



MINIMUM ADVERTISED PRICE POLICY

Small World Trading Co. ("EO") has unilaterally adopted this Minimum Advertised Price Policy ("MAPP") for all EO Products sold by Retail Stores, Internet Retailers, Sub Distributors or Fulfillment Centers.

1. Purpose: EO has determined that certain types of Advertising can affect its goodwill and is potentially damaging to its standards and the reputation EO Products have achieved. EO Products is therefore adopting this MAPP to preserve its strong reputation for providing customers with high value products and strong after-sales support, and to ensure its reseller – product relationships are consistent and value based. EO Products greatly values the efforts to distribute EO Products by all approved retailers, whether on the internet or in traditional brick and mortar retail establishments, as well as Sub-Distributors and Fulfillment Centers.
2. Scope:
 - a. This MAPP applies only to sales to consumers within the United States and its territories.
 - b. This MAPP shall apply to Retail Stores, Internet Retailers, Sub Distributors, and Fulfillment Centers. The minimum prices for all EO Products ("Minimum Advertised Price") shall be listed on each EO Price List. Minimum Advertised Prices may be adjusted by EO from time to time, at its sole discretion.
 - c. This MAPP applies to all Advertisements of EO Products. No such Advertisement will represent or imply that any Product may be sold by any entity subject to this MAPP for less than the full Minimum Advertised Prices.
 - d. This MAPP applies to advertised prices, not the price at which EO Products are actually sold or offered for sale to an individual in-store, on the internet, or over the telephone.
 - e. This MAPP does not apply to solely on premises or in-store advertising that is not distributed to consumers.
3. Definitions: As used herein, the Capitalized terms shall have the following meaning:
 - a. "Advertising" and "Advertisements" means any advertisements of EO Products in any and all media including, but not limited to, flyers, posters, coupons, mailers, inserts, billboards, newspapers, magazines, catalogs, brochures, direct mail, retail flyers, television, radio, e-commerce, forums, internet sites, social media sites, apps, or any other electronic media. Website features such as "click for price", automated "bounce-back" pricing e-mails, pre-formatted e-mail responses, forms, and automatic price display for any items prior to being placed in a customer's online shopping cart, and other similar features are considered to be communications initiated by the dealer (rather than by the customer) and thereby constitute "Advertising" under this MAPP.
 - b. "Bundling" means including a free or discounted product (whether made by EO or another manufacturer) with an EO Product.



- c. "Internet Retailers" means internet based retail sales to consumers.
 - d. "Retail Stores" means traditional brick and mortar retail establishments.
 - e. "Sub Distributors" means entities appointed by a Distributor to distribute EO Product.
 - f. "Fulfillment Centers" means entities that stores or warehouses EO Product, receives customer EO Product orders, packages EO Product in response to the customer orders, and ships the ordered EO Product to the end customer.
4. Advertising Guidelines:
- a. All Advertising of a specific EO Product must contain or mention the Minimum Advertised Price or higher price. Failure to mention the Minimum Advertised Price or higher price violates this MAPP.
 - b. If pricing is displayed, any strike-through or other alteration of the Minimum Advertised Price is prohibited.
 - c. Internet auctions may not display or have reserved bid, "buy it now" or other acceptable prices below the Minimum Advertised Price.
 - d. This MAPP also applies to any activity which EO determines, in its sole discretion, is designed or intended to circumvent the intent of this MAPP, such as solicitations for "group purchases" and the like.
 - e. From time to time EO may offer a direct manufacturer's rebate to customers. In such events, it shall not be a violation of this MAPP to advertise the availability of the manufacturer's rebate, provided that:
 - i. the advertisement includes a MAPP-compliant price, the rebate amount, and the net price after manufacturer's rebate in the same type size and style;
 - ii. an asterisk is placed next to the net price after manufacturer's rebate; and
 - iii. "*after manufacturer's rebate" appears in the same area of the Advertisement as the advertised product.
5. Bundling Guidelines:
- a. "Bundling" or Advertising EO Products for sale together with other products will violate this MAPP when:
 - i. the effective or stated price of the bundle represents a discount of greater than 15% of the Minimum Advertised Price; or
 - ii. the product(s) bundled with EO Products violate EO's Intellectual Property rights; or
 - iii. the product(s) bundled with EO Products violate the EO Trademark and Brand Policy; or
 - iv. the product(s) bundled with EO Products include words, packaging, graphics, or other indicia which may create customer confusion as to the source of the product(s); or



- v. the effective or stated discount is greater than 15% of the highest priced item in the bundle.
 - b. Gift cards, coupons, points, or other incentives which are contingent on the purchase of an EO Product will violate this MAPP when:
 - i. the effective or stated price of the bundle represents an immediate discount of greater than 15% of the MAP; or
 - c. The effective or stated price of the bundle represents a discount of greater than 10% of the Minimum Advertised Price after taking into consideration any contingent future purchase.
 - d. Rebate programs from EO are exempt from this MAPP.
- 6. Limitations and Exclusions:
 - a. This MAPP does not establish maximum advertised prices. All Retail Stores, Internet Retailers, Sub Distributors or Fulfillment Centers may offer EO Products at any price in excess of the Minimum Advertised Price.
 - b. This MAPP does not in any way limit the ability of any Retail Store, Internet Retailer or Sub Distributor to advertise "they have the lowest prices" or, they "will meet or beat any competitor's price," that consumers should "call for a price," "email for a price," or phrases of similar import as long as the price advertised or listed for EO Products is not less than the current listed Minimum Advertised Price.
 - c. It shall not be a violation of this MAPP to advertise that a customer may "call for price" or "email for price", or to use similar language, specifically with respect to EO Products, so long as no price is listed.
- 7. Reservation of Rights:
 - a. From time to time, EO may implement promotions for EO Products covered by the MAPP because the Products are being discontinued or because they are just being released. In such events, EO reserves the right to modify or suspend the MAPP with respect to the affected Products by notifying all Retail Stores, Internet Retailers and Sub Distributors of such a change.
 - b. From time to time, EO may permit resellers to advertise EO Products at prices lower than the Minimum Advertised Price. In such events, EO reserves the right to modify or suspend the Minimum Advertised Price with respect to the affected products for a specified period of time by providing advance notice to all resellers of such changes.
 - c. EO further reserves the right to adjust the MAPP with respect to all or certain Products at its sole discretion upon seven (7) days advanced written notice to Internet Retailers, Sub Distributors or Fulfillment Centers, or twenty-one (21) days advanced written notice to Retail Stores, provided such changes shall apply to all Retail Stores, Internet Retailers, Sub Distributors or Fulfillment Centers.



8. In cases of minor violations of this MAPP, Distributors will be allowed twenty-four (24) hours to bring into compliance the Internet Retailer or Sub Distributor or Fulfillment Center, and seventy-two (72) hours will be allowed to bring into compliance Retail Stores, or EO will cease supplying EO Products to Distributor.
9. EO is not obligated to provide prior notice or issue any warning to the offending Retail Store, Internet Retailer, Distributor, or Fulfillment Center before taking action under this MAPP.
10. This MAPP and its administration and application are at EO's sole discretion, decision and responsibility. No employee or sales representative of EO has any authority to discuss or modify this MAPP and any action of any person, which claims to modify this MAPP or to solicit or obtain the agreement of any person to the MAPP, is unauthorized and invalid. Any questions about this MAPP shall be in writing and directed to EO's Vice President of Sales, who will respond only in writing. No oral communications about this MAPP are authorized. EO's National Sales Manager and executive officers of EO are the only parties authorized to make changes in this MAPP. The foregoing MAPP and any Price List is subject to modification or discontinuance by EO, in its sole and absolute discretion, at any time. Any action taken by EO under this MAPP shall be without liability to EO.
11. Distributors of EO Products will supply a copy of this MAPP to all new or existing Retail Stores, Internet Retailers, Sub Distributors and Fulfillment Centers. Retail Stores, Internet Retailers and Sub Distributors will be bound by the terms of this MAPP.