

Innovative Technology Electronics, LLC
Minimum Advertised Pricing Policy (MAP)

This is a Policy of INNOVATIVE TECHNOLOGY ELECTRONICS, LLC (Victrola), having offices at 3513 Brighton Blvd, Suite 570, Denver, CO 80216 and hereinafter referred to as the “Company”.

Due to the technical nature of audio products, it is often necessary for Authorized Dealer(s) and their sales and technical support associates to commit significant time and resources toward learning and supporting the Company. There are also significant costs involved in advertising, branding and supporting the Company. The Company offers our Product(s) to our Authorized Dealer(s) with a price structure, which we believe can foster the profitability necessary for the Authorized Dealer(s) to fund the aforementioned activities. Therefore, we are pleased to announce the Company’s Minimum Advertised Pricing Policy (“MAP”):

1. Pursuant to the Company’s MAP Policy, products must not be advertised in print or online below the MAP price published on the Company’s Price List, except as otherwise noted in this Policy.
 - a. This MAP policy applies to all advertising including:
 - i. Social Media (i.e., Facebook, Twitter)
 - ii. Electronic Media (i.e., Websites, mass email, direct email, YouTube)
 - iii. Print (i.e. Newspaper, Magazines, Catalogs, Flyers)
 - iv. Broadcast (i.e., TV, Radio, Internet Radio)
2. The MAP policy applies to all MAP products in all conditions, except used products clearly described as “used” and stating that the product has no manufacturer’s warranty included.
3. All Advertising of MAP products must have a price clearly displayed in correlation to that product. A price shown below MAP when added to a customer’s shopping cart or during checkout on the Dealer website is considered a MAP violation.
 - a. This includes any type of preferred customer or member program discounts. b. Redirecting the customer to a price below MAP in any way will be considered a MAP violation. Examples of advertising in this way would be:
 - i. “add to cart to see price”
 - ii. “click for price”
 - iii. “too low to print” iv. “call (or email) for price” v. “see price in cart”
4. Dealers are considered accountable for the actions of all of their employees in relation to this MAP policy.
5. Bundles and Packaging are not permitted under this MAP policy without written approval.
 - a. Any combination of MAP products cannot be shown below the sum of all MAP products combined.

b. The Company's product(s) and one or more non-MAP product(s) can be packaged together if the total advertised package price is at least 110% of the sum of all the MAP prices in the package. For Example: The Companies "product x" has a MAP price of \$100 and is packaged with a non-MAP "product y." The minimum package price can be \$110 without violating the MAP policy.

c. No Gift Cards, Gift Certificates, or Coupons can be included in the package.

6. General Discount advertising must include a disclaimer that the discount is not applicable to Victrola products. This includes Company, Store-wide, and department events such as "all on sale" advertisements.

7. The Company may, during specific periods of time, authorize all dealers to include free or discounted products in packages if published in a MAP Dealer price list or other written notice from the Company.

8. Any rebate that is associated with an advertisement of a product at or below MAP, whether at the point of sale or after the fact, offered by the Authorized Dealer itself, or a third party, will be considered a violation of the MAP Policy. The sole exception would be a rebate offered directly by the Company to the Authorized Dealer's customers.

9. If an Authorized Dealer advertises the Company's (Products) below the Minimum Advertised Price, the Company will impose, at its sole discretion, the sanctions set out below. In the event of a violation of the MAP policy:

a. First Violation – A written warning shall be delivered via email, telephone, or certified mail.

b. Second Violation – MDF* and National Promo funding will be rescinded on the offending product for ninety (90) days from the date of the violation.

c. Third Violation – MDF* and National Promo funding will be rescinded on the entire product category in which the violation occurs for ninety (90) days from the date of the violation. This violation will also take effect if the first violation is not rectified within 48 hours of notification of violation.

d. Fourth Violation – Eligibility to purchase all Products will be suspended indefinitely. This violation will also take effect if the third violation is not rectified within 48 hours of notification of violation.

If not participating in an MDF Program, the fourth violation will apply. For Repeat MAP violations – the fourth violation will apply.

10. Violations to this Policy may be reported to the Victrola MAP Committee at map@victrola.com