



Parrot, Inc. US Minimum Advertised Price Policy

1. Introduction

Parrot, Inc. (“Parrot”) is leading the way with innovative technology products including our award winning Drones, Minidrones, Zik Headphones, and other products and accessories.

We recognize that our success is directly attributed to the success of our network of select authorized retailers who have loyally partnered with us, throughout the years and invested significant time and resources to create an amazing customer experience that has helped grow the Parrot business. In order to help provide our retailers with a continued opportunity to grow their Parrot business, while at the same time discouraging price-based advertising that would be detrimental to our dealer's service and support efforts, Parrot has unilaterally established the following Minimum Advertised Price (“MAP”) Policy.

2. MAP Policy Statement

Parrot, 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. For the Canada MAP policy guidelines and pricing, please refer to the following link: [Canada Map Pricing](#)

3. General MAP Guidelines

1. The Parrot products covered by this policy are listed in Section 7 (“MAP Products”). Parrot may in its sole discretion modify this list from time to time.
2. Parrot recognizes that dealers are free to make their own decisions to advertise in compliance with this policy and sell any Parrot product at any price they choose, without consulting or advising Parrot. Similarly, Parrot will exercise its right to make its own decisions regarding the Parrot Authorized Reseller Program, supplemental marketing materials, point-of-purchase displays, product allocation, new product availability, or future promotional, joint marketing, or sponsorship programs.
3. The MAP Policy applies 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.
4. Advertisements that violate this policy include those that allude to a price below MAP, such as with strikethroughs, invitations to see cart for a lower price that nets below MAP, or offers to match lowest advertised price and includes a search engine that displays below MAP prices.

5. Parrot believes in maintaining a well-regulated and fair marketplace for all of its authorized resellers. Please see the FAQ's for more information on the MAP policy and enforcement.

4. Advertising Guidelines

1. 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.
2. The MAP Policy does not apply to solely on premise or in-store advertising that is not distributed to customers.
3. Website features such as “click for price”, automated “bounce-back” pricing e-mails, pre-formatted e-mail responses, forms, and automatic price display for any items prior to being placed in a customer’s shopping cart, and other similar features are considered to be communications initiated by the dealer (rather than by the customer) and thereby constitute “advertising” under this MAP Policy. Once the pricing is associated with an actual purchase as part of a “check-out” process or other purchase process whereby a customer is making payment for the Product, the price becomes the selling price and is no longer subject to this MAP policy.
4. It shall not be a violation of this MAP Policy to advertise that a customer may “call for price” or “email for price”, or to use similar language, specifically with respect to MAP Products, so long as no price is listed.
5. This MAP Policy also applies to any activity which Parrot determines, in its sole discretion, is designed or intended to circumvent the intent of this MAP Policy, such as solicitations for ‘group purchases’ and the like.
6. It shall not be a violation of this MAP Policy to advertise in general that the reseller has “the lowest prices” or will match or beat its competitors’ prices, or to use similar phrases; so long as the reseller does not include any advertised price below MAP and otherwise complies with this MAP Policy.
7. From time to time, Parrot may permit resellers to advertise MAP Products at prices lower than the MAP retail price. In such events, Parrot 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.
8. From time to time Parrot may offer a direct manufacturer’s rebate to customers. In such events, it shall not be a violation of this MAP Policy to advertise the availability of the manufacturer's rebate, provided that:
 - o i. the advertisement includes a MAP-compliant price, the rebate amount, and the net price after manufacturer's rebate in the same type size and style;
 - o ii. an asterisk is placed next to the net price after manufacturer's rebate; and
 - o iii. “*after manufacturer's rebate” appears in the same area of the advertisement as the advertised product.

5. Bundling Guidelines

1. “Bundling” or advertising MAP Products for sale together with other products will violate this MAP Policy when:
 - o i. the effective or stated price of the bundle represents a discount of greater than 15% of the MAP program; or

- ii. the product(s) bundled with MAP Products violate Parrot's Intellectual Property rights; or
 - iii. the product(s) bundled with MAP Products violate the Parrot Trademark and Brand Policy (<http://Parrot.com/authorized-reseller-program/us/trademark-policy/>); or
 - iv. the product(s) bundled with MAP Products include words, packaging, graphics, or other indicia which may create customer confusion as to the source of the product(s); or
 - v. the effective or stated discount is greater than 15% of the highest priced item in the bundle.
2. Gift cards, coupons, points, or other incentives which are contingent on the purchase of a MAP Product will violate this MAP Policy when:
- i. the effective or stated price of the bundle represents an immediate discount of greater than 15% of the MAP; or
 - ii. the effective or stated price of the bundle represents a discount of greater than 15% of the MAP after taking into consideration any contingent future purchase; or
 - iii. the gift card is a promotional gift card from a reseller of MAP Products where the issuance is conditioned upon making a purchase of a MAP Product and it is applied at the time of purchase in order to reduce the price of such MAP Product. Gift cards purchased independent of a sale of a MAP Product or gift cards issued in connection with the sale of a MAP Product, but used for a subsequent purchase, are not subject to this policy.
3. Rebate programs from Parrot, whether on MAP Products or Parrot's partners' products are exempt from this policy.

6. Policy Enforcement

1. If a dealer with multiple store locations, including brick and mortar locations and multiple internet sites, violates this MAP Policy at any one store location or on any associated website, regardless of the business and/or domain name(s) under which the dealer is operating, then Parrot will consider this to be a violation by the dealer.

Penalties for MAP Program violations include the following:

1st notification – 24 hours to adhere to MAP guidelines.

2nd notification – If not fixed within 24 hours of notification Retailer will be ineligible to purchase said product family for 60 days (this applies to all products or replacement models in that product family – ex. a violation on Minidrone Cargo could result in suspension of purchases for all Airborne Minidrones).

3rd violation – If not remedied within 72 hours of notification Retailer will be un-able to purchase that product family for 180 days (applies to all products or replacement models in that product family).

4th Notification – If issue is not remedied within 5 business days, retailer will be ineligible to purchase all MAP products directly or indirectly from authorized distributors for a period of 180 days. Retailer will also forfeit any marketing dollars/MDF/VIR that is currently outstanding.

2. Parrot reserves the right to cancel any pending orders, restrict future orders, or suspend a dealer's account if Parrot reasonably believes:
 - o i. a dealer has violated the provisions of this policy; or
 - o ii. a dealer intends to violate this policy.
3. Parrot's MAP Policy Administrator is solely responsible for determining whether a violation of the MAP Policy has occurred, as well as determining appropriate sanctions.
4. Waivers to this MAP Policy may be granted in Parrot's sole discretion by the MAP Policy Administrator in writing. Parrot Sales, Marketing, or other personnel are not authorized to modify or grant exceptions to the MAP Policy. In the event that the MAP Policy Administrator authorizes a waiver to the MAP Policy, dealers must strictly adhere to the terms of the waiver letter. Deviation from the terms of a waiver letter is a violation of the MAP Policy.
5. Parrot monitors the advertised prices of dealers, either directly or via the use of 3rd party agencies or tools. Dealers are expected to provide reasonable cooperation in any Parrot investigations regarding possible MAP Policy violations. Hindering, obstructing, delaying, or otherwise failing to cooperate with a Parrot MAP Policy investigation is a violation of this MAP Policy.
6. The MAP Policy will be enforced by Parrot in its sole discretion and without notice. Dealers, distributors, resellers, have no right to enforce the MAP Policy. Violations of this policy may result in any of the aforementioned sanctions up to and including termination of our business relationship, as well as any available remedies at law. All questions related to this MAP Policy should be directed to: MAP@Parrot.com
7. Parrot considers each authorized Retailer to be solely responsible for the items offered for sale in its store or on-line websites (including on-line market place stores). Failure to comply with Parrot's MAP program by any party (including un-authorized Market Place resellers) are the responsibility of the authorized retailer.
8. The terms of this MAP policy are confidential and should not be disclosed to other parties.
9. Sellers will be subject to quarterly audits by Parrot to determine compliance with this policy. All MAP Discounts will be subject to adjustment as a result of the audit.
10. Parrot reserves the right to anonymously purchase MAP Products from its resellers in order to ensure compliance with this policy. In the event that Parrot discovers a MAP violation by a reseller, the non-compliant reseller shall be obligated to refund Parrot the purchase price paid and pay \$100.00 to Parrot to cover all return, shipping, handling and administrative expenses associated with enforcing this policy.

7. List of Parrot, Inc. MAP Products

ITEM	US MAP
Zik 3 - All Colors	\$ 399.99
Zik 3 Battery	\$ 29.99
Zik 3 Case	\$ 39.99
Flower Power - All Colors	\$ 59.99
MINIKIT Neo 2HD	\$ 99.99
AR Drone 2.0 - Power Edition	\$ 369.99
AR Drone 2.0 - Sand, Snow, Jungle	\$ 299.99
AR Drone 2.0 - Flight Recorder	\$ 129.99
AR Drone 2.0 - HD Battery	\$ 59.99
AR Drone 2.0 - Standard Battery	\$ 39.99
AR Drone 2.0 - Charger	\$ 39.99
Bebop - All Colors	\$ 499.99
Bebop & Skycontroller - All Colors	\$ 899.99
Bebop Skycontroller - Standalone	\$ 499.99
Bebop & Skycontroller - Battery Charger	\$ 44.99
Bebop & Skycontroller - Battery	\$ 54.99
Bebop 2 - All Colors	\$ 549.99
Bebop 2 & Skycontroller	\$ 799.99
Bebop 2 Skycontroller - Standalone	\$ 399.99
Bebop 2 - Case	\$ 69.99
Bebop 2 - Backpack	\$ 129.99
Bebop 2 - Battery Charger	\$ 44.99
Bebop 2 - Battery	\$ 54.99
Minidrone - Airborne Cargo	\$ 99.99
Minidrone - Airborne Night	\$ 129.99
Minidrone - Hydrofoil	\$ 159.99
Minidrone - Jumping Race	\$ 189.99
Minidrone - Jumping Night	\$ 189.99
Minidrone - Battery & Charger	\$ 29.99
Minidrone - Battery	\$ 19.99