

## **LAKAYE STUDIO, LLC**

### **MINIMUM ADVERTISED PRICE (MAP) POLICY**

#### **For Earth Henna® and Earth Jagua® Temporary Tattoo Kits**

#### **(U.S. AND CANADA ONLY)**

Lakaye Studio, LLC (“Lakaye”), has adopted the following Minimum Advertised Price Policy (“MAP Policy”) for all Lakaye products (“Covered Products”), except as designated by Lakaye from time to time in writing or as posted on a website. Lakaye’s goal in establishing this policy is to avoid degradation of, or damage to, the premium quality and image of its Covered Products and to the trademarks, other marks, brands or trade names under which its Covered Products are sold. Lakaye intends to sell these Covered Products only to Distributors/Resellers that do not advertise Covered Products below the Minimum Advertised Price set forth in this policy. Lakaye may choose to enforce this policy through action up to and including termination of a Distributor/Reseller or other authorized distributor that advertises any Covered Product below the stated Minimum Advertised Price as set forth below. This MAP Policy will be applied and enforced as follows:

1. The minimum advertised price (“MAP”) for each Covered Product shall be the price designated as the MAP on the current Lakaye price list as issued by Lakaye from time to time, or, if no MAP is listed for any Covered Product, the MAP will be the Manufacturer’s Suggested Retail Price (“MSRP”) for that Covered Product minus 15% of that MSRP. Current price lists may be obtained by contacting a Lakaye representative. The MAP for one or more products may be amended from time to time and may be suspended periodically for national, regional and/or seasonal promotions sponsored by Lakaye. Changes to the MAPs will be communicated via email.
2. This MAP Policy applies to any and all forms of print and electronic media, direct mail, and audio and video communications. Examples of communications to which the MAP Policy applies are set forth in the attached MAP Policy FAQs.
3. Lakaye considers any price advertised below the MAP a violation of its MAP Policy. For example, if a product with a MSRP of \$49.95 is advertised below \$42.45, this is a violation of the MAP Policy.
4. Advertising two or more Covered Products (i.e. two Lakaye products that are covered by this MAP Policy) for sale together (“Lakaye Product Bundle”) at a price less than the combined MAPs for each Covered Product is a violation of this MAP Policy. Lakaye reserves the right to issue MAP Policy modifications that apply specifically to Lakaye Product Bundles.

For example, if a Lakaye Product Bundle includes one Covered Product with a MSRP of \$49.95 and a second Covered Product with a MSRP of \$17.95, any advertisement at or above \$57.71 (the combined MSRP of the Covered Products, or \$67.90, minus 15% of that combined MSRP) would comply with this MAP Policy. If Lakaye issued a \$10 MSRP reduction for this same Lakaye Product Bundle, any advertisement at or above \$49.21 would be in compliance; provided, however, that if the products were sold separately, the MAPs for the individual Covered Products would remain at \$42.45 (MSRP of \$49.95 minus 15%) and \$15.25 (MSRP of \$17.95 minus 15%), respectively.

5. Advertisements featuring a Covered Product, and either (a) another brand of product or (b) a Lakaye product that is not a Covered Product will comply with this MAP Policy so long as the price in the advertisement is not lower than the Covered Product's MAP. In determining whether the advertisement contains a price in compliance with this MAP Policy, Lakaye will assess whether a reasonable viewer of the ad will, looking within the four corners of the advertisement, conclude that the ad is stating a price for the Covered Product below the MAP.

For example, if a dealer advertises a Covered Product at the MAP, and provides a free non-Lakaye branded product, the advertisement complies with this MAP Policy. If, however, the advertisement shows the Covered Product at the MSRP and the non-Lakaye branded product at the store's normal retail price, and then shows a "15% off" of the package, the advertisement violates this MAP Policy. In no event may the packaged price of a Covered Product, and either a non-Lakaye product or a non-Covered Product, be more than 15% below the MSRP of the Covered Product.

6. The MAP Policy only applies to advertised prices of Covered Products, and not the prices at which Covered Products are actually sold. The dealer is free to resell Covered Products at any price of its choice.

7. Lakaye reserves the right to modify, suspend, or cancel the MAP Policy, or modify any or all MAPs at any time. Lakaye will provide notice of any such modifications, suspension or cancellations via email.

8. If a dealer advertises prices below those required by this MAP Policy, Lakaye shall take appropriate action to enforce this MAP Policy, including but not limited to one or more of the following actions:

a. Notify the dealer of the non-compliant advertisement with a reminder of Lakaye's MAP Policy on Covered Products.

b. Suspend the dealer's right to sell the Lakaye Covered Product in question for a period of time (e.g., thirty (30), forty-five (45) or ninety (90) days) depending on the breadth and severity of the MAP Policy violation, commencing from the date of notice from Lakaye;

c. Suspend the dealer's right to sell the entire Lakaye line for a period time (e.g., thirty (30), forty-five (45) or ninety (90) days) depending on the breadth and severity of the MAP Policy violation, commencing from the date of notice from Lakaye;

- d. Suspend the dealer's right to sell the entire Lakaye product portfolio for a period of not less than one (1) year, commencing from the date of notice from Lakaye; and/or
- e. Terminate the Distributor/Reseller Agreement or other relevant agreement between Lakaye and the member of the distribution network who has violated this MAP Policy.

**NEW ITEM as of September 2015**

9. Re: Earth Jagua Temporary Tattoo Kit (Lakaye Studio item number EJ3, blue box with hand on cover), Lakaye has signed an exclusive agreement with a company called USAtoZ. Only USAtoZ is authorized to sell this item on Amazon.com.

By signing this agreement, you agree not to sell these items on Amazon.com under any company name.

**NEW ITEM as of May 2018**

10. Re: Earth Jagua Temporary Tattoo Kit—Lakaye Studio item number EJ2 (gray box); and EJ4 (plum box)—can no longer be sold on Amazon.com. We have signed an exclusive agreement with a company called StuffForYou. Only StuffForYou is authorized to sell these items on Amazon.com.

By signing this agreement, you agree not to sell these items on Amazon.com under any company name.

**Lakaye will make all decisions concerning compliance with and enforcement of this MAP Policy unilaterally. This MAP Policy is a unilateral declaration of policy by Lakaye and does not reflect or constitute an agreement between Lakaye and any Distributor/Reseller, any other authorized distributor, or any other person or entity, and by issuing this policy Lakaye is not seeking any such agreement.**

If you are in agreement with the terms, as stated above, please sign in the space provided below and return this document to us at your earliest convenience.

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Company Name

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Printed Name

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Signature and date