



Minimum Advertised Price (MAP) Policy Home Appliances

Effective July 1, 2015 and
Revisions Effective July 1, 2020

Confidential

Sharp Electronics Corp. Minimum Advertised (MAP) Policy – Appliances

In order to ensure that Sharp and associated sub-brands are advertised consistently and to ensure that product features and benefits are communicated correctly, Sharp Electronics Corporation through its Sharp Electronics Marketing Company of America division (“Sharp”) has implemented this Minimum Advertised Price Policy (the “Policy”). This Policy provides guidelines for utilization of the Sharp logo, brand logos, product images, model numbers and features and sets a minimum advertised price (“MAP”) for those products specifically listed in MAP Appendix A (the “Products”) in those cases where Sharp provides marketing support, such as financial reimbursement to authorized resellers for advertising purposes and Instant Rebates (IRs).

Sharp and its agents will be monitoring compliance with Sharp’s MAP Policy guidelines.

Resellers in their sole and absolute discretion will be free to sell at any price they choose and to advertise, at their own expense, at any price they choose.

1. **Nature of MAP Policy – Adherence is Voluntary.** Sharp employees shall not seek or accept any Reseller’s agreement, nor solicit any Reseller’s understanding, to sell or advertise at or above MAP. This MAP Policy is solely intended to describe the terms and procedures under which Sharp will, in its sole discretion, choose to supply products. Sharp and its employees, agents and representatives are strictly prohibited from negotiating any portion of this Policy. Resellers should only address any and all questions and comments regarding this Policy by sending an email to the MAP Policy Administrator at policyinfo@sharpusa.com, who will respond only in writing. No oral communications about this Policy are authorized.
2. **Applicability.** This Policy is applicable only to those Products specifically listed in the MAP Appendix A attached hereto which is regularly updated, revised and circulated to Sharp’s accounts. MAP Appendix A is the controlling document for any and all issues concerning the starting “before instant rebate” MAP for each and every Product listed. While MAP information may be contained in other documentation for informational purposes, MAP Appendix A is the controlling document for all MAP. This Policy applies to the advertisement of the Products in all media including, but not limited to: TV; radio; billboards; online advertising, such as e-mail, websites and other e-commerce (including marketplace) or hypertext transfer protocol portals (http) as well as off-line advertising such as free standing inserts (“FSIs”); newspapers; brochures and catalogs. This Policy does not apply to: 1) in-store advertising or shelf tag(s) and 2) refurbished, or open-box product.
3. **Sharp Advertising Guidelines.** Resellers must advertise Sharp Products with the required Sharp supplied graphics/photography, features, model number and logos as delineated in Appendix A. When Sharp issues an updated and revised Appendix A, Resellers will have a 30-day grace period from the effective date of a new Appendix A to comply with it.
 - 3.01 **Universal Logo Omission.** “Famous Maker” or similar type advertisements where the item being advertised is a Sharp product but not identified as such will still be subject to this policy. When such advertising contains a valid Sharp model number or Sharp supplied graphics/photography, it will be treated as a Sharp advertisement subject to the terms of this Policy.
4. **MAP Pricing.** Resellers must advertise Products with an advertised price at or above MAP and with no suggestion or implication of a price below MAP (other than a Sharp sponsored promotion).
 - 4.01 **No Indication of Lower Pricing.** No advertisement can indicate a price below MAP. Online, any advertising or indication of the price outside of the cart must not indicate a price below MAP.

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The following, while not an exhaustive or comprehensive list, are examples of MAP violations:

- A. The advertisement lists a price at MAP, strikes out that price and indicates that the customer can or will obtain a lower price by taking any number of different actions;
- B. Any mouse over, pop-up box or other click through mechanism which displays a price below MAP;
- C. Listing the Product at MAP, striking out that listed price and indicating that the customer should “[check or see] the cart for price”;
- D. Listing the Product at MAP, and indicating that the customer should:
 - 1. “[check or see] cart for lower price”;
 - 2. “[add to, or put in] cart for lower price”;
 - 3. “[mouse over or click here] for lower price”;
 - 4. “[click here or check cart] for better price”
 - 5. “[click here or place in cart] for additional savings”
 - 6. “[click here] for “member value.”
 - 7. “[click here] for price”
 - 8. “Apply coupon code [xxx] during checkout for lower price”
 - 9. Global Offers where a specific product price for the Sharp product is indicated in the advertisement (e.g., “Pay What We Pay”, “Employee Price”, “No Sales Tax”, etc.).

5. **MAP Policy Exclusions.** The following are not violations of this MAP Policy:

- 5.01 **Value Added Items.** Financing, free shipping/handling, installation, store gift card, reward points with no associated cash value indicated near the product in print or online and up to one-year additional Reseller-supported warranty are permitted in conjunction with the Products. The usual prices for these value-added items (except reward points) may be highlighted in a ‘save’ message but cannot be ‘netted out’ of the product price. More than one of the value-added items above may be offered at the same time on a single item.
- 5.02 **In-Store Advertising.** In-store advertising that is displayed only in a Reseller’s physical store.
- 5.03 **Global Offers.** Global offers (e.g., “Save 10% on all Appliances”, “Spend \$499 or more and save \$50 with Coupon Code YOUSAVE50”, “Save 5% with Your [Reseller] Credit Card”) are permitted under this MAP Policy provided the offer applies to either a) all models within a product category (e.g., appliances, microwaves, etc.), or b) all models within a product category at or above a certain price point. In either case, the printed price advertised must not be below MAP. For online price presentation, the Global Offers cannot be deducted on the product page but can be applied in the cart or the final checkout in the cart.

6. **Non-Compliance.**

- 6.01 Sharp will monitor compliance with this Policy and, if it determines that a Reseller has advertised a Sharp Product below MAP, Sharp will notify the Reseller or authorized Sharp Distributor from whom the violating Reseller purchased the product by telephone or written notice via email. If Sharp determines that the violation was not accidental or a mistake, Sharp will take the following actions:
 - A. **First Violation:** Notice of violation to Reseller and/or Sharp Distributor of violation and expectation that violating Reseller will be in compliance within 48 hours from notification from Sharp.

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- B. Second Violation: Loss of all applicable promotional funding associated with the cumulative list of Product(s) that are subject of the violation including, but not limited to instant rebates, sell through credits, VIRs, SPIFFs and MDF funding for a 60-day period, commencing with the second violation.
- C. Third Violation: Sharp or the Sharp Distributor will stop selling the cumulative list of Product(s) to the violating Reseller for a 60-day period, commencing with the third violation.
- D. Fourth Violation: Sharp or the Sharp Distributor will stop selling the cumulative list of Product category(s) to the violating Reseller for a 90-day period, commencing with the fourth violation.
- E. Fifth Violation: Sharp or Sharp Distributor will stop selling to the violating Reseller and Sharp or the Distributor may take back all remaining first-class inventory, at Sharp's sole discretion.

The number of violations will be counted separately and determined based on a rolling twelve-month period. Any advertising by a Reseller that violates this Policy and continues to violate this Policy for more than 48 hours after Reseller and/or Sharp Distributor receives notice (via a telephone call or in writing) will count as a new and separate violation by that Reseller.

- 6.02 **On-Line:** Each 48 hours that a Product is advertised online in violation of MAP constitutes a single violation. For purposes of determining what constitutes a day, a single day shall commence at 3:00.00 a.m. ET and run to 2:59.59 a.m. ET the following day. In the case of an accident or mistake, failure to correct the MAP violation within 12 hours of the time of the initial violation notification or by the end of the calendar day local time of the day of the initial violation notification, whichever is longer, will result in triggering the first violation or next violation.

Sharp reserves the right to modify or cancel this Policy at any time, without prior notice.