



Unilateral Minimum Advertised Price (MAP) Policy
Effective February 8, 2017

Synclaire Brands, Inc. (“Synclaire”) is committed to providing high quality products and after-sales support for various globally recognized brands, and is proud of the strong reputation and high perceived value it has achieved among retailers and end-user consumers alike. Synclaire actively supports the advertising and promotion of its products by its retailers and under certain conditions contributes cooperative advertising funds. In order to protect and enhance the image and reputation for the quality associated with its products, brand names and associated trademarks, Synclaire is unilaterally establishing a minimum advertised price policy for its products.

Effective February 1, 2016, Synclaire is unilaterally implementing this Minimum Advertised Price Policy (“MAP Policy”) for all Synclaire-made products (“Synclaire Products”). This MAP Policy will apply to all North American dealers, distributors and retailers, including catalogue and Internet retailers, which advertise, sell or distribute Synclaire Products to end-user consumers (collectively, “Resellers”).

The MAP Policy will operate under the following guidelines:

1. **MAP Prices.** The MAP Policy applies to all brands (“Brands”) under which Synclaire sells its products. The minimum advertised price (“MAP Price”) varies by Brand. The list of MAP Prices, organized by Brand, is published at <http://www.synclaire.com/docs/uMapList.pdf>. This list and the MAP Prices may be updated from time to time at Synclaire’s sole discretion. Resellers are advised to regularly check for updates.
2. **Advertisements.** The MAP Policy applies to all advertisements of Synclaire Products in any media, including but not limited to newspapers, magazines, catalogues, mail order catalogues, flyers, posters, coupons, mailers, inserts, television, radio, public signage, Internet, mobile apps or similar electronic media, and any online visual or audio media, including websites, social media sites or any other online presence (“Advertising”). For purposes of this MAP Policy, the term “Advertising” does not include, and the MAP Policy is not applicable to: in-store advertising that is displayed only in the store and is not distributed to the customer.
3. **MAP Price.** Everywhere in this document where there is a reference to MAP Price, it is meant to mean a price up to ten cents (10 cents) below the advertised MAP Price. For purposes of clarity, if an item has a MAP Price of \$28.00, then the retailer can publish the price no lower than \$27.90 giving the retailer the capability to publish within its corporate pricing structure and stay in compliance with the MAP Policy.

4. Advertised Price Restriction. Under the Map Policy, a Reseller may not, itself or through its agent or representative, create, produce, publish, post or otherwise distribute or display, or cause to be distributed or displayed, any Advertising that lists any Synclaire Products.
 - a. This includes the listing of any rebate, discount or sales pricing, including membership discounts, banner discounts, store-wide or department sales (e.g., Pricing Is Too Low To Be Displayed; 20% Off; 20% Off Entire Site; Buy One Get One Free/Discounted; Buy One Get Free Gift; Buy More Save More; Coupon Eligible) and any other advertised sale or discount that would effectively result in the Synclaire Products being advertised at a price below the MAP Price. Such Advertising will constitute a violation of the MAP Policy.
 - b. This includes “bundling”, i.e., the advertising of free or discounted products (whether made by Synclaire or a third party) with Synclaire Products. Such Advertising will constitute a violation of the MAP Policy if it has the effect of discounting the advertised price of the Synclaire Product below the MAP Price.
 - c. This includes the advertised pricing listed on Internet sites. However, this does not apply to the actual sales price reflected on the check-out or order page of an Internet site, as such constitutes the actual sales price and is not bound by this MAP Policy.
5. No Sales Price Restriction. **The MAP Policy applies only to advertised prices, and does not apply in any way to the retail price at which Synclaire Products are actually sold or offered for sale to an individual consumer within the Reseller’s physical location, Internet website check-out page, over the phone or through a “bid” process. Resellers remain free to set the actual sales prices for Synclaire Prices in the Resellers’ sole discretion and to sell Synclaire Products at any prices they choose, and may communicate such actual sales prices to consumers through alternative (non-Advertising) means such as through email or “call for pricing” notations.**
6. No Maximum Price Restriction. The MAP Policy does not establish maximum advertised prices. Resellers may advertise and/or offer Synclaire Products at any price in excess of the MAP Price for such product.
7. Allowed Statements. The MAP Policy does not in any way prohibit or restrict the ability of Resellers to include in Advertising statements that customers may “call for price” or that the Reseller “has the lowest prices” or “will match or beat any competitor’s price”, or statements of similar meaning, so long as the advertised price of the Synclaire Products is not lower than the applicable MAP Price.
8. Advertising Funds. Under certain conditions, Synclaire establishes and contributes to cooperative advertising funds. The amount contributed by Synclaire is established in Synclaire’s sole discretion and may be changed from time to time. Such funds are used by Resellers for advertising or promoting Synclaire Products.
9. Sanctions for Noncompliance. It is Synclaire’s intention not to do business with Resellers who compromise the reputation and perceived value of Synclaire Products. Synclaire will monitor the advertised prices of Resellers and/or retain third party agencies to monitor such

prices. In the event that a Reseller violates this MAP Policy by advertising a Synclair Product below the applicable MAP Price, Synclair may cancel all orders and refuse to accept new orders for that SKU (and/or any replacement style) from such Reseller, without notice and for any period of time at Synclair's sole discretion. A Reseller's intentional or repeated failure to abide by this MAP Policy may result in Synclair, at its sole discretion, terminating that Reseller's right to sell Synclair Products and possibly terminating all shipments to that Reseller. In addition, a Reseller's violation of this MAP Policy may cause such Reseller to be ineligible to participate in any advertising funds that may be established by Synclair, including any advertising and/or sales programs or co-operative advertising funds. Synclair may unilaterally, in its sole discretion, decide to reinstate a previously noncomplying Reseller's ability to purchase a Synclair Product; however, such Reseller's assurances of future compliance are not a condition of reinstatement, and Synclair does not ask for or accept any such assurances.

10. No Agreement. **Notwithstanding anything to the contrary in this MAP Policy or elsewhere, this MAP Policy does not constitute an agreement.** Resellers are free to decide whether or not to comply with the MAP Policy. Synclair, its employees and representatives do not seek and will not accept any assurances of compliance, conditions of compliance, agreements or understandings from Resellers with respect to compliance with the MAP Policy. A Reseller's decision to advertise Synclair Products at prices equal to or in excess of the applicable MAP Prices does not constitute acceptance or an agreement to comply with the MAP Policy.
11. Contact. If you would like to make a comment about the MAP Policy, you may email MAPHelp@synclair.com. No other Synclair personnel is authorized to discuss the MAP Policy. No Synclair employee or representative has the authority to modify the MAP Policy.

The MAP Policy has been unilaterally established by Synclair in order to preserve the reputation for high quality and perceived value of Synclair Products and shall remain in effect unless Synclair amends, replaces, suspends or discontinues it. Synclair reserves the right to unilaterally modify, suspend or discontinue the MAP Policy in whole or in part and any MAP Prices at any time.

Minimum Advertised Price (MAP) Policy – Frequently Asked Questions

1) Q: Who does this MAP Policy apply to?

A: The MAP Policy applies to all North American dealers, distributors and retailers, including catalogue and Internet retailers, of Synclair-made products.

2) Q: Are all forms of advertising covered by the MAP Policy?

A: The MAP Policy applies to all forms of advertising, except in-store advertising (i.e., advertising that is displayed only in the store and not distributed to the customer). The MAP Policy also does not apply to email newsletters sent to your customer database.

3) Q: Which SKUs are covered by the MAP Policy?

A: Only the SKUs listed on Synclair's MAP webpage (<http://www.synclair.com/docs/uMapList.pdf>) are covered.

4) Q: How often are the SKUs updated on the Synclair's MAP webpage?

A: The SKUs are updated as needed by Synclair. Resellers are advised to regularly check the webpage for updates (no less often than once a month).

5) Q: Can I advertise a covered SKU at a price higher than the MAP Price?

A: Yes.

6) Q: Would a banner at the top of my website that advertises a discount or promotion violate the MAP Policy?

A: Yes, unless the covered SKUs are clearly excluded from the banner ad.

7) Q: What if I mistakenly advertise a covered SKU at a price below the MAP Price?

A: This would nonetheless constitute a violation of the MAP Policy.

8) Q: What if I have been cited for more than one SKU violation of the MAP Policy?

A: The MAP Policy will apply according to its clear terms for each SKU violated.

9) Q: What if I repeatedly violate the MAP Policy?

A: You will risk losing the privilege of selling Synclair-made products and might be terminated as an account.

10) Q: What if I ensure Synclair we will not violate the MAP Policy again?

A: Unfortunately, we cannot accept such assurances of future compliance, nor do we request such assurances. Reinstatement is a decision to be made unilaterally by Synclair.

11) Q: Are any types of advertising prohibited?

A: Yes. Prohibited advertising includes but is not limited to: Pricing Is Too Low To Be Displayed; Buy One Get One Free/Discounted; Buy One Get Free Gift (even from an outside vendor); 20% Off Entire Site; Coupon Eligible; Buy More Save More.

12) Q: Are the phrases "We have the lowest prices", "Will meet or beat any competitor's price", and "Call for Price" permissible?

A: Yes.

13) Q: Does the MAP Policy apply to the actual sales price of products?

A: No. Every retailer is free to establish any sales price that they choose. The MAP Policy applies only to the price at which the covered SKUs are advertised (including at any discounted or rebate price). The Policy does not apply to the actual sales price or to the price shown on the final check-out page of a website.

14) Q: Where can I request more information about the MAP Policy?

A: You may contact MAPHelp@synclair.com.

15) Q: Can my sales representative discuss or explain the MAP Policy?

A: No. You may contact MAPHelp@synclair.com for more information. No other Synclair personnel or employees are authorized to discuss or answer questions about the MAP Policy.

16) Q: Can I report another retailer that is advertising below the MAP Prices?

A: No. We do not process complaints from a retailer about another retailer's advertised prices.

17) Q: Can a retailer set a price BELOW the MAP Price?

A: Yes, but only up to ten (10) cents below the price. This is in place to aid retailers who have set last digit pricing (i.e. – Everything in the store ends in a retail digit of 5) to not fall out of compliance with the MAP Price Policy. For clarity on an item where the MAP Price is \$28.00, all of the following retail prices would be acceptable:

- a. \$27.90
- b. \$27.91
- c. \$27.92
- d. \$27.93
- e. \$27.94
- f. \$27.95
- g. \$27.96
- h. \$27.97
- i. \$27.98
- j. \$27.99
- k. \$28.00
- l. **ALL PRICES ABOVE \$28.00**

Authorized Internet Retailer Policy and Application
Effective February 1, 2017

Synclair Brands, Inc. (“Synclair”) endeavors to ensure a positive shopping experience for end-consumers of Synclair-made products (“Synclair Products”). Synclair believes that adopting this Authorized Internet Retailer Policy (the “Internet Policy”) is an important component of its brand strategy and critical to protecting and enhancing the value of its intellectual property, the perceived value of Synclair Products, and its image and reputation for high quality associated with its products and after-sales support and service.

This Internet Policy applies to all dealers, distributors and retailers, including catalogue and Internet retailers, which sell or distribute Synclair Products to end-user consumers (collectively, “Resellers”).

Effective February 1, 2016, only approved Resellers (“Authorized Internet Retailers”), and only approved Internet sites (“Authorized Internet Sites”), may sell Synclair Products on the Internet. Synclair reserves its unilateral right to refuse to sell products to any Reseller that sells any Synclair Product on the Internet without proper authorization or that otherwise fails to comply with this Internet Policy. This Internet Policy outlines the process by which a Reseller may apply to become an Authorized Internet Retailer.

This Internet Policy is subject to change at any time by Synclair at its sole discretion.

I. Application Terms and Conditions.

Resellers wishing to sell Synclair Products on the Internet must first submit this written application and receive approval from Synclair to become an Authorized Internet Retailer. The application must indicate the proposed website(s) on which the Reseller wishes to sell Synclair Products. Synclair may, in its sole discretion, approve or deny applications.

By submitting this application, Reseller acknowledges the following:

1. Reseller is a Synclair customer in good credit standing and is requesting Synclair’s approval of the below Internet site(s) for shipments of Synclair Products to locations within North America. Reseller may not sell Synclair Products on websites that have not been approved by Synclair as Authorized Internet Sites. Reseller will not change the site server, domain name, URL or general appearance of the below Internet site(s) without notice to and prior approval by Synclair. Any approval granted by Synclair is limited to the below Internet site(s) as it appears as of the date of Synclair’s review of this application.
2. **Reseller will not sell on third-party market sites, third-party Internet marketplaces or online auction environments, unless specifically authorized by Synclair.** Such sites are generally not acceptable to Synclair’s brand strategy because they do not allow for direct pre-sale or post-sale customer service (e.g., Reseller’s direct communication with, order fulfilment for, or payment acceptance from the customer). Synclair believes that direct customer service must be available to ensure a positive shopping experience and thereby protect the customer relationship. **Therefore, Synclair will generally not accept requests for approval to sell on such sites.** Notwithstanding the foregoing, Synclair may, in its sole and unilateral discretion, authorize certain Resellers to sell on select third-party market or auction sites in certain instances.

3. Synclaire may approve or deny applications in its sole discretion, with or without cause and for any reason. Synclaire may reject, in whole or in part, any website, web page, or proposed online content, and reserves the right to withdraw its approval for any sites, pages or content previously approved if, in the sole opinion of Synclaire, any material is or may be detrimental to any of Synclaire's intellectual property or rights therein, the public perception of its brand, the perceived value of its products or services, or the reputation of Synclaire or any of its Resellers. Resellers shall not advertise, sell or offer for sale Synclaire Products on any Internet sites containing pornographic or other offensive material deemed unsuitable by Synclaire.
4. Authorized Internet Retailers shall:
 - a. Adhere to all of Synclaire's standard business practices and policies and any other policies that Synclaire may adopt from time to time.;
 - b. Maintain sufficient inventory of Synclaire Products to fill Internet orders promptly (except for drop shipment or dynamic feed accounts, which shall operate under a ship-and-cancel basis; i.e., any items not currently in stock must be canceled rather than back-ordered);
 - c. Be identifiable by the consumer during the purchase, payment and return process; and
 - d. Communicate directly, promptly and courteously with the consumer regarding Synclaire Products, and maintain all consumer shipping information (except where Synclaire has specifically authorized Reseller to sell on a third-party market site).
5. Permissions granted to Reseller pursuant to this application and approval process are non-transferable. Any attempt by Reseller to assign or transfer its permissions hereunder to any affiliate, parent, subsidiary or division of Reseller is expressly prohibited.
6. Synclaire's approval pursuant to this application does not allow Reseller to use trademarks, service marks, trade names, slogans, emblems, logos and insignia of Synclaire (collectively, "Trademarks") or advertising content, images, video, audio and written copy of Synclaire ("Advertising Content") without further permission. All Trademarks and Advertising Content (and any copyright thereto) shall remain the property of Synclaire. Synclaire is and shall remain the owner or proprietor of all rights in and to the Trademarks and Advertising Content, and Reseller does not and will not claim or represent that it has any right or interest in or to the Trademarks or Advertising Content. Upon termination or expiration of this agreement, any permissions previously granted to use the Trademarks and Advertising Content shall terminate, and Reseller shall remove Synclaire from Reseller's website or other Authorized Internet Site and cease all Internet sales of Synclaire Products.
7. **Synclaire is the only approved source of Trademarks and Advertising Content (including images, video, audio and written copy) for Reseller's use on the Internet in connection with sales or advertising of Synclaire Products; no outside sources of logos, images, video, audio and written copy may be used without prior written permission from Synclaire.** Approved content (including art and copy of specific styles and other promotional materials) may be obtained only from an authorized Synclaire representative.

8. Any expenses incurred by Reseller in maintaining an Authorized Internet Site or access thereto shall be the sole responsibility of Reseller.
9. Synclaire may terminate Reseller's status as an Authorized Internet Retailer at any time for any reason with or without cause.
10. Reseller agrees to indemnify and hold harmless Synclaire, its affiliates, divisions, officers, directors, employees and shareholders from all claims, damages or liabilities relating to the development, operation, maintenance and contents of Reseller's website or other Authorized Internet Site. The provisions of this Section shall survive the termination or expiration of this agreement.
11. The Internet Policy and application procedures are subject to change at any time by Synclaire at its sole discretion.