

Authorized Dealership Policy for Enesco, LLC Card and Gift and E-Commerce Retailers

Effective January 1, 2022

This policy will apply to Brick & Mortar and Internet Customers with registered domains (functioning website with shopping cart or 3rd party marketplaces)

This policy applies to the following lines of products owned or licensed, produced and distributed by Enesco, LLC and its divisions or affiliates ("Enesco") through the Card and Gift or E-Commerce sales channels:

- Jim Shore Enesco products
- Department 56 Villages® - Gold and Platinum Series
- Allen Design Clocks

The brands listed above will be referred to in this Policy as the "Covered Brands." In order to purchase any Covered Brand line, retailers must be approved as an Authorized Covered Brand Dealer by meeting with your authorized Enesco sales representative. Your representative will assist with your account setup and be your point of contact for ordering the Covered Brands. Enesco has unilaterally established this Dealership Policy such that all of the Covered Brands must be advertised at or above Enesco's keystone price for such products. All advertised sales transactions are subject to this Policy, including but not limited to in-store, telephone, fax, e-mail and internet transactions. This Policy is not an agreement between the retailer and Enesco to establish or maintain any particular price on the Covered Brands. Enesco does not seek and will not accept dealer agreement to this Policy. Each dealer is free to establish prices at whatever levels it chooses. In accordance with applicable legal rules, we advise Authorized Covered Brand Dealers that pursuant to this Policy, Enesco will not offer any preferential terms/allowances to, and may refuse to deal with dealers that advertise and market any Covered Brand line at final retail prices below the keystone pricing (or twice the wholesale price)

The exceptions to this Policy are:

- Seasonal, ordinary course time-bounded sales events which are standard in the industry.
- Products designated by Enesco as discontinued or retired – all such products must be clearly marked as discontinued or retired and any advertisements or point of sale signage must identify the products as discontinued or retired.

Retailers selling the Covered Brands online, either directly or through a third party (such as Amazon.com, etc.), must either sell the Covered Brands under their own name, as set up in Enesco's vendor system, or provide that selling name to Enesco so it can be added to their account information. In addition, retailers are not allowed to sell the Covered Brands through third party online selling services (Sears.com, Walmart.com, Target.com, etc.) unless such third party has been approved by Enesco as an Authorized Covered Brand Dealer for the product being offered online through such third party. So, for example, if Enesco is not selling Department 56 Villages through Walmart (the brick and mortar store) or Walmart.com, then no retailer may sell such Covered Brand through Walmart.com.

Where retailers decide to market any Covered Brand line in a manner that is inconsistent with our retail policy, Enesco may exercise our right to cancel any/all preferential terms/allowances with, or to not make further sales to, that account of such Covered Brand or, at Enesco's discretion, of all Covered Brands. When such decisions are made, they are not subject to any negotiation or modification.

Enesco has established this Policy because retailers have been aggressively discounting their selling prices for the Covered Brands, resulting in thin and eroding margins. We have established this Policy to build the reputation and brand equity of the Covered Brands in the US. Enesco also wishes to encourage competition with other major brands of gift products that compete with the Covered Brands and believes that this Policy will best allow it to promote such competition.

This Policy will replace all former or existing policies of Enesco related to the Covered Brands. Dealer questions as to this Policy should be addressed to Enesco by email at SalesAdministration@enesco.com. Enesco sales representatives are not authorized to engage in discussions with Dealers on any aspect of this policy or any decision made in connection with this policy, and Enesco will not respond to questions or comments from one retailer about the activities of another.

To inquire about becoming an Authorized Covered Brand Dealer, please contact your Enesco sales representative. To find your sales representative, please contact Enesco Customer Service at 1-800-4-ENESCO (1-800-436-3726).