

# Toy Collection

## 2010 Territory Policy

Toy Collection's Territory Policy limits the number of participating retailers using Toy Collection Catalogs and Flyers in any given market area. Exclusivity is granted to a single retailer when the minimum catalog or flyer order quantity for that particular territory is met. When one retailer orders less than the minimum quantity for exclusivity, a second retailer may be allowed to use the promotion in the territory. At no time are mailing lists rented for the same zip codes and criteria for the same promotion for two different retailers.

**Territory Definitions:** Toy Collection uses one or more 3-digit zip code areas (generally large geographic areas) as territories, as indexed by the USPS's list of metropolitan areas. A retailer's territory is determined by the zip code of their primary store location. Supporting maps for each state are available for review.

**Minimum for Exclusivity:** We base the minimum number of catalogs needed for exclusivity on US census data for number of households in each territory.

| Households in Territory Area  | Catalog Qty for Exclusivity |
|-------------------------------|-----------------------------|
| Up to 75,000 households       | 6,000 catalogs              |
| 75,001 to 250,000 households  | 12,000 catalogs             |
| 250,001 to 500,000 households | 18,000 catalogs             |
| 500,001-750,000 households    | 24,000 catalogs             |
| Over 750,000 households       | 30,000 catalogs             |

### Priority and Exceptions:

- ❖ Continuing Toy Collection retailers in *good credit standing* have first priority in their current market area through February 5, 2010.
- ❖ Second priority goes to retailers ordering at least the minimum number of catalogs for exclusivity in a particular market area by March 1, 2010.
- ❖ Agreements thereafter will be accepted based on credit standing, order quantity and agreement date.
- ❖ Retailers may request exclusivity for a *second market area* lying adjacent to their primary market area *or* with a secondary location in that area. The minimum order quantity for exclusivity must be met for each area.
- ❖ Occasionally exceptions are made to the maximum of two retailers per area with consent of the participating retailers in that territory.
- ❖ Acceptance of Toy Collection Catalog and Flyers agreements are always subject to credit approval.

Contact us today for the current status of your market territory!

| Your zip territory | Min. Qty for exclusivity | Maximum # stores<br>(if no exclusivity) |
|--------------------|--------------------------|-----------------------------------------|
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