



King Technology Authorized Seller Program FAQ's

The King Technology (KTI) Authorized Seller Program applies to all sales channel partners in the United States, effective **November 13, 2023**.

Why Are We Implementing an Authorized Seller Program?

- To ensure that we meet the growing online Marketplace demand, protect the channel, and successfully manage who, where and how brands sell online
- To implement strong channel management measures that will ensure our collective long-term growth
- To stop unauthorized sellers who can cause significant disruption and harm to our brands by selling misrepresented, damaged, defective, previously used, or otherwise poor-quality products, which cause customers to lose trust in our brands
- To stop unauthorized sellers from harming authorized sellers by free-riding on the investments made by authorized sellers in our brands.
- To stop, as much as possible, negative purchasing experiences — especially on online marketplaces like Amazon, which lead to poor online product reviews (blaming the brand and not the seller)

Negative reviews

- Negatively affect our product rankings in online search results
- Directly affect whether and how often prospective customers see our products versus our competitors'
- Influence customer purchasing decisions, decreasing demand for our products
- Erode our brand equity

How Will the Authorized Seller Program Address These Issues?

- Written policies define expectations for authorized channel partners. These policies include:
 - Where and to whom our products may be sold (including online)
 - How our products should be handled to ensure quality
 - The service that should be provided to customers
- The policies will help:
 - Stop the diversion of our products to unauthorized sellers and sales channels
 - Us take direct action against unauthorized sellers

How Will the Authorized Seller Program Benefit Authorized Channel Partners?

- Remove unauthorized sellers and reduce the disruption caused by unauthorized sellers that is harming you and your customers
- Ensure MAP compliance
- Eliminate channel conflict
- Increase demand for our products
- Control and grow sales leading to increased sales for authorized sellers
- Protect brand value and customer experience
- Stop product diversion
- Support authorized sellers and their investments in our brands
- Ensure that our products are sold only by authorized sellers who are committed to our brands, and thus more likely to promote our products in ways that are consistent with our brand value
- Protect and grow our brand equity, which will support the overall growth and long term integrity of our brands.

What Do Channel Partners Need to Do?

- One site includes all policies and registration
- Please carefully review policies and register your website at www.KingAuthorizedSeller.com

If you are a two-step distributor

- Please email the Authorized Dealer Policy to all your reseller customers; the email will contain a link; you may post the Authorized Dealer Policy to your website for your resellers to easily access
- Please refrain from selling our products to the people and companies on our **Do Not Sell List**
 - The Do Not Sell List is published and emailed every Monday
- You are not expected to obtain our pre-approval to sell our products to particular resellers
- You are not expected to obtain your reseller customers' signature or formal agreement to our policies.
- You are not expected to "police" your reseller customers for compliance with our policies

How Does the Authorized Seller Program Affect Existing Contracts or Vendor Agreements?

- The Authorized Seller Program policies are intended to supplement existing agreements with channel partners
- These documents memorialize important quality and customer service standards that you are likely already following. We do not anticipate that compliance will create new operations processes for channel partners

Must Channel Partners “Agree” to the Authorized Seller Program Terms?

- While formal acknowledgment or agreement is not requested, we expect all of our channel partners to comply with our Authorized Seller Program terms. Your support is critical to the integrity and growth of our brands going forward and we thank you in advance for your cooperation.

What is Foundational Document Enforcement:

- Foundational Documents clearly state the “material difference” of a KTI product and allow KTI to assert legal claims against unauthorized sellers who sell products that are “materially different” from products sold by authorized dealers

What is “Material Difference:”

- The “material difference” does not need to be a physical product
- A “material difference” can be a guarantee or a warranty
- The Foundational Documents include:
 - Satisfaction Guarantee
 - Covers consumables
 - Algaecide Guarantee
 - Covers algaecide consumables
 - Master Warranty Statement
 - This covers physical equipment, like Cyclers