

MINIMUM ADVERTISED PRICE POLICY

Effective [12/1/2017]

1. INTRODUCTION

TENGA USA INC, ("TENGA") is a recognized global leader for adult-themed products renowned for unique, aesthetic product and packaging designs. TENGA maintains a significant investment in a consistent brand image emphasizing design, technology, and functionality. In keeping with that image, TENGA believes that TENGA branded products ("TENGA Products") should be advertised at prices that reflect and protect the value of its brand.

We recognize that our success is tied to the success of our network of select authorized dealers. We also know that many of our dealers invest significant time and resources to deliver an extraordinary customer experience. We want to protect their ability to do so, while at the same time discouraging price-based advertising that would be detrimental to our dealer's service and support efforts. As a result, TENGA has unilaterally established this Minimum Advertised Price ("MAP") Policy for all TENGA Products, and the MAP Policy will be enforced strictly and uniformly

2. POLICY STATEMENT

This MAP Policy is unilateral, non-negotiable and will not be altered for any reseller. TENGA in its sole discretion, reserves the right to discontinue doing business with any reseller that advertises any product(s) covered by this MAP Policy at a price lower than the MAP. Nothing in this MAP Policy constitutes an agreement between TENGA and any reseller that the reseller will comply with this MAP Policy.

3. GENERAL GUIDELINES

A. TENGA will provide distributors and retailers with suggested resale (list) prices for TENGA Products that are applicable in the United States and Canada ("Price Lists"). Distributors and retailers may not advertise TENGA Products at prices that are more than 10% below the current TENGA resale (list) prices.

B. This MAP Policy applies only to advertised prices, not the price at which MAP Products are actually sold or offered for sale to an individual in-store or over the telephone. Distributors and retailers are free to sell TENGA Products at whatever prices they choose without consulting or advising TENGA.

4. ADVERTISING GUIDELINES

A.

MAP pricing for all TENGA Products can be found on your current price list. All advertised prices must be at or above MAP for all TENGA products if a MAP price has been established by the reseller. Resellers are not required to list prices in advertising.

B. This MAP Policy in no way limits a reseller's right to set its own prices; this MAP Policy applies to advertised prices only, and not to actual sales prices.

C. The MAP Policy applies to all advertisements of MAP products in any and all media, including but not limited to flyers, posters, coupons, mailers, inserts, newspapers, magazines, catalogs, television, radio, and public signage, as well as internet sites, social media sites, apps, or any other electronic media.

D. From time to time, TENGA may permit resellers to advertise TENGA Products at prices lower than the MAP price. In such events, TENGA reserves the right to modify or suspend the MAP price with respect to the affected products for a specified period of time by providing advance notice to all resellers of such changes.

6. POLICY ENFORCEMENT

The MAP Policy will be enforced by TENGA in its sole discretion and without notice. TENGA will use enforcement measures such as canceling a violator's pending orders for more product, suspending a dealer's account, and other measures up to and including termination of our business relationship with the violator, as well as any available remedies at law. TENGA is solely responsible for determining whether a violation of the MAP policy has occurred, as well as determining appropriate sanctions. TENGA will not be held responsible for enforcement of this MAP Policy or lack thereof.

7. ADMINISTRATOR

[YOHEI MANO/CEO] of TENGA is the administrator for this MAP Policy and is solely responsible for responding to questions and communication decisions about the MAP Policy. Questions about this MAP Policy are to be directed only to the administrator at [usa@tenga.cp.jp].

8. FREQUENTLY ASKED QUESTIONS

a) What products are covered by TENGA's MAP Policy?

All TENGA Products listed on TENGA's most recent price sheet distributed to resellers are covered by this MAP Policy.

b) Are there exceptions to TENGA's MAP Policy?

From time to time, TENGA may permit resellers to advertise TENGA Products at prices lower than the MAP retail price. In such events, TENGA reserves the right to modify or suspend the MAP retail price with respect to the affected products for a specified period of time by providing advance notice to all resellers of such changes.

9. EXAMPLES OF ADVERTISEMENTS THAT COMPLY, AND THAT DO NOT COMPLY

Advertisements that comply:

"price too low to print", "call for price", "we will match any price", "email for price"

Advertisements that do not comply:

"Bundling" or including a free or discounted product (whether made by TENGA or another manufacturer) with a TENGA Product.

Offering a cash rebate on the purchase of a TENGA Product, if the net price falls outside the MAP pricing for that TENGA Product.

Please note that the above examples are not exhaustive and may not necessarily comply with local advertising laws. Instances of compliance and non-compliance are not limited to these examples.

TENGA reserves the right, acting in its sole discretion, to make a final determination as to the compliance of any advertisement, and to modify, suspend, or cancel this MAP Policy at any time

SKU	Name	MAP PRICING
TOC-101	Original Vacuum Cup	\$8.00
TOC-102	Soft Tube Cup	\$9.25
TOC-103	Rolling Head Cup	\$12.25
TOC-104	Double Hole Cup	\$14.25
TOC-105	Air Cushion Cup	\$15.75
TOC-001US	Original Vacuum Cup - Ultra Size	\$13.00
TOC-002US	Soft Tube Cup - Ultra Size	\$13.25
TOC-004US	Double Hole Cup - Ultra Size	\$17.50
TOC-101C	Original Vacuum Cup - Cool Edition	\$9.50
TOC-102C	Soft Tube Cup - Cool Edition	\$9.75
EGG-VP6(1)	EGG Variety Pack	\$39.00
EGG-VP6(2)	EGG Variety Pack Hard Boiled	\$39.00
EGG-001L	EGG Lovers	\$7.25
EGG-001C	EGG Cool	\$6.75

KHC-101	Keith Haring Deep Throat Cup	\$9.50
KHC-102	Keith Haring Soft Tube Cup	\$9.75
KHE-001	Keith Haring EGG Street	\$6.75
KHE-002	Keith Haring EGG Dance	\$6.75
KHE-003	Keith Haring EGG Party	\$6.75
THF-001	FLIP HOLE White	\$75.00
THF-002	FLIP HOLE Black	\$75.00
THF-003	FLIP HOLE Silver	\$75.00
THF-004	FLIP HOLE Red	\$75.00
TFZ-001	FLIP ZERO White	\$99.00
TFZ-002	FLIP ZERO Black	\$99.00
TFZ-101	FLIP ZERO EV	\$200.00
TNH-001	3D Spiral	\$39.00
TNH-002	3D Module	\$39.00
TNH-003	3D Zen	\$39.00
TNH-004	3D Polygon	\$39.00
TNH-005	3D Pile	\$39.00
FLX-001	FLEX Silky White	\$39.00
FLX-002	FLEX Rocky Black	\$39.00
EGGL-001	EGG Lotion	\$6.50
TLH-001	HOLE LOTION Mild	\$15.00
TLH-002	HOLE LOTION Real	\$15.00
TLH-003	HOLE LOTION Wild	\$15.00
TLH-004	HOLE LOTION Solid	\$15.00
HW-002	Hole Warmer	\$6.00
TVC-002S	Vacuum Controller Set	\$90.00
TSV-001	SVR Black	\$80.00
TSV-002	SVR White	\$80.00
TSV-003	SVR Carmine	\$80.00
TVV-001	Δ Delta	\$20.00
IHM-01	iroha YUKI	\$90.00
IHM-02	iroha MIDORI	\$90.00
IHM-03	iroha SAKURA	\$90.00
HMP-01	iroha+ TORI	\$110.00
HMP-02	iroha+ KUSHI	\$110.00
HMP-03	iroha+ YORU	\$110.00
HMF-01	iroha MIKAZUKI	\$120.00
HMF-02	iroha MINAMO	\$120.00
HMM-01	iroha mini Fuji-Lemon	\$25.00
HMM-02	iroha mini Ume-Anzu	\$25.00

HMM-03	iroha mini Sora-Mikan	\$25.00
HMS-01	iroha stick	\$20.00
HMZ-01	iroha zen MATCHA	\$35.00
HMZ-02	iroha zen HANACHA	\$35.00
HMZ-03	iroha zen YUZUCHA	\$35.00