TANTUS MAP POLICY

1. Introduction

Tantus, Inc. is a woman founded company that believes that sexual health is an integral component to living a happy, healthy, balanced lifestyle. Tantus, founded in 1997, was the first company to bring silicone sexual health products to the mainstream market. Tantus has continued to be the leader in silicone sexual health products and they are known for their innovative, diverse, health conscious and eco-friendly products.

We recognize that our success is tied to the success of our network of select resellers. We also know that many of our resellers invest significant time and resources to deliver an extraordinary customer experience. We want to protect their ability to do so, while at the same time discouraging price-based advertising that would be detrimental to our reseller's service and support efforts. As a result, Tantus has unilaterally established this Minimum Advertised Price ("MAP") Policy.

2. Policy Statement

Tantus, Inc., in its sole discretion, reserves the right to discontinue doing business with any reseller that advertises any product(s) covered by this MAP Policy at a price lower that the MAP.

3. General Guidelines

- 1. The products covered by this policy are listed in the Tantus MAP Price List ("MAP Products"). Tantus may in its sole discretion modify this list from time to time.
- 2. Tantus recognizes that dealers are free to make their own decisions to advertise and sell any Tantus product at any price they choose, without consulting or advising Tantus. Similarly, Tantus will exercise its right to make its own decisions regarding the Tantus Authorized Reseller Program ("TARP"), supplemental marketing materials, point-of-purchase displays, product allocation, new product availability, or future promotional, joint marketing, or sponsorship programs.
- **3.** The MAP Policy applies to advertised prices, not the price at which MAP Products are actually sold or offered for sale to an individual in-store or over the telephone.
- **4.** Tantus Believes in maintaining a well regulated and fair marketplace for all its authorized resellers.

4. Advertising Guidelines

1. The MAP Policy applies to all advertisements of MAP Products in any and all media, including but not limited to flyers, posters, coupons, mailers, inserts, newspapers, magazines, catalogs, television, radio, and public signage, as well as Internet sites, social media sites, apps, or any other electronic media.



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- **2.** The MAP Policy does not apply to solely on premise or in-store advertising that is not distributed to customers.
- **3.** Website features such as "click for price", automated "bounce-back" pricing e-mails, pre-formatted e-mail responses, forms, and 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 dealer (rather than by the customer) and thereby constitute "advertising" under this MAP Policy.
- **4.** 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 Tantus Products, so long as no price is listed.
- **5.** This MAP Policy also applies to any activity which Tantus 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, Tantus may permit resellers to advertise MAP Products at prices lower than the MAP retail price. In such events, Tantus 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 Tantus 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:
 - i. the advertisement includes a MAP-compliant price, the rebate amount, and the net price after manufacturer's rebate in the same type size and style;
 - ii. an asterisk is placed next to the net price after manufacturer's rebate; and
 - iii. "*after manufacturer's rebate" appears in the same area of the advertisement as the advertised product.

5. Bundling Guidelines

- 1. "Bundling" or advertising Tantus products for sale together with other products will violate this MAP Policy when:
 - i. the effective or stated price of the bundle represents a discount of greater than 15% of the MAP; or
 - ii. the product(s) bundled with MAP Products violate Tantus' Intellectual Property rights; or
 - iii. the product(s) bundled with MAP Products violate the Tantus Trademark and Brand Policy



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iv. the product(s) bundled with MAP Products include words, packaging, graphics, or other indicia which may create customer confusion as to the source of the product(s); or

v. the effective or stated discount is greater than 15% of the highest priced item in the bundle.

- 2. Product(s) bundled with the MAP Products must not, without conspicuous warning, be:
 - i. technically incompatible; or
 - ii. create or encourage additional risk of damage, bodily injury, or death to the customer if used together.

Gift cards, coupons, points, or other incentives which are used for on the purchase of a MAP Product will violate this MAP Policy when:

- i. the effective or stated price using points etc. represents an immediate discount of greater than 15% of the MAP; or
- ii. the effective or stated price using points etc. represents a discount of greater than 15% of the MAP after taking into consideration any contingent future purchase.

Rebate programs from Tantus, whether on MAP Products or Tantus' partners' products are exempt from this policy.

6. Policy Enforcement

- 1. If a dealer with multiple store locations violates this MAP Policy at any one store location, or on any associated website, then Tantus will consider this to be a violation by the dealer.
- **2.** Tantus reserves the right to cancel any pending orders, restrict future orders, or suspend dealers' account if Tantus reasonably believes:
 - i. a dealer has violated the provisions of this policy; or
 - ii. a dealer intends to violate this policy.
- **3.** Tantus' MAP Policy Administrator is solely responsible for determining whether a violation of the MAP Policy as occurred, as well as determining appropriate sanctions.
- **4.** Waivers to this MAP Policy may be granted in Tantus' sole discretion by the MAP Policy Administrator (Tantus Controller) in writing. Tantus Sales, Marketing, or other personnel are not authorized to modify or grant exceptions to the MAP Policy. In the event that the MAP Policy Administrator authorizes a waiver to the MAP Policy, dealers must strictly adhere to the terms of the waiver letter. Deviation from the terms of a waiver letter is a violation of the MAP Policy.
- 5. Tantus monitors the advertised prices of dealers, either directly or via the use of 3rd party agencies or



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tools. Dealers are expected to provide reasonable cooperation in any Tantus investigations regarding possible MAP Policy violations. Hindering, obstructing, delaying, or otherwise failing to cooperate with a Tantus MAP Policy investigation is a violation of this MAP Policy.

6. The MAP Policy will be enforced by Tantus in its sole discretion and without notice. Dealers, distributors, resellers, have no right to enforce the MAP Policy. Violations of this policy may result in any of the aforementioned sanctions up to and including termination of our business relationship, as well as any available remedies at law.

All questions related to this MAP Policy should be directed to: support@tantusinc.com or directly to a Tantus Sales Representative.

