

# X Plus Products, Inc. Minimum Advertised Price (MAP) Policy

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X Plus Products, Inc. ("X Plus Products") actively supports the advertising and promotion of its products by its U.S. dealers, retailers, distributors, etc. (domestic resellers for X Plus Products) through materials provided by and/or subject to approval by X Plus Products at no or nominal cost. X Plus Products has built a strong reputation and following amongst consumers and has established a quality distribution network that actively promotes, educates and advertises its products to consumers. In order to retain its image, X Plus Products has determined that it shall not support advertising or promotional materials, through cooperative advertising or otherwise, that may affect its goodwill, or diminish, detract and/or damage the value of X Plus Products' products and standards. Therefore, effective February 13th, 2013, X Plus Products has established a minimum advertised price ("MAP") policy for all X Plus Products' products. The policy applies to U.S. dealers, retailers, distributors, etc. (domestic resellers for X Plus Products). The terms and conditions of this MAP policy do not apply to any resellers outside of the U.S.

### The MAP policy shall work under the following guidelines:

1. The MAP for X Plus Products' products shall be twelve and one half percent (12.5%) less than the Manufacturer's Suggested Retail Price ("MSRP") for each product as listed on X Plus Products' master price sheet maintained at [www.XPlusProducts.com](http://www.XPlusProducts.com).
2. The MAP policy applies to all advertisements of X Plus Products' products in any and all media, including, without limitation, flyers, posters, coupons, direct mailers, brochures, inserts, newspapers, magazines, catalogs, mail-order catalogs, public signage, other print media, television, radio, e-mail, internet websites, e-commerce, any method which uses the hypertext transfer protocol (http) or any internal link to a web-based shopping cart, and other electronic media. The MAP policy is not applicable to any in-store advertising that is not distributed to any end use customer. Free shipping and/or handling or free financing promotions do not violate the MAP policy.
3. The inclusion in advertising of free or discounted products, rebates, or bundled promotions (whether made by X Plus Products or another manufacturer), with a product covered by the MAP policy, would be contrary to the policy if it has the effect of discounting the advertised price of the covered product below the MAP.
4. MAP 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 reseller's retail location or over the telephone. X Plus Products' resellers remain free to sell these products at any prices they elect.
5. A "click for price" button on a website that displays a price lower than MAP is a violation of this policy. The MAP policy, however, does not apply once an item is placed in a customer's "virtual shopping cart" on an internet website, as once the pricing is associated with the end use customer's intent to purchase, the price is deemed the "selling price" and will fall outside the MAP policy.

6. X Plus Products' MAP policy does not in any way limit the ability of any reseller to advertise that "they have the lowest prices", they "will meet or beat any competitors price", that prices are "too low to show", that consumers should "call for a price", or phrases of similar import, so long as the price advertised or listed for the products is not less than MAP. Prices may be omitted from advertisements, or may appear as "strike-through" or "mark-out" prices provided that such price in the advertisement is at or above the MAP. MAP does not establish maximum advertised prices and resellers may offer X Plus Products' products at any price in excess of the MAP established for such product.

7. From time to time, X Plus Products may discontinue models or engage in promotions with respect to certain products. In such events, X Plus Products reserves the right to modify or suspend the MAP with respect to the affected products upon notice of such change. MAP pricing is established by X Plus Products and may be adjusted at any time by X Plus Products in its sole discretion upon notice by X Plus Products. X Plus Products further reserves the right to unilaterally suspend, amend, or adjust the MAP at any time with respect to all or certain products in its sole discretion upon a seven (7) day advance written notice. Such changes shall apply equally to all X Plus Products' resellers.

8. A first infraction for failure to follow this MAP policy will result in a warning and a fourteen (14) day opportunity to correct advertised pricing. Thereafter, if reseller fails to do so, or if a second infraction occurs, X Plus Products may unilaterally and without further warning, discontinue selling products to and terminate its business relationship with such reseller.

9. This MAP policy is not a contract or agreement, and X Plus Products does not seek nor will it solicit or accept any reseller agreement without its policy; nor will X Plus Products discuss your pricing, the pricing of others, or this Agreement beyond its terms. This MAP policy is a unilateral policy upon which X Plus Products is willing to market its products and sales associates have no authority to modify or grant exceptions.

10. The terms of this MAP policy are confidential and may not be disclosed to other parties. This MAP policy has been established to help ensure the legacy of X Plus Products as a top producer of high quality toys, games and puzzles and to protect the reputation of its name, goodwill, standards, marks, and products. The MAP policy is also designed to protect the interests of its U.S. dealers, retailers, distributors, etc. (domestic resellers for X Plus Products) to ensure they have incentive to invest resources into services for X Plus Products' customers.