

KIDS WIRELESS INC.

MINIMUM ADVERTISED PRICE (MAP) POLICY

Overview

Kids Wireless Inc. (“Kids Wireless”) has established a unilateral policy for all resellers of Kids Wireless products (“Resellers”) regarding the minimum advertised price (“MAP”) of Kids Wireless products in the United States and Canada. This will be effective January 1, 2017.

Resellers advertising Kids Wireless products must comply with this Minimum Advertised Price policy, as may be unilaterally amended from time to time by the Company (the “MAP Policy”). The MAP Policy is independent of and separate from any agreement or understanding between Reseller and Kids Wireless on any matter. As more specifically set forth below, Kids Wireless reserves the right to discontinue doing business with any Reseller without liability in the event of a violation of the MAP Policy. Kids Wireless will unilaterally enforce this policy, strictly and uniformly, with respect to all Resellers. Kids Wireless will not communicate with any Reseller about any other Reseller's advertising or business practices.

The MAP Policy does not extend to a Reseller's actual resale price, which the Reseller may set in its sole and absolute discretion. The MAP Policy is not, and shall not be construed to be, an agreement between any Reseller and Kids Wireless to set the resale price of Kids Wireless products. The MAP Policy applies to Resellers to the extent they are selling, or offering for sale, Kids Wireless products within the United States and Canada. It does not apply to any selling, or offering for sale, of Kids Wireless products in any territory other than the United States and Canada.

Kids Wireless's MAP Policy Administrator is the only person authorized by Kids Wireless to communicate MAP Policy updates, changes or decisions. Kids Wireless will not discuss acceptance, or any conditions of acceptance, with any Reseller related to the MAP Policy, as it is non-negotiable and will not be altered for any Reseller. In addition, Kids Wireless is not requesting, and will not accept, any assurance of compliance with the MAP Policy. Nothing in the MAP Policy shall constitute an agreement between Kids Wireless and any Reseller that the Reseller will comply with the MAP Policy. All questions and comments for the MAP Policy Administrator should be submitted to lesley@kidswifi.com.

Responsibility

Each Reseller is solely responsible for its compliance with the MAP Policy.

Advertising Media to which the MAP Policy Applies

The MAP Policy applies to all forms of advertising including, but not limited to:

- Print ads (inserts, magazines, catalogs, newspapers, etc.)

- Broadcast (radio and TV)
- Direct mailers, including email and fax
- Internet advertisements, publications or listings (including without limitation email, e-commerce, banner ads, destination pages, third-party sites sponsored, placed or funded by the Reseller, any method which uses the hypertext transfer protocol (http) or any internal link to a web-based shopping cart)
- Billboards

MAP Policy Rules

General

- Kids Wireless will notify Resellers of the list of products that are subject to the MAP Policy, including any products that may, from time to time, be added. Kids Wireless will notify Resellers of any Kids Wireless products that are withdrawn from such list and are no longer subject to the MAP Policy.
- The MAP for each product equals the then-current Kids Wireless list price, as set forth in the Kids Wireless Minimum Advertised Price Lists, which lists will be distributed to all Resellers and may be amended, from time to time, by Kids Wireless in its sole discretion. Resellers are required to update their advertised prices accordingly.
- No advertisement by a Reseller may offer a Kids Wireless product subject to the MAP Policy at a price less than the MAP.
- Advertisements for Kids Wireless products may include percentage or specific dollar amount discounts or rebates. If such discounts result in a net price lower than the MAP for the Kids Wireless product, then such advertisement will be a violation of the MAP Policy.

Internet Advertising

- Internet advertising is subject to the MAP Policy. Any website featuring Kids Wireless products with advertised prices must not advertise below the MAP.
- Internet advertising covered by the MAP Policy includes all areas of a website above the “shopping cart” level on any website and any prices that are not posted on a web site, but which are accessible through the website by means of a hyperlink.
- A “Click for Price” button on a website that displays a price lower than the MAP is a violation of the MAP Policy. The MAP Policy, however, does not apply once an item is placed in a customer’s “shopping cart” as long as the product was placed there by a customer by clicking or selecting an “Order” or “Add to Cart” button or a comparable command.

- Kids Wireless reserves the right to monitor any Reseller's pricing on the Internet, in any form.

MAP Policy Violations

Kids Wireless recognizes that, on occasion, Resellers may inadvertently violate the MAP Policy. Kids Wireless will consider the circumstances of each possible violation on its own facts and will unilaterally determine if a violation of the MAP Policy has in fact occurred.

If Kids Wireless discovers an advertisement placed by a Reseller violates the MAP Policy, Kids Wireless will send a written notice ("First Violation Notice") to a representative of the Reseller of such violation, along with a copy of the then-current MAP Policy. **Reseller should not respond to such notice in any manner.**

If the Reseller does not come into compliance with the MAP Policy within 5 days, or if Kids Wireless discovers a second violation of the MAP Policy by any Reseller, **Kids Wireless will no longer ship products to such Reseller and by written notice will immediately terminate its relationship with such Reseller, without any liability to Kids Wireless. In the event a Reseller is terminated, Kids Wireless will not consider any request by such Reseller to again purchase products from Kids Wireless for at least one (1) year.**

Confidentiality

No Reseller may disclose to any person any MAP list price in effect, from time to time, for any Kids Wireless product.

Resellers must not communicate with Kids Wireless about the activities of any other Reseller. Kids Wireless will not respond to any questions or comments from one Reseller about the activities of any other Reseller.