

Sony's Unified Resale Execution (SURE)		
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## Sony's Unified Resale Execution (SURE) Program

### Revised: December 1, 2019

The Sony Unified Resale Execution Program (SURE) was designed to maintain the long term strength of the Sony brand equity by insuring that authorized Sony Retailers can capture sufficient margin on Sony products necessary to allow them to provide the support and services required to sell Sony's premium brand. It further allows Sony products to compete with the many other brands offered in the marketplace. Sony Retailers subject to SURE includes authorized resellers (dealers and distributors), premium incentive entities and any other entity that utilize a SURE Product as part of their value offer to their customers (such as a credit card company that includes SURE Products as a reward for points earned from use of the credit card).

Sony takes great pride in being recognized as the leading brand, not only in the consumer electronics industry, but among all brands in the world. Consumers have created great demand for Sony products because they believe that Sony products offer unsurpassed quality and value. We believe that SURE, more fully described below, will allow Sony Retailers to profitably market, promote and sell Sony products. SURE will further demonstrate to Sony Retailers that they can profitably, and in the long run, promote Sony's product line rather than using individual Sony products as bait in their sale of competing brands.

From time to time Sony shall unilaterally designate select products (either by category or specific model) to be included in SURE and will issue a Promotional Calendar for that category and/or model. Once designated on SURE, Sony Retailers will be advised of the SURE price at which a Sony product shall be advertised and/or sold. The SURE Price will be based on the price at which Sony believes that market conditions will allow a Sony Retailer to maximize its profit. Any advertisements or sales at a price below the SURE Price as more fully described below shall be deemed a violation and Sony shall implement the stated penalties set forth below. The Promotional Calendar specific to each category of products will further state any additional requirements and restrictions.

#### **SURE Products:**

Products included in this SURE Program are listed in the Promotional Calendars. From time to time Sony shall designate products (either by category or specific model) to be included in or removed from this SURE Program (the "SURE Products").

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These products will continue to have limited distribution and any Sony Retailer not currently authorized for these products should, as always, discuss with their Sony sales representative whether they qualify for authorization. Further, the sale of any of these products online is limited to only those Sony Retailers who have been authorized specifically for online sales.

Throughout the year from time to time Sony shall issue Promotional Calendars setting forth permissible type and timing of promotions on SURE Products. These documents will provide for permissible periods when Sony Retailers may offer premiums, rebates, coupons, bundling, free sales tax days, and other similar promotional offers in connection with products on SURE.

Ultimately it is up to each Sony Retailer to independently determine how it wishes to conduct its business and whether it wishes to participate in SURE. Further, SURE does not constitute an agreement with Sony, formal, written, verbal or otherwise, requiring a Sony Retailer to give up its right to independently run its business or requiring it to participate in SURE. Sony sales representatives are strictly prohibited from seeking or obtaining any assurance from a Sony Retailer that it will comply with the specific terms of SURE.

Further, SURE is in addition to Sony's Suggested Profit Picture Guidelines and Sony's Minimum Advertised Price Program, which may be on Sony products not designated for SURE. Sony shall continue to issue these guidelines in its effort to suggest advertised prices on Sony products that are competitive in the marketplace and that will allow Sony Retailers to maximize their profit.

### **SURE**

All authorized Sony Retailers in good standing are free to participate, if they choose, in SURE.

From time to time Sony shall designate select products by category or model to be included on SURE. Once a product is designated on SURE, Sony Retailers will be advised via Promotional Calendars of the price at which that product shall be advertised and/or sold (at retail stores and, if authorized, via the internet), called the SURE Price.

### **SURE Price**

Sony Business Units responsible for SURE Products will advise via Promotional Calendars issued throughout the year of the SURE Price for the applicable SURE Products (category or model). The SURE Price will be inclusive of all authorized permissible promotional activities on SURE Products, including but not limited to the offer of free premiums, rebates, discount coupons, gift cards usable only towards future purchases, and credit card and reward program offerings

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for existing or future purchases. The SURE Price will apply to all Sony Retailer's advertisements and selling price (including floor price and online prices on all online webpages including the Shopping Cart and Checkout pages). Each Sony Retailer unless set forth otherwise on a Sony Promotional Calendar may, in its sole discretion, advertise a permitted Retailer-Funded Discount including gift cards (usable only towards future purchases) so long as such discount combined with any other offer by the Sony Retailer does not exceed the percentage set forth in the Promotional Calendar for the SURE Product or SURE Product bundle advertised.

Notwithstanding the immediately preceding sentence, a price cents below the stated SURE Price (rounded down no more than \$1 plus any applicable cents from the SURE price, i.e., SURE Price of \$1349.49 rounded down to \$1348.00) will not constitute a violation of this Program. Further, nothing herein is intended to preclude the use of a co-branded credit card that provide for an everyday discount on all purchases (i.e., Use your XX Card and get % off every day) as long as any advertisement for its co-branded credit card does not advertise a SURE product.

With respect to credit card offerings such as those that drive credit card membership (i.e., Receive a Branded Visa Card and get \$100 towards your initial purchase), any direct or indirect offer by a Sony Retailer which references a SURE Product or allows a consumer to instantly use the credit on a purchase of a SURE Product shall be deemed to violate SURE. Nothing herein is intended to preclude a general offer of a credit on a consumer's initial qualifying use of the credit card applied by the card issuer at the time of the initial monthly bill (i.e., \$100 credit applied to the initial monthly bill on any qualifying purchase).

To the extent that a Sony Retailer directly or indirectly offers a SURE Product as part of a rewards program (such as a reward for points earned as part of a credit card or premium incentive program), the value of the points necessary to obtain the SURE Product must be valued so that they equal the SURE Price of any SURE Product at the time of the offer (i.e., if a rewards point is valued at \$01, a SURE Product with a SURE Price of \$499.99 shall require the use of 49,999 points for redemption).

### **Promotional Offers**

In order to assist Sony Retailers in their selling efforts, Sony Retailers will also be advised via Promotional Calendars issued throughout the year when specific promotions on SURE Products are permissible. The Promotional Calendar will also provide for permissible periods when Sony Retailers may offer value adds, instant rebates and coupons, gift cards usable only towards future purchases, free sales tax days, and other similar promotional offers in connection with the sale of SURE Products. No promotional offers may be made by a Sony Retailer for SURE

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Products unless permitted by the Promotional Calendar. The inclusion of any SURE Product in an offer not permissible by a Promotional Calendar issued by Sony violates SURE.

### **Global Offers**

Notwithstanding anything herein to the contrary, Sony Retailers may at any time provide Global Offers on Services, Financing, and Free Sales Tax Day(s) (as defined below) on SURE Products, unless prohibited on a Promotional Calendar for any specific Product Category, subject to the following limitations set forth below.

Product Category	Competitor Brands carried by a Sony Retailer must be included to qualify as "Global"									
Camcorder	Canon	Go Pro	JVC	Panasonic						
Digital Still/ALPHA/ILC	Canon	Fuji	Kodak	Nikon	Olympus	Panasonic				
TV	Epson	Hisense	LG	Panasonic	Samsung	Sharp	TCL	Toshiba	Vizio	
Projectors	Epson	JVC								
Home Audio	Bose	Denon	Integra	Klipsch	Marantz	Onkyo	Pioneer	Polk Audio	Samsung	Sonos
	Yamaha									
Home Video	Apple	Amazon	Google	LG	Magnavox	Panasonic	Roku	Samsung		
Portable Audio	Altec Lansing	Apple	Beats	Bose	Ion	Jabra	JBL	LG	Sennheiser	SkullCandy
	UE									
Car Audio	Alpine	JVC	Kenwood	Pioneer						

"Global Offer(s)" means an offer applicable to all brands specified in the chart below for any specific Product Category advertised and/or sold by the Sony Retailer (i.e., Free Shipping on all DSLRs) and not an offer specific to any particular brand (i.e., Free Shipping on Sony Alpha DSLR.)

Unless set forth otherwise in any Promotional Calendar, a Sony Retailer may, as part of a Global Offer, provide Services, Financing, and Free Sales Tax Day(s) and including but not limited to promoting the following as part of a Global Offer in connection with SURE Products:

- Free delivery/shipping
- Free Installation
- Free Financing
- Free Training
- Free Education Classes
- Green Glove Service
- White Glove Service
- Recycling
- Post-Sale Education and Support (i.e., Classroom or Web-based Customer Training)

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- Digital Services
- Free Sales Tax Day

The Global Offers described above may be promoted on a cumulative basis. For example, a Sony Retailer may in connection with the sale of a Sony SURE Product promote a Global Offer providing to all purchasers Free Shipping, Post Sale Education and a Global Offer as permitted above.

Independent of the Global Offers above and unless otherwise set forth in the applicable Promotional Calendar, a Sony Retailer may offer to any specific customer one of the following:

- A Sony Retailer Funded Discount up to \$30.00 on select televisions, as designated by Sony, for Sony Retailers that have: (i) in-store demonstrations of the select televisions; AND (ii) a membership program at the Sony Retailer that costs members at least \$30.00 annually.
- A Sony Retailer Funded Discount of up to the percentage of the SURE Price stated in each category specific Promotional Calendar on services, content, accessories and/or upgrades, all related to the applicable SURE Product excluding any extended warranty and/or extended service plans;
- A Sony Retailer Funded Discount of up to the percentage of the SURE Price stated in each category specific Promotional Calendar to educational (college/university or higher students and faculty) Educational Program or B2B customers (B2B Sales);
- A Sony Retailer Funded Discount of up to the percentage of the SURE Price stated in each category specific Promotional Calendar to employees of corporate, governmental, charitable or other entities who offer their employees an Employee Purchase Program

#### **Educational Sales**

- Sony Retailers may advertise and sell SURE Products to higher education students (college or higher) and faculty of domestic colleges and universities of the above referenced discount from the SURE Price.
- Sony Retailers may advertise a permitted educational discount on SURE products only in the educational section of its website, whereby purchasers must demonstrate proof of attendance or employment for transactions occurring in their brick and mortar stores or requiring purchasers to represent they are a student or employee by way of a drop down menu.

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### **B2B Sales**

- Sony Retailers may offer the above referenced discount on the sale of 2 or more SURE Products sold to the same business customer. Sony Retailers may not advertise any discount on SURE products in a public forum and can only be visible on a private B2B website. In addition, an Employer Identification Number (EIN) will be required in order to identify the business end- user as a business.
- If a Sony Retailer wishes to offer a Retailer Funded Discount greater than that shown in the Promotional Calendar to its B2B customer it shall notify the Sony Sales Representative to allow Sony to determine whether it will consider the offer in violation of the SURE Program. Nothing herein precludes a Sony Retailer from independently determining whether it wishes to participate in the Sony Sure program. Additionally, any requests for Sony funding also requires the approval of the Sony Sales Representative. Requests need to be in writing and sent to the Sony Sales Representative or your Sony Authorized Distributor.

### **Employee Purchase Sales**

- Notwithstanding anything set forth in this program, Sony Retailers may provide the above referenced discount on SURE Products sold to employees of corporate, governmental, charitable or other entities who offer to their employees an employee purchase program (EPP). Sony Retailers must enter into a contractual agreement with the entity offering an EPP that allows employees of participating entities to purchase up to \$10,000 annually of Products only for their personal use and not for resale which will be tracked to ensure compliance. Employees purchasing products must demonstrate proof of identity and employment with a participating entity at the time of purchase at a Sony Retailer's store, via its call centers or on the EPP intranet website. An EPP program may be advertised on the participating entity's intranet page or employee benefit page but transactional pages must be only located on a closed password protected intranet site requiring a registration PIN in order to complete a purchase

A Sony Retailer's promotion of the following Global Offers will constitute a violation of the SURE Program:

- Store-wide Instant Rebate or Coupon offers with Sony SURE purchase greater than the permitted Retailer Funded Discount for the SURE Product(s)

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## **Returns, Open Box and Demo Sales**

Sony Retailers may sell and advertise SURE Products which have been returned, opened, refurbished or demoed at prices below the designated SURE Price only from their retail store(s) and if approved to transact online from their approved URL(s). Unless stated otherwise in a Promotional Calendar, Sony Retailers may only advertise and sell SURE Products which have been returned, opened, refurbished or demoed from a Sony Retailer's brick and mortar store and if approved to transact online from (1) its approved URL(s) and/or (2) from its eBay store. For purposes of this program an eBay Store is an all in one online central shopping destination on the eBay marketplace where purchasers can view and purchase all of your product offerings. At no time may returned, opened, refurbished or demoed Products be advertised and/or sold on any marketplace including but not limited to the Amazon, eBay (other than its eBay store as described above), Walmart, Jet, Rakuten, New Egg, and Best Buy marketplaces.

Any sales of returned, opened, refurbished or demoed SURE Products shall be limited to no greater than 5% of the total quantity of that product sold to the Sony Retailer. Any sales by a Sony Retailer in excess of the 5% quantity will have been deemed to have violated SURE.

Any advertisements of SURE returns, open box, refurbished or demoed products need to prominently state any of the following applicable statements:

- That the item is not in its original factory sealed packaging
- The reason a SURE Product is an open box item (i.e.: customer return, repaired by a service facility, showroom display model).
- List of any missing supplied accessories (i.e., remote; cables).
- Any physical abnormalities on the SURE Product (i.e., scratches, dents).
- The terms of the limited warranty accompany this SURE Product.

## **Web Site Violations**

If an Authorized Sony Retailer hosts a marketplace which includes listings not in compliance with this SURE Policy, the following will apply:

- If the listing reseller is an Authorized Sony Retailer, the listing reseller (and not the marketplace host) will be subject to the SURE penalties as set forth in this policy.
- If the listing reseller is not an Authorized Sony Retailer, Sony will determine the appropriate penalties to be imposed on the Sony Retailer that hosts the marketplace.

## **Monitoring and Reporting**

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In order to insure that Sony Retailers focus their efforts on providing the support and services required to be an authorized reseller of Sony products, and to further insure that Sony products can compete with other brands, Sony may engage in monitoring of advertised and sale prices of products designated on SURE, either directly or via the use of independent third parties. Third parties retained by Sony may engage in monitoring of a Sony Retailer's advertisements and store/website selling conduct including but not limited to mystery shops, purchases of Sony products and review of advertised prices.

In addition, Sony Retailers, may if they choose, submit to Sony reports of advertised or sale prices it discovers in the marketplace that are different than the SURE Price. All information forwarded by Sony Retailers should only be sent on the attached form to the email address specified on the form. The form will be reviewed by authorized individuals but Sony will not acknowledge its receipt of or respond to any information it receives from Sony Retailers and shall independently act in its own interest in determining what if any action it may take with respect to the information it receives.

### **Penalty**

Sony will issue a warning to the Reseller for the initial violation. Subsequent violations will be set forth in the applicable category Promotional Calendar.

Penalties will be imposed on an enterprise wide basis for any violation of SURE. Violations include, but are not limited to (1) any advertisements and/or sales at a price different than the SURE Price or (2) any promotion not permitted by or offered at a time not permitted by a Promotional Calendar issued by Sony.

Violations on the same category of products will clear after a Sony Retailer goes 120 days without any further violations on the same product category.

Violations will carry over into the new/replacement for the remaining days of the violation.

### **Other**

Any questions of any nature regarding SURE should be forwarded only to the SURE email address at [sure@am.sony.com](mailto:sure@am.sony.com).

This Program may be terminated or modified by Sony at any time in its sole discretion.

Sony reserves the right to change or discontinue SURE at any time, and no Sony Retailer has any right to rely on the continued existence of SURE or any effort by Sony to enforce it.





## Sony Unified Resale Execution (SURE)

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### SURE Violation Report Form

#### About the Violation

Violation Type? Floor Price ☐ Internet ☐ Advertisement ☐

Other: \_\_\_\_\_

Link: \_\_\_\_\_

Advertising Vehicle and Date: \_\_\_\_\_

Product: \_\_\_\_\_

Model No.: \_\_\_\_\_

How was violation discovered? \_\_\_\_\_

Seller/Store Name and Location: \_\_\_\_\_

Please provide a complete description of the violation. Include details such as the URL (web address) or publication which any advertisement ran.

#### About You

Reseller: \_\_\_\_\_

Other: \_\_\_\_\_

Your Name: \_\_\_\_\_ Company: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

Email: \_\_\_\_\_

This form should only be sent to the following email address: [sure@am.sony.com](mailto:sure@am.sony.com)