



December, 2009

## **Special Lite Products Corporation Internet Minimum Advertised Price Policy**

Special Lite Products (“Special Lite”) is a trusted name in lighting products. We stand behind every product and we know that our products must be matched with exceptional service and quality. We are dedicated to the goals of making quality, reliable, and innovative products while providing valuable customer service that our customers can count on to make their life easier. With that in mind, Special Lite relies on its retailers to provide the same level of customer service, and chooses to deal only with those retailers who are committed to understanding the features and attributes of our products and to providing customers with a retail experience on par with the Special Lite name. In addition, to maintain the value of the Special Lite name and to ensure that our products are properly positioned in today's market, effective February 1, 2010, Special Lite has instituted the following Internet Minimum Advertised Price (“IMAP”) Policy for all Special Lite distributors located in the United States:

1. In a unilateral policy decision concerning the marketing of its products, Special Lite has determined that specified Special Lite products should not be advertised or promoted on the Internet at a price less than the minimum price as listed on your February 1, 2010 Special Lite IMAP Policy Pricing Sheet (the “IMAP Price”) or Distributor Net Price x 1.80 profit margin.
2. This IMAP Policy only applies to Internet advertised prices on your website as these terms are defined below. This policy does not apply to in-store price tags or other in-store promotional material, direct mail advertising, outdoor advertising, advertising stuffers or other non-Internet based media.
  - An “advertised price” is the specific price that a distributor advertises for a specific Special Lite Product model in distributor-initiated media messages and/or messages aimed at more than one person. This includes all Internet web pages and other Internet banner advertising.
3. Advertising, offering or promoting specified Special Lite products at a price or a netted-down price below the designated IMAP Price for those products may result in the cancellation of all open orders on those Special Lite products and refusal to accept new orders for all Special Lite products.
4. If you are in doubt as to whether you are in compliance with Special Lite IMAP Policy, we encourage you to contact Special Lite at:  
Special Lite Products  
1634 Latrobe Derry Road  
Loyalhanna, PA 15661  
Phone: 724-537-4711 Fax: 724-537-9313  
[customer\\_service@specialliteproducts.com](mailto:customer_service@specialliteproducts.com)
5. Special Lite's IMAP Policy Pricing Sheet, which will be provided to you, will specify which Special Lite products are subject to this IMAP Policy. Special Lite may revise this IMAP

Policy or its IMAP Policy Pricing Sheet at any time. When and if it does, those revisions will be provided to you. Products not listed on Special Lite's IMAP Policy Pricing Sheet are not subject to this IMAP Policy.

6. **IMPORTANT.** Distributors are free to determine on their own the prices at which they will advertise and sell all Special Lite products. Nothing in Special Lite's IMAP Policy or IMAP Policy Pricing Sheet is to be construed as an agreement between Special Lite and any distributor on the resale price of Special Lite products, nor is having in your possession the IMAP Policy Pricing Sheet and agreement to resell Special Lite products as an authorized distributor. Special Lite does not seek and will not accept any such agreement. However, to be eligible for uninterrupted supply of Special Lite products, a distributor must be in compliance with Special Lite's IMAP Policy.
7. Special Lite is not asking or requiring distributors to agree to any aspect of the IMAP Policy. Special Lite is implementing the IMAP Policy as its own policy, and advising distributors that there will be certain consequences if they advertise, offer or promote Special Lite products on the Internet as prices less than the designated IMAP Prices. Distributors remain free to determine if they wish to follow Special Lite's policy or not.
8. If a violation of this policy occurs, the distributor will be notified of not adhering to the IMAP policy. The distributor will be given three days to change their advertised pricing to be within the IMAP guidelines. Failure to do so, may result in the cancelation of all open orders, refusal to accept new orders and may result in the closing of their account. This consequence is standard and will not vary.
9. The IMAP Policy affects only advertised prices on the Internet and applies to all advertising messages that are (1) distributor-initiated and (2) use the Internet.
10. Distributors will be notified in writing if they have violated the IMAP Policy, and any decision to discontinue the supply of Special Lite products will apply not only to the distributors Internet sales, but also to all of the distributor brick and mortar locations. Special Lite will consider each violation based on its own facts, and any decision by Special Lite to discontinue the supply of Special Lite product cannot be appealed. Special Lite may unilaterally decide to review a distributors status after an independently determined period of time.
11. Only Special Lite can determine if a violation of this Policy has occurred, and Special Lite alone is responsible for enforcing its IMAP Policy when it determines that there has been a violation. The details of Special Lite's enforcement decisions will be strictly between the distributor that has violated the IMAP Policy and Special Lite. Special Lite's salespeople are not allowed to discuss these details with other distributors, and they cannot modify the Policy's provisions.
12. If a distributor has a question about whether an upcoming advertisement will conform to Special Lite's IMAP Policy, he/she should contact Special Lite IMAP Administration in writing. In most cases, Special Lite will inform the distributor within three (3) business days of whether the advertisement would violate the IMAP Policy.
13. Special Lite has unilaterally implemented this IMAP Policy in accordance with its right to choose the distributors with whom it wishes to deal. Just as a distributor may cease purchasing

Special Lite Products at any time and for any reason, Special Lite reserves the right to cease doing business with any distributor with or without cause.

14. This IMAP Policy is effective beginning February 1, 2010 and will remain in effect until further written notice from Special Lite. Special Lite reserves the right to terminate or amend this Policy in its sole discretion at any time without prior notice.
15. This policy only concerns the advertising of Special Lite products. All other terms and conditions of sale remain in effect, as do any other Special Lite distribution policies provided to you.