

MINIMUM ADVERTISED PRICE (MAP) POLICY

INTRODUCTION

Blue-9 LLC. ("Blue-9") recognizes that our quality dealers/resellers invest time and resources to deliver an extraordinary customer experience. To support our resellers' efforts, Blue-9 wishes to establish policies that allow dealer/resellers to earn the profits necessary to maintain the high level of customer service people have come to expect.

To protect the investment of our dealers/resellers and Blue-9's brand and product reputation, we have unilaterally adopted a MINIMUM ADVERTISED PRICE POLICY ("MAP Policy"). Blue-9 has established this MAP Policy due to the fact that reseller advertising and sales practices that promote Blue-9 products primarily on the basis of price could be detrimental to resellers' service and support efforts and Blue-9's competitive position. Such activities can be harmful to Blue-9's brand, reputation, and competitiveness, and allow some dealer/resellers to take advantage of the service and support efforts of others.

Blue-9, in its unilateral discretion, will not do business with any dealer/reseller, as to the products covered by this MAP Policy, if that reseller intentionally advertises any MAP Product below its MAP price. Blue-9 is confident that this program will strengthen its competitiveness and benefit all of its dealers/resellers.

OFFICIAL POLICY AND GUIDELINES

Additional guidelines related to the MAP Policy are as follows.

- **1.** Blue-9 reserves the right, in its unilateral discretion, to take other action with respect to any reseller that violates this MAP Policy.
- 2. The MAP Policy will be enforced by Blue-9 in its sole discretion.
- 3. Blue-9 recognizes that any authorized Blue-9 account can make its own decisions to advertise and sell any Blue-9 product at any price it chooses without consulting or advising Blue-9. Blue-9 similarly has the right to make its own independent decision regarding product allocations and dealer/reseller participation as a member of the Blue-9 dealer/reseller program at any time.
- **4.** Blue-9 will maintain an updated "MAP Products" list of those products that will fall under this MAP Policy. Blue-9 reserves the right to update or modify this list at any time.
- 5. All Products listed will have a MAP retail price. Listing a price other than the MAP retail price next to the featured MAP Product in any advertising including social media sites, will be viewed as a violation of this MAP Policy. This MAP Policy applies to all advertisement of MAP 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, forums, email newsletters, email solicitations, television, radio, and public signage. Such website features as "Click for price", automated "bounce back" pricing e-mails, pre-formatted e-mail responses, forms, automatic price display for any items prior to being placed in a customer's shopping cart, and other similar features are considered to be communications initiated by the reseller (rather than by the customer) and this constitutes "advertising" under this MAP Policy. This MAP Policy also applies to any activity which Blue-9 determines, in its sole discretion, is designed or intended to circumvent the intent of this MAP Policy, such as solicitations for 'group purchases' and the like.
- **6.** It shall not be a violation of this MAP Policy to advertise in general that the reseller has "the lowest prices" or will match or beat its competitors' prices, or to use similar phrases; so long as the reseller does not include any advertised price below MAP and otherwise complies with this MAP Policy.

- 7. From time to time, Blue-9 may permit resellers to advertise MAP Products at prices lower than the MAP retail price. In such events, Blue-9 reserves the right to modify or suspend the MAP retail price with respect to the affected products for a specified period of time by providing advance notice to all resellers of such changes.
- 8. From time to time Blue-9 may offer a direct manufacturer's rebate to customers. In such events, it shall not be a violation of this MAP Policy to advertise the availability of the manufacturer's rebate, provided that (a) the advertisement include a MAP-compliant price, the rebate amount, and the net price after manufacturer's rebate in the same type size and style; (b) an asterisk is placed next to the net price after manufacturer's rebate; and (c) the "*After manufacturer's rebate" appears in the same area of the advertisement as the advertised product.
- 9. Where Blue-9 products are bundled with or sold as part of a package that includes other products, it shall be a violation of this MAP Policy to sell or advertise the bundle (or package) at a price that: (a) has the effect of valuing a bundled (or packaged) Blue-9 accessory covered by the MAP policy at more than 20% the value of the bundled (or packaged) Blue-9 Klimb covered by the MAP policy or (b) violates the letter or spirit of the MAP Policy. It shall be a violation of this MAP Policy if products are bundled with or sold as part of a package that includes products not pre-approved by Blue-9.
- 10. It shall be a violation of this MAP Policy to include in any advertising for Blue-9 Products any additional discount, coupon, gift card, or incentive (whether in the form of a special event, promotion, term of doing business or otherwise) that translates into an immediate price reduction, where the cumulative effect would be to reduce the advertised price of any MAP Product below MAP. Advertising that includes an additional discount, coupon, gift card, points, or any other incentive for future purchases (regardless of whether the future purchases is of a Blue-9 product) shall be evaluated under the same guidelines as described in Section 9 regarding product bundling. For example, a gift card redeemable on a future purchase would be considered an "other product" under Section 9.
 - This Section 10 shall not apply to any manufacturer's rebate from Blue-9 on Blue-9 Products or its partners' products.
- **11.** It shall not be a violation of this MAP Policy to advertise that a customer may "call for price" or "email for price", or to use similar language, specifically with respect to Blue-9 Products, so long as no price is listed.
- **12.** If a reseller with multiple store locations violates this MAP Policy at any particular store location, then Blue-9 will consider this to be a violation by all of the reseller's locations.
- 13. Although resellers remain free to establish their own resale prices, Blue-9 reserves the right to cancel all orders and indefinitely refuse to accept any new orders from any resellers following Blue-9's verification that such reseller has advertised any MAP Products at a net retail sales price less that the then-current MAP retail price established by Blue-9, or if reseller has violated this policy in any other way.
- **14.** Blue-9's sales representatives are NOT permitted to discuss this Policy or make any agreements or assurances with respect to Blue-9's Policy regarding reseller advertising or pricing. This also includes any consumer program or promotion that affects the below- listed MAP Products.

ITEM	PACKAGE	USD MAP PRICE
KLIMB	N / A	\$159.95
2 KLIMBs	2 units	\$299.95
Propel Air Platform	1 Unit	\$69.95
Balance Harness – Buckle Neck	1 Harness	\$39.95