**DESIGNWORKS COLLECTIVE UNITED STATES OF AMERICA**

**MINIMUM ADVERTISED PRICE POLICY**

**Effective Date: January 1, 2023**

1. **Purpose**

There are certain advertising practices that undermine the reputation, brands, goodwill, and premium image of Designworks Collective products with our target consumer retail population and discourage our sellers from investing in our products and providing the best possible service and support to customers. To protect the integrity of our brands, Designworks Investments, LLC and its subsidiaries, including, but not limited to, Paddywax, LLC; DesignWorks Ink, LLC; Olivina Men, LLC; Gentlemen’s Hardware-US, LLC; and Stay Golden, LLC (collectively, “Designworks Collective”) are implementing this unilateral United States of America Minimum Advertised Price Policy (“Policy”) for its Paddywax®, DesignWorks Ink®, Barrel & Oak®, firefly™, Gentlemen’s Hardware™, and Good Citizen Coffee® brands, which applies to all authorized sellers (“Sellers”) of our products advertising to end-user consumers in the United States. This Policy is effective January 1, 2023 and supersedes all of our prior policies or representations regarding minimum advertised prices or minimum resale prices for the Covered Products (as defined below) applicable to Sellers.

1. **Covered Products**

This Policy applies to advertisements of our products listed on the Designworks Collective MAP Schedule (“Covered Products”), the current version of which will be made available to you when the Spring 2023 catalog is launched on or about December 19, 2022. The MAP Schedule will be made available to all Sellers and may be changed by us at any time in our discretion. Sellers are responsible for reviewing the current MAP Schedule. If you need a copy of the current MAP Schedule, please refer to our forthcoming B2B website under “Resources” or contact map@dw-collective.com. Given the seasonal nature of some of our products (including the Covered Products), we recommend reviewing the MAP Schedule regularly to determine which Covered Products are or are no longer subject to this Policy.

1. **The Minimum Advertised Price**

The “minimum advertised price” (“MAP”) is the lowest price at which the Covered Product may be advertised. We are solely responsible for (1) establishing the MAP for each Covered Product and (2) communicating the Policy to all Sellers (including via directing any distributors to pass down the Policy to their resellers). **While Sellers remain free to advertise and sell all of our products (including the Covered Products) at any price, it is a violation of this Policy for a Seller to advertise any Covered Product at a price lower than the MAP.**

1. **Advertising and Advertisements**

For purposes of this Policy, the terms “advertising” and “advertisement” include all promotional or pricing information of Covered Products displayed in any type of media, including, but not limited to:

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| * newspapers
* catalogs
* magazines
* flyers
* brochures
* television
* radio ads
* billboards
* outdoor signage
 | * websites
* blogs
* social media
* affiliate marketing networks/comparison shopping engines
* seller-initiated text messages or emails to customers or prospective customers
 | * mobile/smart phone applications
* banner ads
* online-product ads
* paid-search ads
* pay-per-click ads
* display ads
* mobile ads
* product listing ads
 | * sponsored links
* ads in any other media in a digital format that is conveyed via the Internet
* any other marketing or promotional materials, whether displayed online, through broadcast, or other media
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The terms “advertise” and “advertisement” do not include:

* Signage displayed within a brick-and-mortar selling location (e.g., shelf talkers); and
* Pricing information displayed at the Final Online Checkout Stage (which is when the Covered Product is put into a shopping cart that contains the customer’s name, shipping address, email address, and payment information of a transaction). Please note that pricing information in the Final Online Checkout Stage must be obscured technically so that it is not retrievable by shopping and pricing engines and not displayed on search page results within the Seller’s own website.
1. **Policy Violations and Permissible Promotions**

Advertisements that violate this Policy include, but are not limited to:

1. Displaying the advertised price of the Covered Product below the MAP;
2. Offering coupons, discounts, rebates, or other inducements that, when applied, result in an advertised price lower than the MAP, including through use of a storewide sale, a department-wide sale, category-wide sale, website-wide sale, promotional code, or other similar provision that can be applied to the Covered Products;
3. Bundling Covered Products with other products or services (whether made by or provided by Designworks Collective or another entity) in a manner that implies below-MAP pricing for the bundled Covered Product(s);
4. Strikeouts or strikethroughs of advertised pricing information, “see price in cart,” or other statements that suggest a lower price for a Covered Product may be found at the Final Online Checkout Stage;
5. Permitting any third party to alter the advertised price for any Covered Product; and
6. Direct or indirect attempts to circumvent this Policy.

It is not a violation to advertise the following, notwithstanding the prior prohibitions in Section 5:

1. Customer-Initiated Solicitations for Price: A customer may “call for price,” “text for price,” or “email for price,” as long as no price is listed and no automated call, text message, or “bounce-back” email is used in response;
2. Free/Reduced Price Shipping: A free or reduced-price shipping advertisement as long as such offer applies to all or almost all other products offered by the Seller in the same product category;
3. Store-Wide/Site-Wide Promotions: Coupons or promotions which result in a Covered Product being advertised at a price lower than the MAP, provided the coupon or promotion (1) applies to all products offered by Seller or all products offered by Seller in the same category as the Covered Products; (2) does not specifically refer to Designworks Collective, its brands, or the Covered Products; and (3) does not result in an advertised price of more than thirty percent (30%) below the Covered Product’s MAP; and (4) if the MAP is displayed with the discount applied, the MAP without the discount is also displayed;
4. First-Time Purchase Promotion: A coupon or coupon code that can be applied only to the first-time purchase of a Covered Product; and
5. Subscription-Based Advertisements: Offering coupons, discounts, rebates, or other inducements that can be applied to the Covered Products through an email or a personalized physical mailing to end users through a list of customers that have otherwise signed up to receive emails or physical mailings from the Seller.
6. **This Policy Is Not an Agreement and Is Non-Negotiable**

**This Policy is not an agreement between Designworks Collective and any other entity.** We do not seek and will not accept any promise of compliance with this Policy from any Seller or other party, and each Seller must independently choose whether to comply with this Policy. **This Policy is not negotiable and will not be altered for any individual Seller.**

1. **MAP Holidays**

We may announce MAP holidays or promotions that are applicable to all Sellers, during which periods a Seller that advertises a Covered Product in compliance with the terms of the MAP holiday will not be considered to have violated this Policy.

1. **Noncompliance**

We will take the following actions against any Seller that does not comply with this Policy:

**First Violation:** Written warning.

**Second Violation:** Written warning and a 90-day shipping hold. This means that we will revoke our acceptance of any pending orders, cancel any pending shipments to you, and not accept any new orders from you during this 90-day period and/or have you placed on the Do-Not-Sell list.

**Third Violation:** Termination of business relationship and revocation of “authorized” status. We will revoke our acceptance of any pending orders, cancel any pending shipments to you, and/or have you placed on the Do-Not-Sell list. You will no longer be an “authorized” Seller of our products.

We will enforce this Policy in our sole discretion. Sellers have no right to enforce this Policy.

1. **Policy Administration**

We may update, revise, suspend, or otherwise modify this Policy at any time in our discretion, and any modifications will be made available to all Sellers.

Please note that our employees or agents cannot modify, interpret, or grant any exceptions to this Policy; cannot solicit or obtain the agreement of any person or entity to comply with this Policy; and cannot otherwise discuss any aspect of this Policy with any Seller, including any Seller’s compliance with the terms.

Any questions about this Policy should be sent in writing to our MAP Policy Administrator at map@dw-collective.com. We will not accept any other form of communication from Sellers regarding this Policy.