

## UNILATERAL MINIMUM ADVERTISED PRICE POLICY

Effective October 15, 2015

Sock It to Me, Inc. (“**SITM**”) provides products of the highest quality and has expended a great deal of resources to build a positive image of its brand. SITM is proud to associate with Retailers (defined below) that dedicate the time and effort to ensure consumer satisfaction with SITM brand products and protect the SITM brand reputation. To further SITM’s objective of promoting SITM products as premium products, SITM is unilaterally implementing the following minimum advertised pricing policy (“**MAP Policy**”), which applies to all SITM’s products.

### 1. DEFINITIONS

1.1 “**Advertising**” refers to any communication intended to solicit sales of Products (defined below) that appears in any form of public media including, without limitation, print, broadcast, recorded message, or digital or electronic formats, including on the Internet. The definition of Advertising is intended to be all-encompassing and also includes, without limitation, communications or materials that a Retailer, or a third party at a Retailer’s direction, (i) sends by mail including, without limitation, in direct mailings or catalogs; (ii) sends direct to existing or prospective customers by email, group fax or instant message; (iii) displays on billboards or other public signage, flyers or banners; (iv) broadcasts as infomercials or the equivalent; or (v) displays on the Internet whether or not the Retailer also engages in the sale of Products to consumers from the same website.

1.2 “**Advertised Prices**” refers to Advertising, other than In-Store Advertising, that a Retailer conducts that mentions or displays specific prices for Products.

1.3 “**Bundled Promotions**” is Advertising of several Products together or Advertising of one or more Products with non-SITM products.

1.4 “**Effective Date**” is October 1, 2015.

1.5 “**In-Store Advertising**” is Advertising material that is displayed, broadcasted or posted in, or immediately outside of, a Retailer’s physical place of business so as to be visible to, heard by, or perceived by customers who may come to the Retailer’s physical place of business and includes, without limitation, point-of-sale communications.

1.6 “**Limited Time Advertising**” means special exceptions to this MAP Policy that SITM may communicate to Retailers or approve from time to time. Emails, social posts and advertising on [www.sockittome.com](http://www.sockittome.com) of promotions serve as notice of exceptions.

1.7 “**Manufacturer’s Suggested Retail Prices**” and “**MSRP**” refer collectively to the prices that SITM identifies in written or electronic communications to Retailers from time to time with respect to Products. SITM may adjust the MSRP of any Product in its sole discretion at any time. SITM lists the MSRP of the Products on an exhibit to the agreement between SITM and Retailer and will notify Retailers by written or electronic communication of any changes that it makes to the MSRP.

1.8 “**Exhibit A Products**” means SITM’s products that are listed on Exhibit A to this MAP Policy and that are permitted to be sold by a Retailer pursuant to an agreement between SITM and a Retailer. Exhibit A may be updated by SITM in its sole discretion at any time. SITM will notify all Retailers of any changes that it makes to Exhibit A by written or electronic communication.

1.09 “**Products**” means, collectively, the Exhibit A Product.

1.10 “**Third Party Websites**” means a website that is owned or controlled by a third party but on which Retailer controls the Advertised Price

## 2. **EFFECTIVE DATE**

This MAP Policy applies to all Advertising that a Retailer conducts on and after the Effective Date and will continue in effect unless amended or repealed by SITM. SITM will notify all Retailers of any changes that it makes to this MAP Policy by written or electronic communication and indicate in that communication the date on which the change takes effect.

## 3. **SCOPE**

3.1 This MAP Policy only applies to a Retailer's *Advertised Prices*. This MAP Policy does not apply to In-Store Advertising.

3.2 This MAP Policy does not address, restrict, or limit the actual prices at which a Retailer chooses to sell Products to its customers.

3.3 A Retailer is not required to display their Advertised Prices in Advertising. However, if a Retailer does, the Advertising must comply with this MAP Policy.

3.4 This MAP Policy is not a solicitation or request on SITM's part for any form of agreement from a Retailer selling Products. SITM has not in the past, and will not now or in the future, ask a Retailer to enter into any mutual agreement or understanding with SITM, formal or informal, oral, or written, that asks the Retailer to give up its right to carry on its business according to the Retailer's best judgment. In the same way, SITM will not give up its right to carry on its business according to its best judgment. SITM furthermore retains the right to deal or decline to deal with any to the extent permitted by law.

## 4. **POLICY**

4.1 On and after the Effective Date, and other than in Limited Time Advertising that has been approved in writing, a Retailer's minimum Advertised Prices appearing in Advertising of Exhibit A Products may not be at less than the corresponding MAP Price listed in Exhibit A. A Retailer that displays Advertised Prices of Exhibit A Products at less than the then-current corresponding MAP violates this MAP Policy. Retailers are solely responsible for ensuring that they keep a current list of Exhibit A Products and their corresponding MAP pricing in effect at any time.

4.2 Use of terminology such as "entire stock (or department) 15% off" shall be treated as Advertising subject to this MAP Policy if the Advertising refers to, or displays a picture of, any Products or the SITM name or logo.

4.3 In determining a Retailer's compliance with this MAP Policy, SITM will consider all price discounts, coupons, gifts and other free merchandise, and other type of incentives or promotional offerings (including, without limitation, any "gift with purchase" or "purchase with purchase" but excluding "free shipping" offers) that a Retailer chooses to offer in promoting Products in Advertising. The value of all such incentives and promotional offerings shall be determined by SITM, in SITM's sole discretion, and shall be deducted from the Product price shown in the Advertising to determine the effective Advertised Price. For example, in cases where Advertising for a Product features free merchandise, "gift with purchase," "purchase with purchase" or similar types of incentives, SITM defines the Retailer's effective Advertised Price to be equal to the price shown in the Advertising of the Product less the retail value of the gift, freebie or promotion.

4.4 This MAP Policy does not apply to Advertising featuring SITM's products that are not listed in Exhibit A or that have been discontinued, marked as "closeout" or removed from any agreement between Retailer and SITM.

4.5 Bundled Promotions do not violate this MAP Policy so long as the following criteria are met:

4.5.1 If only one Product is included with other products, the Advertised Price of all the products together (including the Product) must be at least the MSRP of that Product.

4.5.2 If multiple Products are included with other products, the Advertised Price of all the products together (including the Products) must be at least the sum of the MSRP's of the individual Products.

## **5. POLICY VIOLATIONS**

5.1 At SITM's election and in SITM's sole discretion, if SITM learns that a Retailer is violating, or has violated, this MAP Policy, SITM may take the action that it believes is appropriate under the circumstances, which may include, without limitation, any of the following: (i) **SITM may reject future orders placed for up to ninety (90) days per violation with the period of ineligibility beginning after the violation comes to SITM's attention**, regardless of when the actual violation takes place, or (iii) terminating SITM's agreement, if any, with Retailer

5.2 SITM will notify the Retailer of the consequences of a violation by written or electronic communication and expects resolution within 24 hours. SITM does not represent that it will impose a penalty for every violation or impose identical penalties for the same violation. SITM will not entertain external complaints from Retailers about enforcement decisions that SITM makes about them or other Retailers.

## **6. GENERAL ADVERTISING STANDARDS**

6.1 Use of "call for best price," "price too low to print," or similar phrases or automated price quotation features in Advertising is strictly prohibited. The use of "e-mail for lower price," "click on" or "click through" buttons, or any similar buttons or automated price quotation features in Advertising on a website is also strictly prohibited.

6.2 Sales of Products by auction or barter are strictly prohibited including, without limitation, sales through auction websites (for example, eBay).

6.3 Advertising may not contain any misleading, improper, inappropriate, or unauthorized statements, photographs, artwork, descriptions or other material or information about Products. Advertising must appropriately use the SITM trademarks in the exact format provided by SITM including displaying any registration symbols that SITM directs. All goodwill associated with the use of such SITM trademarks shall inure to the benefit of SITM, and Retailer shall not acquire any right, title, or interest therein.

6.4 Retailers must clearly identify themselves in all Advertising and conduct Advertising in compliance with all applicable laws.

## **7. ADMINISTRATION**

7.1 This MAP Policy is a policy that SITM will unilaterally enforce. SITM will not discuss its decisions relating to the enforcement of this MAP Policy or negotiate the terms of its decisions with any Retailer. No external complaints or reports are desired, nor will they be used by SITM as a basis for enforcing this MAP Policy.

7.2 This MAP Policy is in addition to, and does not supersede or limit in any respect, any other terms, or conditions of sale of Products to Retailer.

7.3 If a Retailer has any questions about this MAP Policy, the questions should be put to SITM in writing and directed to the attention of [sales@sockittome.com](mailto:sales@sockittome.com).

## Exhibit A

For a full list of Active SKU that meet MAP requirements, please email [sales@sockittome.com](mailto:sales@sockittome.com)

Category	SKU_Prefix	MSRP	MAP
Ankle Socks	AF	\$ 10.50	\$ 8.99
Turn Cuff	Q	\$ 12.00	\$ 10.99
Women Crew	W	\$ 11.00	\$ 9.99
Knee High	F	\$ 15.00	\$ 12.99
Stretch-It	S	\$ 15.00	\$ 12.99
Slipper Sock	CZ	\$ 15.00	\$ 12.99
Men Crew	MEF	\$ 14.00	\$ 11.99
Men Luxe	D	\$ 22.50	\$ 18.99
Athletic Ribbed Crew	R	\$15.00	\$ 12.99
Genderless Crew	MX	\$14.00	\$ 11.99
Toddler Crew	TC	\$ 6.50	\$ 5.99
Toddler Turn Cuff	TQ	\$ 7.00	\$ 6.99
Toddler Knee	TK	\$ 7.00	\$ 6.99
Youth/Junior Crew	YC/JC	\$ 7.50	\$ 6.99
Youth/Junior Turn Cuff	YQ/JQ	\$ 9.50	\$ 8.99
Youth/Junior Knee	YK/JK	\$ 9.50	\$ 8.99

### Other Product

Category	SKU_Prefix	New US	
		MSRP	MAP
Face Mask	EMSK	\$ 7.99	\$ 7.99
Women Underwear	UW/UK	\$ 5.99	\$ 5.99
Men Underwear	UMB	\$ 20.00	\$ 18.99