

VIONIC

GROUP LLC

BRAND PROTECTION (BP) POLICIES FOR RETAILERS

EFFECTIVE May 9, 2017

REPLACES THE PREVIOUS MAP POLICY

Vionic Group LLC (**“Vionic”**) implemented a Minimum Advertised Price Policy effective as of November 21, 2016 (the **“Previous MAP Policy”**). To accommodate certain changes to the Previous MAP Policy, these Brand Protection (BP) Policies for Retailers (these **“Policies”**) will replace the Previous MAP Policy effective as of May 9, 2017 (the **“Policy Effective Date”**). Violations accumulated under the Previous MAP Policy will be carried over to these Policies on the Policy Effective Date.

These Policies are applicable to each individual or entity located in either, or both, the United States of America (**“U.S.”** or **“USA”**) and Canada that promotes or sells to any end user purchaser(s) (whether doing so directly or through another party that does such things as advertise or fulfill orders on behalf of such individual or entity) any product(s) offered by Vionic (collectively, **“Vionic Products”**) (such individual or entity is **“Retailer”** and, in the plural, **“Retailers”**). These Policies consist of (1) a policy regarding minimum advertised price (the **“Minimum Advertised Price Policy”** or the **“MAP Policy”**) and (2) a policy dealing with advertising and marketing (the **“Advertising and Marketing Policy”** or the **“A&M Policy”**).

1. Purpose. Vionic Products are of high quality with a premium image for style, excellence and innovation earned through extensive product and market development activities and superior service. Some Retailers have taken or may take advantage of these facts by advertising Vionic Products as loss leaders, promoting unfair discounts or misusing intellectual property of Vionic or references to Vionic or Vionic Products. In order to protect the reputation of Vionic, insure the long-term viability of its brands and safeguard the investment of those Retailers that provide valuable services to end users, Vionic has adopted these Policies.

2. The Minimum Advertised Price Policy.

(a) MAP Products

The MAP Policy establishes a minimum advertised price (**“Minimum Advertised Price”** or **“MAP”** and referring to the singular or the plural, **“MAP(s)”**) for each of the Vionic Products as specified on the price list(s) or product list(s) made available to Retailer by Vionic through Vionic Notice or otherwise (individually, a **“MAP Product”** and, in the plural, **“MAP Products”**). **“Vionic Notice”** means notice from Vionic to Retailer made available electronically, by mail or posted on any website(s) designated by Vionic.

(b) Offering Prices Only

The MAP Policy applies: (i) only to the price(s) at which any of the MAP Products is or are made available in any way (whether through advertising, promotion, proposal, quotation or otherwise and regardless of place or medium used) (individually and collectively, **“offer”** and its variants) and not to actual sales price(s), so **Retailer remains free to sell at any price(s) it chooses** and (ii) to all offers made by or on behalf of Retailer containing Price Information, including, but not limited to, Conventional Advertising and Electronic Content. **When applied to websites, the MAP Policy considers Price Information shown both outside the cart (or other container) and in the cart (or other container) to be subject to the MAP Policy.**

(c) Certain Definitions

- (i) **“Price Information”** means information regarding price, whether, express or implied, such as a discrete price, price formula, reference to price or anything related to price (*e.g.*, representations or inferences regarding savings, discount(s) or value) and anything which Vionic considers to be the substantive equivalent;
- (ii) **“Conventional Advertising”** means, but is not limited to newspapers, magazines, direct mail, catalogs, flyers, rotos, radio, television and signs; and
- (iii) **“Electronic Content”** means information which (A) can be accessed directly through any hypertext link, by any other method which uses hypertext transfer protocol (http) or anything which Vionic considers to be the substantive equivalent or (B), to the extent not covered by the preceding description, is provided by or on (1) any mobile app(s) or mobile site(s) for devices (such as tablets and smartphones), (2) social media (*e.g.*, Twitter and Facebook), (3) Internet shopping sites, marketplaces and comparison search engines (CSEs) to which Retailer supplies pricing information (*e.g.*, Google Shopping, Buy.com, eBay, Amazon and PriceGrabber), (4) electronic solicitations or other electronic communications (*e.g.*, robocalls, caller-on-hold and other audio recordings, messaging (*e.g.*, SMS (text), MMS (multimedia) and IM (instant)), webcasts, e-mail or online or other electronic chats) and (5) electronic media advertisements (*e.g.*, e-mail newsletters, pop-ups and banners).

(d) Violations of the MAP Policy

Although Retailer remains free to establish its own resale prices, Retailer violates the MAP Policy by: (i), directly or indirectly through another party on behalf or for the benefit of Retailer, offering any of the MAP Products during the Policy Period at a Net Adjusted Price less than the corresponding MAP(s) or (ii), as provided in the MAP Policy, being deemed to have violated it. The **“Policy Period”** means the time period beginning on the Policy Effective Date and ending on the termination date described in Vionic Notice.

(e) Calculation of Net Adjusted Price

“Net Adjusted Price” means the price at which a MAP Product is offered by or for the benefit of Retailer to a customer (potential or actual) after (i) applying all discounts and similar price reductions, (ii) excluding certain taxes and shipment charges and (iii) giving effect to the value of free or reduced-price bundles. Specifically, Net Adjusted Price will be calculated by:

- (A) subtracting all discounts, deductions, rebates and allowances offered to such customer, regardless of source, whether given or taken at the time of sale or otherwise and considered by Vionic to be part of such offer (However, an offer using or applying a rebate, coupon or the equivalent (as determined by Vionic) will not be considered part of Net Adjusted Price if such rebate, coupon or the equivalent is provided by Vionic or its designee(s) (1) directly to such customer or (2) to Retailer for provision to and use by such customer);
- (B) excluding, if to be paid by such customer, all applicable taxes and all shipping, delivery and insurance charges (However, if Retailer offers to pay all or part of such taxes and such charges that otherwise would be paid by such customer, the amount so offered by Retailer will be considered a discount, except as otherwise provided in the MAP Policy);
- (C) subtracting, in the case of free goods, services and similar benefits for such customer provided or made available by Retailer, the fair market value (as determined by Vionic) of all such goods, services and benefits, regardless of source, whether given or taken at the time of sale or otherwise and considered by Vionic to be part of such offer; and

- (D) subtracting, in the case of reduced-price goods and services and similar benefits for such customer provided or made available by Retailer, the difference between: (1) the fair market value (as determined by Vionic) of all such goods, services and benefits, regardless of source, whether given or taken at the time of sale or otherwise and considered by Vionic to be part of such offer and (2) the amount to be paid for such goods, services and benefits.

The fair market value for each MAP Product offered for free or at a reduced price with the purchase of one or more other MAP Products will be its or their MAP(s). From time to time, Vionic may communicate to Retailer by notice what it considers to be the fair market value for other goods or services.

(f) Other Ways to Violate the MAP Policy

Except as expressly authorized by Vionic Notice or otherwise allowed by these Policies, Retailer (directly or through another party on behalf or for the benefit of Retailer) knowingly or negligently, directly or indirectly using or engaging in any of the following terms, descriptions, conditions, offers or activities (or the substantive equivalent as determined by Vionic) in connection (directly or indirectly) with the offering of any Vionic Products (or, if so noted below, only any of the MAP Products) will be a violation of the MAP Policy:

- (i) (A) using the terms “lowest price,” the “lowest prices” or “prices too low to show”; (B) an offer for any of the MAP Products at less than its or their MAP(s) resulting from (1) any form of low-price guarantee or (2) offering to match a lower price offered by another seller or (C) the substantive equivalent (as determined by Vionic) of any of these terms;
- (ii) in connection with the offering of any of the MAP Products, a strike-through of any MAP(s) regardless whether any other price(s) are shown;
- (iii) offering a discount, coupon or rebate applicable to any of the MAP Products in return for a Facebook “Like” or anything similar in intent or effect (as determined by Vionic) involving any of the social media;
- (iv) if a price for a MAP Product is shown in advertising or promotion involving Electronic Content permitted by these Policies, such price varies with respect to such product (exclusive of applicable taxes and all shipping, delivery and insurance charges) across any of (A) the initial mention, depiction or description of such product (if a price for such product appears or is used there), (B) the in-the-cart (or other container) price and (C) the substantive equivalent of any of them as determined by Vionic;
- (v) an invitation to click, rollover, visit a location (like a website, store or showroom) or otherwise communicate to obtain a price, except indicating the ability of customers to make specific inquiries by telephone or e-mail to obtain a price is permissible, as long as neither of the following (or the equivalent as determined by Vionic) is used to transmit Price Information: (A) automated call(s) or (B) automated “bounce-back” e-mail;
- (vi) the promotion to group purchasers, except at price(s) no less than each relevant MAP;
- (vii) advertising or promoting a trade-in offer for any of the Vionic Products or other products in connection with or applicable to any of the MAP Products, regardless whether a specific trade-in price or value is advertised or promoted; and
- (viii) any tactic(s) which Vionic determines is or are intended to circumvent application or operation of the MAP Policy.

(g) Changes Relevant to the MAP Policy

Vionic, at any time, may (i) vary the Minimum Advertised Price for a MAP Product or (ii) add or delete any of the MAP Products, which may be based on whether such product(s) is or are offered or sold under any select

Vionic program(s) or any other Vionic policy or in any other situation announced by Vionic from time to time. Vionic will endeavor to provide prior notice of each new MAP or change in the MAP Products, generally not less than five (5) days in advance. While Vionic will communicate each MAP and change through the price list(s) or product list(s) provided or made available to Retailer by Vionic or otherwise communicated by Vionic Notice, Retailer is responsible for making sure that it is aware of the then-current MAP(s) and items of the MAP Products in each circumstance.

(h) The MAP Policy Exemptions

As long as Retailer does not violate these Policies, offering to a potential or actual customer any of the MAP Products after the Policy Effective Date below the MAP(s) is exempt from the MAP Policy and will not violate it if such offer is consistent with any of the following exemptions (the ***“MAP Policy Exemptions”***):

- (i) free or reduced-price shipping may be offered by Retailer without it being considered to be a discount when offered in connection with a potential or actual purchase that includes at least one of the MAP Products, if, as determined by Vionic: (A) such offer applies to all other products in the category in which each relevant MAP Product resides and (B) the value thereof is reasonable;
- (ii) individualized live telephone communication or individualized e-mail (but not automated bounce-back e-mail or the substantive equivalent) in direct response to a specific customer inquiry;
- (iii) in-store materials at a brick-and-mortar location that simply state the price(s) at which any of the MAP Products may be purchased, including, without limitation, point-of-sale signs, price stickers and hangtags (but signage visible outside a brick-and-mortar location (like an outward-facing window sign) is subject to the MAP Policy);
- (iv) gift-with-purchase offers (or the equivalent as determined by Vionic) in connection with the purchase of any of the MAP Products, so long as (A) each MAP Product is not offered below its Minimum Advertised Price, (B) each combination is provided by or is expressly approved in advance in writing by Vionic and (C) Retailer complies with the terms and conditions of such promotion specified or approved by Vionic;
- (v) each offer or sale part of a promotion involving a contribution to a charity by or for a customer or Retailer, if (A) such promotion either originates from Vionic or is expressly approved by Vionic in advance and (B) Retailer complies with the terms and conditions of such promotion specified or approved by Vionic;
- (vi) bona fide advertising and promotional materials (including without limitation printed catalogs) that cannot reasonably be modified before the Policy Effective Date or the effective date of a change in the MAP(s), MAP Products or the MAP Policy until it is reasonable to revise such materials (as determined by Vionic) to comply with the MAP Policy;
- (vii) a genuine offer of any of the MAP Products made by Retailer prior to the effective date of a change in the MAP(s), MAP Products or the MAP Policy, which makes such offer non-compliant with the MAP Policy, as long as (A) such offer complied with the Previous MAP Policy or the MAP Policy, whichever was in effect at the time such offer was made; (B) such offer is not effective for longer than ten (10) days or other reasonable time period determined by Vionic after the effective date of such change; and (C) each of the MAP Products included in such sale will be delivered to such customer no later than thirty (30) days after acceptance of such offer;
- (viii) the offer under any special program(s) (if any) designated by Vionic;
- (ix) the offer of (A) a card benefit consisting of a discount, credit or rebate associated with the use of a

designated credit or debit card or (B) a coupon or other discount (not originating from Vionic) that in either case would, after its application, result in offer price(s) for any of the MAP Products below its or their respective MAP(s), as long as (1) such card benefit, coupon or other discount may be applied to all or almost all of the products offered by Retailer or, in the case of a category-wide sale (like footwear), all or almost all of the other products in the category and (2) none of the statements or materials promoting such card benefit or coupon or other discount mentions, uses, depicts or otherwise refers to or appears adjacent to or near any of the MAP Products or Vionic Intellectual Property (***“Vionic Intellectual Property”*** means trademarks, trade names, service marks, logotypes, images, artwork, copy or anything else in which Vionic or its designee(s) claim(s) rights);

- (x) the accrual of “points” or other things of value (***“Loyalty Points”***) in connection with the purchase or receipt of any product(s) or service(s) from Retailer (as long as each relevant MAP Product is offered in connection with such purchase at no less than its MAP) and the application of Loyalty Points, even if such application results in offer price(s) for any of the MAP Products below its or their respective MAP(s), as long as: (A) Loyalty Points may be accrued and applied to all or almost all of the products and services offered by Retailer, (B) the everyday accumulation rate for Loyalty Points applicable to the purchase of any Vionic Products is no more than that applicable to all or almost all other brands of products offered by Retailer (as determined by Vionic regardless of category) and (C) none of the statements or materials promoting Loyalty Points mentions, uses, depicts or otherwise refers to or appears adjacent to or near any of the MAP Products or Vionic Intellectual Property; except that Retailer may offer and provide a greater accumulation rate applicable to the purchase of any Vionic Products and promote it, as long as Retailer has received notice from Vionic in advance expressly approving such rate and such promotion;
- (xi) the offer of any item(s) of any of the MAP Products that is or are discontinued by Vionic effective (A) when such item(s) do(es) not appear on the then-current the price list(s) or product list(s) issued by Vionic or (B) on the date(s) referred to in notice of discontinuance provided by Vionic to Retailer; and
- (xii) the offer to an employee of Retailer for his or her personal use (and not for resale), if such offer is reasonable (as determined by Vionic).

3. The Advertising and Marketing Policy.

(a) Use of Vionic Intellectual Property or Vionic Product References

Retailer violates the A&M Policy if any advertisement, promotion or other marketing vehicle (regardless of the medium used, whether Conventional Advertising, Electronic Content or otherwise) used or done by or on behalf of Retailer (i) includes any Vionic Intellectual Property or mentions, uses, depicts or otherwise refers to any of the Vionic Products and (ii) either (A) does not conform to the Usage Policies or (B) otherwise is not expressly approved in advance in writing by Vionic. The ***“Usage Policies”*** means policies regarding (1) the use of Vionic Intellectual Property and (2) uses, depictions or other references of or to any of the Vionic Products (including without limitation those policies relating to format and content) made available by Vionic through Vionic Notice.

(b) Other Restrictions under the A&M Policy

Except as expressly authorized by Vionic Notice or otherwise allowed by these Policies, with respect to any item(s) of Vionic Products, Retailer violates the A&M Policy by knowingly or negligently, directly or indirectly doing any of the following:

- (i) (A) advertising, promoting or selling in any of the following ways: (1) outside the U.S. and Canada (except to the extent any advertising and promotion efforts cannot be reasonably restricted geographically,

but this exception does not apply to sales made to anyone located outside the U.S. and Canada), (2) using any business name(s) or storefront(s) other than the full business name of Retailer or acceptable variants thereof (as determined by Vionic) and (3) online in any fashion, unless and only to the extent each website and marketplace used for such purpose by Retailer (along with each business name and storefront) is approved in advance by Vionic for such use and which approval has not been rescinded by notice from Vionic or (B) selling in either or both of the following ways: (1) to anyone for resale other than, in the case of permitted returns, to any of the Distributors or Vionic and (2) to anyone other than end user purchasers permitted by Vionic, including without limitation to the Special Accounts (the ***“Distributors”*** means, collectively, each individual and entity (other than Vionic) authorized by Vionic to sell some or all Vionic Products to Retailer, and the ***“Special Accounts”*** means, collectively, each individual or entity so designated by notice from Vionic);

- (ii) creating or assisting in or otherwise cooperating in the creation of new Amazon Standard Identification Numbers (ASINs) for any Vionic Products;
- (iii) questioning or challenging the rights claimed by Vionic or its designee(s) in or to the Vionic Intellectual Property or assisting in any way any other(s) in doing so;
- (iv) purchasing any Vionic Products other than from or as expressly authorized by Vionic;
- (v) offering or selling any product(s) that is or are modified or counterfeit version(s) of any Vionic Products;
- (vi) except as expressly approved in writing by Vionic in advance, using any of Vionic, its trademarks or other Vionic Intellectual Property (or any variant(s) thereof) as or as part of any Uniform Resource Locator(s) (URL(s)) or AdWord(s) (or the substantive equivalent as determined by Vionic) employed by or for the benefit of Retailer, regardless whether such use is in connection with the offering or sale of any Vionic Products; and
- (vii) using any tactic(s) which Vionic determines is or are intended to circumvent application or operation of the A&M Policy.

(c) The A&M Policy Exemption

If Retailer otherwise complies with these Policies, Retailer does not violate the A&M Policy by conduct that, as determined by Vionic, cannot reasonably be modified prior to the Policy Effective Date or the effective date of a change in the A&M Policy until such time that it is reasonable to modify such conduct (as determined by Vionic) to be consistent with the A&M Policy (the ***“A&M Policy Exemption”***).

4. When Retailer Requests Approval under these Policies.

If the approval of Vionic under these Policies is sought by Retailer, the failure to obtain it no later than seven (7) days after the date of request will be deemed to be a disapproval of each thing for which approval is sought.

5. Availability.

The availability of any item(s) of Vionic Products may be changed by Vionic any time, in which case, any of Vionic and each other individual or entity supplying Retailer may without liability or penalty (a) cancel all pending orders (even if accepted) from Retailer for the affected item(s) and (b) refuse to accept any new orders from Retailer for such item(s).

6. Consequences of Violating these Policies.

Vionic, without assuming any liability, will take any of the following actions immediately following verification by Vionic to its satisfaction that Retailer has violated these Policies:

For the first violation during the Policy Period: If such violation is due to:

- (a) ***continuing use of offending reference(s), text or conduct***, Retailer, after receiving notice of such violation from Vionic, will remove or stop or cause to be removed or stopped the offending reference(s), text or conduct (if Vionic determines that it or they can be) within the Allotted Period (the ***“Allotted Period”*** means the time period specified in the notice of violation provided by Vionic to Retailer, which typically will be one of the following: (i) no later than one (1) business day (usually for a violation involving Electronic Content), (ii) no later than three (3) business days (generally for all other cases) or (iii) by the conclusion of the period otherwise specified by Vionic) or
- (b) ***offending reference(s), text or conduct that Vionic determines has been removed or stopped*** (for example, a violation that has not been continued or repeated, like an offending ad run one time the previous week), Vionic will provide notice of such violation to Retailer.

For the second violation during the Policy Period: In the event that (a) all offending Electronic Advertising that caused the first violation is not removed or stopped (if Vionic determines that it or they can be) within the Allotted Period or (b) such Retailer otherwise violates this Policy a second time during the Policy Period, such Retailer’s privileges to purchase each Vionic style involved in the violation as designated by Vionic (the ***“Designated Styles”***) will be immediately revoked so that all pending Retailer orders (even if previously accepted) will be cancelled and no new orders will be accepted for each such Designated Styles for a period of 30 days commencing on the date established by Vionic.

For the third violation during the Policy Period: If (a) the offending reference(s), text or conduct that caused the second violation of these Policies is or are not removed or stopped (if Vionic determines that it or they can be) within the Allotted Period after receiving notice of the second violation from Vionic or (b) Retailer otherwise violates these Policies a third time, the authorization of Retailer to purchase the Designated Styles will be immediately revoked by Vionic for 12 months. Effective as of the date specified in notice from Vionic to Retailer and continuing until Vionic provides notice to Retailer otherwise, if ever, all pending orders (even if accepted) from Retailer will be cancelled and no new orders will be accepted from Retailer for any of the Designated Styles and Vionic in its sole discretion may suspend, revoke or terminate such Retailer’s eligibility or participation in the program.

For each additional violation during the Policy Period: If, after the third violation of these Policies by Retailer, either or both of the following is or are relevant: (a) the Designated Styles do not include all Vionic Products and (b) Vionic provides notice to Retailer that Vionic has re-authorized Retailer to purchase any of the Designated Styles, then each act or failure to act of Retailer that constitutes a violation of these Policies (or is deemed by Vionic to be a violation) will receive the same treatment as if a new third violation had then occurred.

Each violation of these Policies is cumulative through the Policy Period. Beginning with the first violation, the consequences of each violation take effect regardless whether the consequences for the preceding violation(s) are still running. The same act(s) or failure(s) to act may result in multiple violations.

If Retailer purchases any Vionic Products from any of the Distributors, these Policies will be enforced through a Do-Not-Sell List provided to all Distributors. ***“Do-Not-Sell List”*** means notice from Vionic which indicates that (i) one or more individuals or entities is or are not authorized by Vionic to promote or resell any Vionic

Products or (ii) the designation of a reseller as an authorized Retailer or the authority granted by Vionic to any of the Distributors to sell or supply to or drop ship on behalf of another individual or entity has been revoked with respect to all Vionic Products or revoked only with respect to certain of such products.

7. Additional Policy Terms and Conditions.

Effective as of the Policy Effective Date, these Policies supersede and cancel each other policy applicable to Retailer from Vionic for any Vionic Products, if any, regarding minimum advertised prices, resale prices or, to the extent covered by these Policies, the advertising and marketing matters referred to herein. For any reason(s) deemed appropriate by Vionic (including without limitation based on the request of Retailer for Vionic to consider such things as, but not necessarily restricted to, limited-time promotional offers for an event in which Retailer is participating or otherwise), but, in no case other than as the unilateral decision of Vionic, these Policies may be modified, extended, waived, suspended, discontinued or rescinded in whole or part by Vionic Notice at any time (including without limitation during any Vionic-designated promotional period(s)), with such action(s) effective immediately or as otherwise described by Vionic. If Vionic negotiates a price or prices with a customer that is or are less than the MAP(s) and provides Retailer the opportunity to offer to fulfill any orders at such price(s), acceptance by Retailer of such opportunity will not constitute a violation of the MAP Policy.

For purposes of compliance with these Policies, each retail business (regardless of the name(s) used and location(s)) directly or indirectly owned, operated or associated with Retailer (as determined by Vionic) will be considered to part of Retailer, so that each violation by any such business will be aggregated with that or those of each other such business and attributed to Retailer.

Regardless whether expressly indicated in these Policies, each notice referred to herein (including without limitation Vionic Notice): (a) may, as determined by Vionic, be given in writing or electronically (including without limitation posting on a portal for Retailers) and (b) will be considered to be received as designated by Vionic. The Explanation (which also may be referred to as “Frequently Asked Questions,” “FAQs” or the equivalent as determined by Vionic), if any, accompanying or associated with these Policies is intended to help answer questions in connection with them, but is not part of these Policies. In the event of any disagreement over the interpretation or enforcement of these Policies, the view of Vionic will control.

If Retailer violates these Policies or Vionic determines that Retailer does not qualify for or abused any of the MAP Policy Exemptions and the A&M Policy Exemption, such exemption(s) will be deemed withdrawn by Vionic retroactive to the Policy Effective Date or another date specified by Vionic. Except in extraordinary circumstances, Vionic will not consider any requests for other exemptions.

Vionic will not discuss any conditions of acceptance related to these Policies. In addition, Vionic neither solicits, nor will it accept, any assurance of compliance with these Policies. Notwithstanding anything to the contrary which may be expressed or implied in or by any agreements between Retailer and Vionic or otherwise, nothing shall constitute an agreement by Retailer to comply with the MAP Policy, as, among other things, the MAP Policy is not and should not be construed to be one of the Vionic Policies (as such term or a similar term is or may be used in any of agreements or otherwise) for which compliance is mandatory.

8. Questions, Additional Information or Reports of Potential Violations.

All questions or requests for additional information regarding these Policies or information concerning potential violations of these Policies (which must be in writing) are to be addressed to the person at Vionic responsible for these Policies (“**Policy Administrator**”):

Policy Administrator
Vionic Group LLC

***4040 Civic Center Drive, Suite 430
San Rafael, CA 94903 USA
e-mail: poladmin@vionicgroup.com***

Only the Policy Administrator or the Policy Administrator's designated representative(s) is or are authorized by Vionic to answer questions regarding these Policies, to comment on these Policies or to accept information regarding potential violations.