



## Minimum Advertised Pricing (MAP) Policy

**CONFIDENTIAL**

The Stockroom, Inc. hereby implements this Minimum Advertised Price Policy ("MAP Policy") on its Kinklab, Stockroom, Stormy Leather and Syren Latex lines, which shall apply to distributors and retailers, including catalogs and internet retailers, (collectively, "Resellers") who resell Kinklab, Stockroom, Stormy Leather and Syren Latex products to end users located in the United States and Canada, and in other countries except where such policies are prohibited by law.

This MAP Policy is to preserve The Stockroom reputation for providing customers with a high value product with strong after-sales support. The Stockroom greatly values the efforts of all Resellers who distribute Kinklab, Stockroom, Stormy Leather and Syren Latex products. It is our policy that any advertisements of Kinklab, Stockroom, Stormy Leather and Syren Latex products listed on our wholesale price list must not be below the MAP price, net of any promotions or discounts for that product referenced in Schedule A.

**THE STOCKROOM, INC. RESERVES THE RIGHT, AT ITS SOLE AND ABSOLUTE DISCRETION, TO TERMINATE THE SUPPLY OF ALL KINKLAB, STOCKROOM, STORMY LEATHER AND SYREN LATEX PRODUCTS AND TO TERMINATE YOUR PARTICIPATION IN ANY STOCKROOM PROMOTIONAL PROGRAMS IF A STOCKROOM BRAND IS MISREPRESENTED, The Stockroom, Inc. HAS THE LEGAL RIGHT TO REQUIRE YOU TO REMOVE ALL STOCKROOM PROPRIETARY COLLATERAL FROM YOUR WEBSITE AND ADVERTISING MATERIALS.**

This MAP Policy shall be applicable to all Resellers. The Stockroom, Inc. reserves the right to change, modify or discontinue this policy at any time at our sole discretion. The Stockroom, Inc. also reserves the right to take any other action we deem necessary to prevent the use of any Stockroom proprietary rights in the sale or advertisement of unlicensed, infringing or counterfeit merchandise.

### **The MAP Policy shall work under the following guidelines:**

- 1.** The MAP Policy shall apply to all Kinklab, Stockroom, Stormy Leather and Syren Latex products listed on our wholesale price list and is outlined in Schedule A at the end of this document. The MAP Policy pricing for selected Kinklab, Stockroom, Stormy Leather and Syren Latex products shall be listed on Kinklab, Stockroom, Stormy Leather and Syren Latex products pricing sheets for dealers and distributors. MAP pricing is established by The Stockroom, Inc. for selected products and may be adjusted by The Stockroom, Inc. at its sole discretion at any time with notice to all applicable distributors and Resellers.
- 2.** The MAP Policy applies to all advertisements of selected Kinklab, Stockroom, Stormy Leather and Syren Latex products in any and all media, including, without limitation, flyers, posters, coupons, mailers, inserts, newspapers, magazines, catalogs, mail order catalogs, internet or similar electronic media including websites, email newsletters, email solicitations, television, radio, and public signage. The MAP policy is not applicable to any in-store advertising that is displayed only in the store and not distributed to any customer. In-store displays, point-of-sale signs, hangtags or bar codes or similar marks on products or product packaging, which merely state the price, are not considered "advertising" for purposes of this MAP Policy. In that regard, this MAP Policy does not apply to the actual sales price on any "check-out page" of any Reseller's website or related internet site (typically the page at which the end user finally purchases the product). This MAP Policy does apply to any other page(s) on the Reseller's website.
- 4.** If pricing is displayed, any strike-through or other alteration of the Minimum Advertised Price is prohibited. The Stockroom, Inc. reserves the right to take any action it deems necessary to cause eBay or other auction websites to remove any The Stockroom, Inc. IP displayed without authorization.
- 5.** The MAP Policy applies only to advertised prices and does not apply to the price at which the products are actually sold or offered for sale to an individual consumer within the Resellers retail location or over the telephone. Kinklab, Stockroom, Stormy Leather and Syren Latex products Resellers remain free to sell the selected MAP products at any prices they elect.

**6.** The MAP Policy does not establish maximum advertised prices. All Resellers may offer Kinklab, Stockroom, Stormy Leather, and Syren Latex products at any price in excess of the MAP established for such products. **SELLING OR ADVERTISING ON AMAZON.COM OR EBAY.COM OR OTHER INTERNET AUCTION SITES IS STRICTLY PROHIBITED.** The Stockroom, Inc. does not allow our copyrights, trademarks, trade dress, text, or other intellectual property to be used without The Stockroom, Inc.'s authorization. Sellers of our products also may not misrepresent any warranty information, nor make any false statements regarding any affiliation with, or endorsement by The Stockroom, Inc..

**7.** The MAP Policy does not in any way limit the ability of any dealer to advertise that "they have the lowest prices" or, they "will meet or beat any competitor's price," that consumers should "call for a price" or phrases of similar import as long as the price advertised or listed for the products is not less than MAP.

**8.** From time to time, The Stockroom, Inc. may instigate promotions for products covered by the MAP Policy because the products are being discontinued or because they are just being released. In such events, The Stockroom, Inc. reserves the right to modify or suspend the MAP with respect to the affected products by notifying all Resellers of such a change. The Stockroom, Inc. further reserves the right to adjust the MAP with respect to all or certain products at its sole discretion upon 7 days advance written notice to Resellers provided that such changes shall apply equally to all Resellers.

**9.** In cases of violation of this MAP Policy:

**a) First Offense:** Reseller will be sent written notice and allowed twenty-four (24) hours to bring advertising into compliance, otherwise Second Offense rule will go into effect

**b) Second Offense:** Reseller will be sent written notice and 30 days ordering suspension will go into effect starting the day the written notice is sent from The Stockroom, Inc..

**c) Third Offense:** The Stockroom, Inc. will terminate all orders from The Stockroom, Inc. to the Reseller immediately. The Stockroom, Inc. will not provide prior notice or issue warning before taking action under this policy. Kinklab, Stockroom, Stormy Leather and Syren Latex distributors will also be notified that Reseller is to be excluded from ordering any Kinklab, Stockroom, Stormy Leather and Syren Latex products .

**10.** This MAP Policy is solely The Stockroom, Inc. decision and responsibility. No employee nor sales representative of The Stockroom, Inc. has any authority to modify this policy. Any questions about this policy should be in writing and directed to Joel Tucker, The Stockroom, Inc. 2807 W Sunset Blvd, Los Angeles, CA 90026 jt@stockroom.com who will respond only in writing. No oral communications about this policy shall be binding on The Stockroom, Inc.. The foregoing MAP Policy and any MAP Product Listing are subject to modification or discontinuance by The Stockroom, Inc., in its sole and absolute discretion, at any time. Any action taken by The Stockroom, Inc. under this policy shall be without liability to The Stockroom, Inc..

**11.** Distributors of Kinklab, Stockroom, Stormy Leather and Syren Latex products will supply a copy of this MINIMUM ADVERTISED PRICE POLICY to any new or existing retail Reseller. It is the Reseller's responsibility to comply with these requirements, and to provide its employees and agents with any training and instruction necessary to comply with these important responsibilities. The Stockroom, Inc. reserves the right to take any action it deems necessary to address a

failure to comply with these requirements, including seeking to prevent the advertisement or sale of Kinklab, Stockroom, Stormy Leather and Syren Latex products on an online auction or website.

#### **SCHEDULE A – MAP for Kinklab, Stockroom, Stormy Leather and Syren Latex products**

Minimum Advertised Price (MAP) is equal to Manufacturer's Suggested Retail Price (MSRP) on all products listed on our current wholesale price list.



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Applicant Signature \_\_\_\_\_ Date \_\_\_\_\_

Title \_\_\_\_\_

Company Name \_\_\_\_\_

Address \_\_\_\_\_

Telephone \_\_\_\_\_

Email \_\_\_\_\_