

Leg Avenue, Inc.  
19601 E. Walnut Drive South  
City of Industry, CA 91748  
Tel: (800) 578-1601 Fax: (877) 453-4329



### **MINIMUM ADVERTISED PRICE POLICY**

Leg Avenue, Inc. is committed to working with retailers and distributors to develop its brands as representing high quality, fashionable, and sexy apparel. In an industry with fierce inter-brand competition, Leg Avenue relies on its resellers to distinguish its products through advertising, in store displays, dedicated web pages, and other types of promotions. Leg Avenue recognizes that its resellers cannot provide a high level of customer service and support for the company's products without investment and commitment to the brand. Leg Avenue has, therefore, adopted the following Minimum Advertised Price Policy.

1. **Minimum Advertised Price.** Leg Avenue has established a unilateral policy that its products must be advertised for sale at a price equal to or greater than two times Leg Avenue's Wholesale List Price. The resale price may be discounted by up to 5 cents to avoid round numbers, so that a product that has a Wholesale List Price of \$10 would have a minimum advertised price of \$19.95. This policy applies to any and all forms of advertising to the general public including, without limitation, print ads, mailings, catalogs, displays, commercials, and websites. Effectively lowering the advertised price below MAP by coupons, rebates, product giveaways, name-your-price, and other advertised discounting methods is a violation of this policy.

2. **Wholesale List Price.** For purposes of this policy, the Wholesale List Price is Leg Avenue's official published list price at the time a product is sold to a consumer, not at the time it is first bought by a reseller from Leg Avenue. The Wholesale List Price is the printed price, without any discounts. Trade discounts or other promotions should not be considered in computing the Minimum Advertised Price.

3. **Closeouts/Seasonal.** This Policy does not apply to products that Leg Avenue has identified as discount or closeout items, either by designating them as such in its online ordering system or by listing them on a published closeout list. Leg Avenue also recognizes that some customers reduce pricing to clear out seasonal inventory. Accordingly, From November 1<sup>st</sup> until the following March 31<sup>st</sup> each year, Halloween items may be advertised at any reasonable price without violating this policy.

4. **Violations.** Nothing in this policy shall constitute an agreement with Leg Avenue. Compliance is entirely discretionary. Advertisement of a product at a price below MAP is a violation of this policy. If Leg Avenue, in its sole discretion, determines that this policy has been violated, it may unilaterally reduce or terminate benefits it provides to the violator including, without limitation, discounts, promotions, and advertising credits.