

SOPHIE'S KITCHEN

MAP POLICY

Effective **01.12.2021** Sophie's Kitchen, Inc. (hereinafter referred to as "Sophie's Kitchen") is unilaterally implementing this Minimum Advertised Price Policy (the "MAP Policy") to encourage our Resellers to promote and invest in the effective marketing and sale of Sophie's Kitchen's products.

Resellers of products have the right to make independent decisions to advertise and sell Sophie's Kitchen products at any price without consulting or advising Sophie's Kitchen, and this MAP Policy does not determine, control, or influence the price at which any Reseller sells its products. Sophie's Kitchen similarly has the right to make its own unilateral decisions regarding the composition of its Reseller network, and Sophie's Kitchen reserves the right, in its sole discretion, to discontinue business with or to take any other appropriate action with respect to any Reseller that fails to adhere to this MAP Policy.

The MAP Policy establishes standards for all applicable consumer advertisements of Sophie's Kitchen products. It applies equally to a Reseller's organization. Each Reseller is responsible for compliance with this Policy by all segments of its organization (online, mail-order and in-store). If any one segment within a Reseller's organization violates any component of this MAP Policy, Sophie's Kitchen may consider the entire Reseller organization to be in violation of the MAP Policy.

Sophie's Kitchen has established a Manufacturer's Suggested Retail Price (MSRP) for its products. This MSRP may be amended by Sophie's Kitchen at any time at its sole discretion. **It is a violation of this MAP Policy for any Reseller to advertise a product identified with a MSRP at a price that is below the published MSRP (hereinafter the "minimum advertised price" or "MAP") without the express written consent of Sophie's Kitchen.** Products not specifically identified with a MSRP are not covered by this MAP Policy. Sophie's Kitchen reserves the right to add or delete a MSRP to any product at its own discretion.

It is a violation of this MAP Policy to include in any advertising any additional discount, rebate, coupon, gift card, or other incentive that would result in an immediate price reduction where the cumulative effect of the price reduction is an Advertised Net Price that is less than the MAP. Advertised Net Price is defined as the Reseller's offered price less the value of any advertised discounts, rebates, coupons, gift cards, or other incentives. It is also a violation of this MAP Policy to indicate in advertisements that an Advertised Net Price lower than the MAP is available. It is in violation of this MAP Policy to imply that a price lower than MAP is available. Examples of such unauthorized advertisements include "drop in cart" pricing, "add to cart" pricing, "click to see" pricing, and "call for" pricing. Also prohibited are advertisements that indicate that discounts may be available when a customer takes specific action that goes beyond buying the product, such as "special price option" or "name your price".

The MAP Policy applies to all forms of public consumer advertising in any and all media, including the following categories:

- Print Advertising: such as, but not limited to, newspaper, magazines and multi-page inserts.
- Broadcast Advertising: such as, but not limited to: radio, television, public or cable television sponsorships
- Direct Mail Advertising: such as, but not limited to: catalogs, catalog inserts, fliers, newsletters and broadcast faxes

- Email blasts: Any promotional email originating from the Reseller or web site that is linked to the email are considered part of the same advertisement.
- Internet Advertising: all areas of a website above the shopping cart level such as, but not limited to, banner ads that click through to a website, forums, web sites of traditional Dealers, Distributors, mail-order businesses that offer covered products, Internet only e-retailer's that offer covered products, on-line services and portal sites that advertise covered products, shopping sites (bot's) and pricing search engines that advertise prices on covered products and auction sites with a minimum or starting bid below the MAP.

Where Sophie's Kitchen products covered by this MAP Policy are bundled with or sold as part of a package that includes other products, including free or discounted products (whether made by Sophie's Kitchen or another manufacturer), it is a violation of this MAP Policy to advertise the bundle or package at a price that has the effect of discounting the covered Sophie's Kitchen product below the MAP.

This MAP Policy also applies to any activity which Sophie's Kitchen determines, in its sole discretion, is designed or intended to circumvent the intent of this Policy.

This MAP Policy does not apply to the following activities:

- In-store advertising that is displayed only in the store and not distributed to any customers.
- Advertising in general that the Reseller has "the lowest price" or will match or beat it competitors' prices or similar phrases; so long as the Reseller does not include an Advertised Net Price below MAP.
- Value- added services such as free shipping, installation, technical support and maintenance.
- Store wide discounts on all items or "all on sale" promotions, so long as promotions are for a limited time and Sophie's Kitchen products are not separately identified.
- Items discontinued by Sophie's Kitchen.

*You will not sell or offer for sale on any Third-Party Platforms/Marketplaces (This will include sites such as Amazon, Buy, Walmart.com, Rakuten, eBay, auction web sites, etc.) any Sophie's Kitchen products over the Internet or any interactive electronic network without prior written approval from Sophie's Kitchen. Without prior written approval, you are subject to an immediate 4th violation listed below.

As an approved Reseller, you are required to follow all of Sophie's Kitchen's requirements to retain this approval. If you for any reason fail to comply with Sophie's Kitchen's MAP Policy, you will have this approval terminated immediately.

It is the responsibility of each online, mail-order, or in-store Reseller to monitor Sophie's Kitchen's MAP Policy and review all aspects of their business practices to ensure compliance. Sophie's Kitchen does not intend to do business with dealers or Resellers that compromise the brand, reputation, and competitiveness of Sophie's Kitchen by violating this MAP Policy. Sophie's Kitchen will maintain a Do-Not-Sell list of Resellers that have not corrected violations to the MAP Policy. A list of Sophie's Kitchen Authorized Resellers / Distributors is available on the company's websites.

Sophie's Kitchen reserves the right to take any action, in its sole discretion, with respect to any Reseller in violation of this MAP Policy, and no dealer, or Reseller will have the right to enforce or otherwise rely on the continued existence of this MAP Policy or any effort by Sophie's Kitchen to enforce this MAP Policy. In most cases, Sophie's Kitchen will respond to violations of this MAP Policy in the following manner:

First Violation:

- In the event Sophie's Kitchen unilaterally determines that a Reseller has violated the MAP Policy a notice will be sent to the Reseller alerting them to the violation. The Reseller must become compliant with the MAP Policy within two (2) business days.

Second Violation:

- If, after two (2) business days the initial violation has not become compliant or the Reseller violates the MAP Policy a second time with any of Sophie's Kitchen product covered by this Policy, Sophie's Kitchen will add the Reseller to the Do-Not-Sell list for a period of thirty (30) days.

Third Violation:

- The third violation of this Policy will result in the Reseller being added to the Do-Not-Sell list for a period of ninety (90) days.

Fourth Violation:

- The fourth violation of this policy will result in the Reseller being added to the Do-Not-Sell list indefinitely. In addition, the Reseller may not use any of Sophie's Kitchen artwork, graphics, photos or text that relates to Sophie's Kitchen products.

Sophie's Kitchen shall solely determine whether and when to remove a violating Reseller from the Do-Not-Sell list or to otherwise authorize the use of Sophie's Kitchen artwork, graphics, photos or text that relates to Sophie's Kitchen products.

This MAP Policy is the unilateral decision of Sophie's Kitchen. Sophie's Kitchen will not discuss any conditions of acceptance related to this policy. Sophie's Kitchen senior management is the entity authorized to communicate MAP Policy updates, changes and decisions regarding violations to this Policy. No other member of Sophie's Kitchen, Authorized Distributors or Distributor Sales representatives are authorized to modify or amend the MAP Policy without written authorization from the company.

Sophie's Kitchen reserves the right to implement a MAP Holiday during the year depending on market conditions and or during promotional periods. During a MAP Holiday enforcement will be temporarily on hold and sellers may temporarily sell below MAP price. During a MAP holiday the Third Party Platforms/Marketplace restrictions will remain in place.

Sophie's Kitchen reserves the right to add, change or delete the MAP Policy. If you wish to be notified of any MAP Policy changes, or have any questions, please send a written request to MAP Administrator at Legal@sophieskitchen.com. You may also contact Sophie's Kitchen with any questions at the following address:

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