

astrocadeTM
inc.

6460 Busch Blvd./Suite 215/Columbus, Ohio 43229/614-885-0130/Telex: 245483

**COOPERATIVE ADVERTISING
PROGRAM MANUAL**

GENERAL POLICY

Generally, our contributions under the Program are contingent upon Astrocade's final approval of three elements:

- (1) the content of the particular advertisements used by the distributor.
- (2) the maximum percentage allowance provided under the Program to each distributor, which allowance, in turn, is based on each distributor's net purchases of Astrocade products.
- (3) satisfactory documentation of the cost of such advertising.

The funds contributed by Astrocade under this Program are to be used solely for advertising and promotional purposes. Such funds are not to be construed as any form of rebate, discount or other allowance. All contributions under the Program are subject to Astrocade's final approval and may be made only to the extent that funds have been credited to the particular distributor's account by reason of actual sales.

Advertising must not contain any false or misleading representation of any kind whatsoever, and shall otherwise conform to all applicable local, state and federal laws.

In all instances, Astrocade reserves the right to terminate, suspend or modify the Program either in whole or in part.

METHOD OF FUND ACCRUAL

Financial contributions toward the cost of advertising under the Program will be made from a cumulative fund. Astrocade shall maintain this fund on a calendar semiyearly basis, accumulating funds in an amount equivalent to 2.5% of each distributor's net purchases of all Astrocade products from the first day of January through the last day of June and the first day of July through the last day of December. The distributor's funds accrued during the January to June period may be used through July 31. The distributor's funds accrued during the July through December period may be used through January 31 of the following year.

CLAIMS SUBMITTAL

All claims, with supporting documentation, must be submitted within 60 days after the end of the month in which the advertising appeared.

All claims are to be submitted to:

ASTROCADE CO-OP ADVERTISING
c/o The Advertising Checking Bureau, Inc.
P.O. Box 8425
Columbus, Ohio 43201

METHOD OF PAYMENT

Auditing of your claims will be performed by The Advertising Checking Bureau, Inc. Upon receipt of audited claims from ACB, credit will be made by Astrocade.

UNDER NO CIRCUMSTANCES MAY A DISTRIBUTOR DEDUCT CORRESPONDING AMOUNTS AGAINST ANY INDEBTEDNESS OWING TO ASTROCADE. SUCH DEDUCTIONS ARE SPECIFICALLY PROHIBITED UNDER THE FTC GUIDE AND CHARGE BACKS WILL BE ISSUED FOR SUCH UNAUTHORIZED DEDUCTIONS.

ELIGIBLE ADVERTISING MEDIA AND REQUIRED CLAIM DOCUMENTATION

Newspapers

All *General Interest*, provided the newspapers have primary coverage of the advertiser's trading area, they have advertising rates and circulation that can be verified through independent audit.

Each claim must include a complete tearsheet of each insertion, advertiser's detailed invoice and/or newspaper invoice.

Circulars/Inserts/Preprinted Pieces

Each claim must include a complete copy of the promotion piece along with invoices covering the production, printing and distribution costs.

Radio and Television

All FCC licensed stations qualify for participation. Only *spot* announcements qualify for reimbursement. Each claim must be accompanied by the station invoice identifying the commercials devoted to Astrocade Products, stating the length of time, the unit rate and total cost. Each script broadcast must be attached and bear the approved and required ANA/RAB/TVB documentation format.

Sample:

"This announcement was broadcast _____ times, as entered in the station's program log. The times this announcement was broadcast were billed to this station's client on our invoice(s) numbered _____ dated _____ at his earned rate of:
_____ each for _____ announcement(s), for a total of \$ _____
_____ each for _____ announcement(s), for a total of \$ _____
_____ each for _____ announcement(s), for a total of \$ _____

(Signature of station official)

(Sworn to before me)

(Typed name and title)

(Station)

This _____ Day of _____ 1981

Notary Public

Catalogs

Each claim must include a complete copy of the catalog along with invoices covering printing and distribution costs; Post Office Receipts, if mailed.

Outdoor

Each claim must include a photograph of each board along with an invoice from the sign (board) company verifying location(s) of the board and costs.

NOTE: Reimbursement for ads appearing in catalogs, circulars, stuffers, etc. will NOT include distribution/ mailing costs.

Reimbursement

Up to 2.5% of the distributor's net purchases of each six-month period of Astrocade products (i.e., the full amount of the distributor's cumulative fund) may be used in connection with qualified newspaper advertising and radio and television spot commercials.

Qualified advertising may be charged against the distributor's cumulative fund at a maximum 50% of the distributor's lowest earned line or contract rate. Advertisements, in which other maker's products are featured along with Astrocade products, are eligible for credit only to the extent of the amount of prorated space or time allocated to the Astrocade products.

Preparation Cost

No portion of the distributor's preparations cost of newspaper advertising, such as artwork, mechanicals, engravings, agency fees or fees for professional services, and no portion of the distributor's preparation cost of radio and television advertising, such as script writing, recording charges, agency fees or fees for professional services are reimbursable.

Distributors may use available newspaper advertising materials, such as ad mats, product photos and line art, as well as materials for radio and television spot commercials prepared by Astrocade, which Astrocade will provide upon request at no charge to the distributors.

Advertising Format

All newspaper advertising must include the Astrocade logo which should appear in a prominent position. Any product included in the advertisement must be illustrated and described in a clear and accurate manner.

DISPLAYS AND OTHER POINT OF PURCHASE MATERIALS

Displays and other point of purchase materials will qualify for contribution from the distributor's cumulative fund.

Astrocade shall establish a schedule of prices for all displays and point of purchase materials prepared by it. The distributor may charge the entire cost of these materials to his cumulative fund in accordance with such schedule.

ADDITIONAL INFORMATION

Inquiries concerning the Astrocade Program should be directed to Astrocade, 6460 Busch Blvd. Suite 215, Columbus, Ohio 43229.