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January 21, 2015

Dear Dansko Retailer,

In February 2013, Dansko adopted a Minimum Advertised Price Policy (the "Policy"). The Policy has now been updated as seen in the attached. The updated Policy as well as current information on the Dansko products that are subject to the Policy can be found online at the MAP Site:

**<http://www.dansko.com/mapproducts>**

In addition and in response to many requests, you can now subscribe on the MAP Site to receive email notifications when changes are made to the list of Dansko products subject to the Policy. While the Policy is intended to be self-explanatory, you can direct any questions you may have regarding the Policy to **[mapadmin@dansko.com](mailto:mapadmin@dansko.com)**.

Sincerely,

*Kathleen B. Bolinger*

Kitty Bolinger  
Executive Vice President of Sales

## **Dansko's Minimum Advertised Price Policy**

Dansko highly values the efforts by Dansko's retailers to promote *Dansko*® products and provide consumers with an engaging and positive retail experience. Dansko also places a high value on protecting the significant goodwill associated with the *Dansko*® brand. In support of these values, Dansko has unilaterally instituted this Minimum Advertised Price Policy (the "Policy") for *Dansko* products.

### **Policy Summary**

The Policy applies to Advertisements and Advertising (as defined below) for specific *Dansko* products ("MAP Styles") and applies to all of Dansko's retailers. Please note that:

- Each retailer is free to independently set its actual resale price for any *Dansko* product.
- The Policy only applies to Advertising for MAP Styles. While the Policy only applies to MAP Styles, the Policy also addresses Advertising for both MAP Styles and other *Dansko* products.

### **The Policy**

#### **Minimum Advertised Price.**

1. Dansko will establish Minimum Advertised Prices (the "MAP") for MAP Styles. The MAP is equal to Dansko's suggested retail price as identified online at the "MAP Site" located online at [www.dansko.com/mapproducts](http://www.dansko.com/mapproducts). Dansko will periodically revise the MAP Site to update the list of MAP Styles and MAP.
2. Advertising MAP Styles below the MAP is a violation of the Policy.
3. Retailers should regularly review the MAP Site for any updated information relating to the Policy, the MAP, and MAP Styles. As stated above, MAP applies only to minimum Advertised prices and does not apply to the price at which products are actually sold.
4. *The Policy only applies to the MAP Styles and not all Dansko products (but see below for guidelines related to Advertising both).*
5. All Advertising is subject to this Policy, including online Advertising. For purposes of the Policy, "Advertise," "Advertisement," or "Advertising" means any marketing and/or promotional materials appearing or used in any media, including, without limitation: flyers; posters; coupons; mailers; inserts; ads in newspapers, magazines, catalogs, mail order catalogs and other printed publications and materials; ads placed in or visible through electronic media such as and/or appearing in and on websites, emails, email newsletters, and email solicitations together with any web pages that link from such emails (and as further described below); ads on television or radio; and signage (including temporary or permanent signs used in or outside of any retailer's stores, except as set forth below). With respect to Advertising on the Internet, all information regarding *Dansko* products on the Internet is considered to be Advertising for purposes of this Policy with the exception of pricing associated with an intent to purchase (as part of the shopping cart or order) that becomes the selling price. Advertising on the Internet also includes through search engines (including search optimization, whether natural or paid), banners, shopping engines, pop-up or pop-

under ads, or ads appearing through keywords or adwords, and an Internet Retailer's home and product pages that include information concerning *Dansko* products.

#### Application of the Policy.

The Policy applies to Advertising and to any activity that Dansko determines, in its sole discretion, is designed or intended to circumvent the intent of the Policy.

Dansko may periodically suspend the Policy as applied to some or all of the MAP Styles and information about such suspension will be provided on the MAP Site.

The following are some examples of how the Policy is applied for MAP Styles.

1. **Online Advertising.** The Policy applies to:
  - a. “social selling” sites (such as Groupon or LivingSocial) if MAP Styles are included (either in text or in images) in any related Advertising; or
  - b. any publicly accessible website or other online location such as retailer websites, club membership websites, shopping websites, blogs, and auction websites; and
  - c. social media “pages” (such as on Facebook, Twitter, or Pinterest)
2. **Bundling and Value-Added Offers.** With the exception of promotional “gift with purchase” items of limited value (generally considered \$20 or less), if a MAP Style appears in Advertising as being sold with non-Dansko product(s), the bundle price must be at least the MAP of the MAP Style plus the manufacturer’s suggested retail price for the non-Dansko product. If a MAP Style appears in Advertising as being sold with a gift card or similar item with a specific dollar value, the bundle price must be at least the MAP of the MAP Style plus the dollar value of the other item. Notwithstanding the foregoing, Advertising including a discount offered for a future purchase is not a violation of the Policy provided that the discount on the future purchase specifically excludes MAP Style products (using wording such as “selected styles of Dansko® shoes only” or “some Dansko® shoes excluded”).
3. **General and Specific Discounts.** Unless MAP Styles are specifically excluded in Advertising (using wording such as “selected styles of Dansko® shoes only” or “some Dansko® shoes excluded”), Advertising that includes general, category, percentage off or specific dollar amount discounts is a violation of this Policy if such discounts result in a net price lower than the MAP for a MAP Style.
4. **References to the Policy.** This Policy is confidential, and it is a violation of this Policy for Advertisements for MAP Styles to include:
  - a. Wording such as “minimum advertised price” and/or “MAP”; or
  - b. Reference to the existence of the Policy as preventing a lower price from being Advertised or suggesting that MAP Styles are sold for less.
5. **Pre-Cart Advertising.** It is a violation of this Policy for Advertisements for MAP Styles to include:
  - a. Wording that suggests or implies that a lower price may be found online or at the online checkout stage such as:
    - i. “See price in cart” or “Add to cart for lower price”
    - ii. “Priced too low to show”
    - iii. “Mouse over for price”
  - b. Displaying a price with strike through (~~\$130.00~~).

6. **Combined Advertising.** Advertising for both MAP Styles and other *Dansko* products must include wording such as “selected styles of Dansko® shoes only” or “some Dansko® shoes excluded”.
7. **The Policy does not apply to the following (and this section takes precedence over any other wording in the Policy to the contrary):**
  - a. In-store signage and/or in-store displays, point-of-sale signs, hangtags, stickers or bar codes or similar marks on products or product packaging which merely state the price and which are not reasonably visible from outside of a store; or
  - b. Offering free shipping or “paying” for any associated taxes, unless a net price below MAP is shown for MAP Styles; or
  - c. Any price below MAP for MAP Styles that is displayed in the final stage of an online purchase provided that the purchaser enters the final stage on his/her own without any direct reference to a lower price that may be found at the final purchasing stage or a general explanation, not specific to Dansko, on the retailer’s website on a separate page from any product page about the selling price and that a lower price may be available if the price of the *Dansko* product is otherwise not shown; or
  - d. Promotional “gift with purchase” items of limited value (generally considered \$20 or less) that are included at no additional charge with the purchase of a MAP Style; or
  - e. Periodic employee or academic discounts or purchase programs, provided though that access to the promotion and pricing is restricted through means such as a customer unique identification and is not accessible to the general public. Annual rebates, dividends, or coupons to cooperative members comply with this Policy as long as the cooperative retailer does not Advertise the rebates, dividends, or discount coupons in connection with a MAP Style; or
  - f. Any local, regional, or national promotions, discounts, rebates, or other programs sponsored or authorized by Dansko directly and/or in connection with any retailer(s).

#### Policy Violations and Consequences.

Dansko reserves the right to do business only with retailers that promote and sell *Dansko* products in a manner that provides consumers with an engaging and positive retail experience, commensurate with high value products. The manner in which *Dansko* products are Advertised, promoted and sold is critical to creating and maintaining a premium brand image, and to positioning these products appropriately against other premium products with which they compete. The failure to comply with this Policy demonstrates a lack of such support, and Dansko will decide what action to take, including but not limited to, whether to continue to do business, in whole or in part (and, if applicable, whether and when to resume conducting business), including with respect to pending orders, or to withhold any co-op funds or discounts attributed to Advertising in violation of this Policy, with any retailer that fails to support Dansko’s products as set forth in this Policy.

Just as a retailer can choose whether or not to Advertise and sell any *Dansko* products, if a retailer chooses not to follow the Policy, Dansko generally will (within a reasonable time of Dansko learning of such violation) provide the retailer with notification of the violation and

advise the retailer of the consequence(s) of that choice. Dansko reserves the right in its sole discretion, however, to take action without providing such notice. Dansko, in Dansko's sole discretion, will determine the consequences for noncompliance with this Policy. In determining the appropriate consequences, Dansko will consider a retailer's prior violations (if any). In addition, Dansko may apply these consequences to both current and future orders (including orders already placed in Dansko's system). Dansko reserves the right to cancel all existing orders and indefinitely refuse to accept any new orders from any retailer who has chosen to violate the Policy.

Communications Regarding the Policy. Dansko will not accept any communication from a retailer who has violated this Policy regarding the violation or the willingness of the retailer to bring its Advertising into compliance with the Policy. Dansko will not discuss any conditions of acceptance related to this Policy, because this Policy is unilateral and non-negotiable, and will not be altered for any retailer. Dansko does not solicit, and will not accept, any assurance of compliance with this Policy. Dansko does not solicit but will accept information from retailers regarding potential non-compliance by another retailer. Dansko, however, will not share with one retailer information about Dansko's business decisions relating to another retailer. As with any other communications about this Policy, such information will be accepted only if addressed to the Dansko MAP Administrator at [mapadmin@dansko.com](mailto:mapadmin@dansko.com).

**Nothing in this Policy constitutes an agreement between Dansko and retailer that retailer will comply with this Policy.**

Contact Information. Please direct any questions or comments regarding this Policy to the Dansko MAP Administrator at [mapadmin@dansko.com](mailto:mapadmin@dansko.com). With the sole exception of the MAP Administrator, no Dansko personnel or Dansko independent sales representatives are authorized to address any questions or comments regarding this Policy. Dansko is solely responsible for determining whether a violation of the Policy has occurred, communicating decisions to retailers regarding the Policy, and receiving any communication regarding consequences for noncompliance with the Policy.

Policy Modifications. Dansko reserves the right at any time to modify, suspend, or discontinue the Policy in whole or in part or designate promotional periods during which the terms of the Policy change or designate periods of time during which the Policy is not applicable. The Policy and any modifications thereto is available online at the Dansko website at <http://www.dansko.com/mapproducts>.