



RC2 Brands, Inc.  
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## RC2 Reseller Policy

RC2 plans to sell its products only to experienced independent businesses that will properly market and sell RC2 products, and provide quality assistance to customers. In that regard, RC2 is looking for customers who are established resellers with the following qualities.

1) Retailers that have an appropriate and established retail store front with signage and/or mail order outlet, and that are experienced in the marketing and retailing of branded products, toys and collectibles. RC2 wants to work with permanent year-round retail outlets. Home-based, seasonal locations, kiosks, or similar outlets will not be acceptable. RC2 sells its products to retailers who sell directly to end-use customers. RC2 is not interested in selling products to retailer's who trans-ship to other retailers or wholesale outlets. For print catalog retailers, circulation to customers must exceed about 20,000 pieces annually. Retailers may be asked to supply a valid federal tax ID number, a picture of their existing store front, store interior and/or copy of their mail order catalog, or similar information. This information may need to be resubmitted on an annual basis, or upon request.

2) RC2 may also choose to sell to wholesale resellers that have been established in business for a minimum of 3 years, and feature brands from multiple vendors. RC2 is interested in working with resellers that support multiple RC2 brands, and reserves the right to discontinue shipping product to any customer that does not maintain such support. Wholesale resellers may be asked to provide a retail store list validating customer locations. Wholesale resellers may be required to provide a current business license and federal tax ID number. This information may need to be resubmitted on an annual basis or upon request. Such wholesale resellers may only sell to retail accounts as defined in point #1 unless given prior written approval.

3) RC2 may choose to sell merchandise to Internet resellers with websites that have been established for a minimum of 3 years, and who feature brands from multiple vendors, warehouse their own inventory, and fulfill their own orders. RC2 is interested in working with established resellers that support multiple RC2 brands, and reserves the right to discontinue shipping product to any reseller that does not maintain such support. A current business license and federal tax ID number may be requested to verify eligibility. This information may need to be resubmitted on an annual basis or upon request. The following types of website resellers are not acceptable under any circumstance.

- A) Auction based businesses
- B) Those with sites that feature offensive products or subject matter
- C) Those with sites that feature offensive links or links to offensive sites

RC2 may take other factors into consideration in making its decisions about with whom it does business. In all cases, RC2 will make the final determination, in its sole discretion, about where and to whom it sells its products. RC2 reserves the right to start selling, or to stop selling product to any reseller or customer at any time and for any reason. RC2 sells its products to resellers on a nonexclusive basis, and reserves the right to do business with other resellers in any location and through any distribution means, and/or to resell its own products at any locations and through any distribution means including its own facilities, websites, outlets or catalogs, or those of others. This is RC2's unilateral reseller policy. It is not intended to confer any contract or other rights to any reseller or third party.

All orders are contingent on the buyer's agreement to RC2's Terms and Conditions of Sale and the current RC2 Sales Policy. Both documents are available through the RC2 customer service department, or available on the RC2 corporate web site.