result in a breach of the Cordaroy's Reseller Agreement.

CORDAROYS's Initial: _____

Reseller's Initial: _____