



---

## JELLIFISH INC. MINIMUM ADVERTISED PRICE (“MAP”) POLICY

Due to the category-defining nature of our products, it is often necessary for authorized retailers and their sales associates to commit significant time and resources toward learning and supporting our products. In addition, we recognize there exist significant costs involved in developing, protecting, advertising and branding our products and educating the consumer about each product’s unique value proposition. As such, we offer our products to authorized retailers at a cost/price structure that we believe fosters the profitability necessary to fund the aforementioned activities. Therefore, it is the purpose of this MAP policy to support our mutually beneficial cost/price structure and to maintain a level playing field for all authorized retailers, regardless of size and purchasing power. Similarly, we believe a sound MAP policy protects the consumer from unauthorized retailers who have no knowledge of the products, provide no support, and in some cases misrepresent product availability.

This MAP policy refers **only** to the price that an authorized retailer chooses to advertise in print, direct mailing, radio, Internet, email, telephone, FAX and all other forms of pricing advertisement — **not** to the price at which an authorized retailer actually sells our products. Our Authorized retailers are free to sell Jellifish Inc. products at whatever price they may so choose.

### BUNDLES

In the event that one or more Jellifish Inc. products are bundled in an advertisement, the aggregate price for all products offered for sale in the bundle must not exceed the percentage discount of MAP covering the products in the advertisement.

Any additional advertised offer that is related in any way to the sale of a product, that adds any additional value to the sale of a product advertised at or below MAP, will be considered a violation of the MAP policy.

### REBATES

Any rebate that is associated with an advertisement of a product at or below MAP, whether at the point of sale or after the fact and whether offered by the authorized retailer itself or a third party, will be considered a violation of the Jellifish Inc. MAP Policy. The sole exception shall be a rebate offered directly from Jellifish Inc. to the authorized retailer’s customer.



---

## RETURN POLICIES

We recognize that some percentage of our authorized retailers offer liberal return policies associated with the sale of products. Jellifish Inc. considers any product that has been sold or delivered to a consumer and opened as a used product. Therefore, any product that has been sold or delivered to a customer, then returned to an authorized retailer for any reason may be advertised below MAP if and only if the wording "Used" or "Previously Sold" is present in conjunction with the advertisement. The designation "Used" or "Previously Sold" must be a **prominent** part of the advertisement and must be listed with each product in the advertisement that is offered below the MAP. The terms "Open Box", "Scratch & Dent", "B Stock", or any other designator will **not** be accepted as an identifier for this type of product when advertised below MAP.

Any product that is advertised below the MAP price that does not include the designation "Used" or "Previously Sold" specifically as a prominent part of the advertisement, listed with each product in the advertisement, will be considered a violation of the Jellifish Inc. MAP Policy.

## INTERNET & EMAIL

Any information relating to Jellifish Inc. products on an Internet website is considered to be advertising for the purposes of this policy

Any email quote below the Minimum Advertised Price will be considered a violation of the Jellifish Inc. MAP Policy.

The sale of Jellifish Inc. products on eBay or any other auction website is prohibited and will be considered a violation of our MAP policy.

## TELEPHONE & FAX

Any telephone or facsimile (FAX) quote below the Minimum Advertised Price will be considered a violation of the Jellifish Inc. MAP Policy.

## MAP DISCLOSURE

The wording "minimum advertised price" and/or "MAP," shall not appear in any advertisement featuring Jellifish Inc. products (e.g., "\$9.95 MAP"), nor shall any reference be made to the existence of a MAP policy precluding a lower price from being advertised (e.g., "although we sell these units below MAP pricing, we are not allowed to post this price.") Such references shall constitute implicit below



MAP advertising and will be considered a violation of the Jellifish Inc. MAP Policy.

Any discount or additional offer whatsoever as part of an advertisement for product that in the opinion of Jellifish Inc. would result in an offering below the MAP price will be considered a violation of the Jellifish Inc. MAP Policy.

#### AUTHORIZED RETAILER COST/PRICE SCHEDULE

MAP prices are listed on our confidential authorized retailer price list. MAP prices may be adjusted at the sole discretion of Jellifish Inc.

It is each authorized retailer's sole responsibility to reference the most current available price list to determine MAP prices. The current price list is available to authorized retailers at any time by written request.

#### MAP VIOLATIONS & SANCTIONS

If an authorized retailer advertises Jellifish Inc. products below the Minimum Advertised Price, Jellifish Inc. will impose, at its sole discretion, the sanctions set out below.

- First Violation — Cumulative quantity discounts earned for the calendar year will be rescinded. If no discounts have been earned for the period, the second violation sanction will apply.
- Second Violation — Eligibility to purchase from Jellifish Inc. will be suspended for 90 days.
- Third Violation — Eligibility to purchase from Jellifish Inc. will be suspended indefinitely.