forplay

MINIMUM ADVERTISED PRICE AND ONLINE MARKETPLACE POLICY

Forplay, Inc. ("Forplay") is committed to working with retailers and distributors to develop its brands as representing high quality, fashionable, and sexy apparel. In an industry with fierce inter-brand competition, Forplay relies on its resellers to distinguish its products through advertising, in store displays, dedicated web pages, and other types of promotions. Forplay recognizes that its resellers cannot provide a high level of customer service and support for the company's products without investment and commitment to the brand. Forplay has, therefore, adopted the following Minimum Advertised Price and Online Marketplace Policy ("Policy").

- Minimum Advertised Price ("MAP"). Forplay has established a unilateral policy that its products must be advertised for sale at a price equal to or greater than the MAP pricing that can be found on its current price list. Forplay will issue a new price lists from time to time and pricing must be updated within three (3) business days of issuance. All advertised prices must be at or above MAP for all Forplay products if a MAP price has been established by Forplay. This policy applies to any and all forms of advertising to the general public including, without limitation, print ads, mailings, emails, catalogs, displays, commercials, broadcast (radio and TV), banner ads, search engines, and websites. Effectively lowering the advertised price below MAP by coupons, rebates, product giveaways, name-your-price, and other advertised discounting methods specific to Forplay products is a violation of this policy. Shipping may not be included in computing the MAP. Forplay reserves the right to modify or suspend the MAP price with respect to specific products for a specified period of time by providing advance notice to all resellers of such changes.
- 2. **Reseller Promotions.** Resellers may engage in promotions without violating this MAP policy including, without limitation, offering free shipping or handling, no sales tax, financing, and store-wide discounts, so long as those promotions are not targeted at solely Forplay products that are subject to MAP pricing.
- 3. **Product Pricing**. Nothing in this Policy is intended to or does regulate the actual price a reseller may charge for any applicable product. Resellers may engage in price matching or may advertise call for pricing or quotes in their discretion, so long as the advertised price for any applicable product complies with this Policy.
- 4. <u>Online Marketplace Restrictions</u>. Forplay restricts the retail channels for its products to help maintain its unique and exclusive appeal. In particular, Forplay® limits authorized sellers on online marketplaces including, but not limited to, Amazon.com, eBay, Etsy, Alibaba, Google Express, and Walmart.com ("Restricted Channels") to enhance the customer experience and to enable it to limit the proliferation of counterfeit and knock off products. Forplay® branded products may not be re-distributed through Restricted Channels unless expressly approved by Forplay® in writing.
- 5. <u>Violations</u>. Nothing in this policy shall constitute an agreement with Forplay. Compliance is entirely discretionary. Advertisement of an applicable product at a price below MAP or sale of any Forplay® branded product in any Restricted Channels is a violation of this policy. If Forplay, in its sole discretion, determines that a reseller has violated this Policy, Forplay may unilaterally reduce or terminate benefits it provides to the violator including, without limitation, discounts, promotions, and advertising credits, may suspend or terminate the violator's account, may revoke its Authorized Reseller status, or may cancel orders or refuse to sell additional product to the violator.
- 6. **Policy Changes**. Forplay, in its sole discretion and at any time, may modify, suspend, or discontinue this Policy in whole or in part.