

Kaplan Publishing
U.S. Retail Coop Advertising Policy
(Updated January 1, 2008)

Coop Pool Allotments

Retailers may elect to earn Kaplan Publishing cooperative advertising monies for use as described in this policy according to one of the following three options:

1. Based on net purchases during the prior calendar year from Kaplan Publishing or from distributors, but not both: 5%
2. Based on net purchases during the prior calendar year from Kaplan Publishing and indirectly from distributors: 3%
3. Based on the suggested retail value of a single supporting order, per title advertised, directly from Kaplan Publishing or indirectly from distributors, six times a year: 3%

Supplemental Coop

In addition, supplemental Kaplan Publishing coop may be earned on:

Author Appearances/In-store Events: 20% (but not to exceed \$200) of the net billing for a supporting order (either direct from Kaplan Publishing and/or through a distributor) for the appearance/event. All appearances/events qualifying for exempt funds must be approved by Kaplan Publishing.

Newsletter Promotion: An account may earn \$50 per title, per bill-to on designated titles, as specified by Kaplan Publishing. Contact your Kaplan Publishing Account Manager for more details.

Designated Titles: Throughout the course of the year specific titles will be announced as Exempt Coop Eligible. Retailers may earn incremental marketing funds proportional to qualifying purchases used to promote the selected title. Contact your Kaplan Publishing Account Manager for further details.

Growth Plan: Accounts that anticipate an increase in market share may be eligible to earn additional funds based upon an agreed growth percentage between the account and Kaplan Publishing. Kaplan Publishing will use this percentage to increase the pool by an agreed upon percentage. The account will be charged back if their anticipated growth does not occur to the expected level. A quarterly review with the account will be held to monitor their growth progress. Contact your Kaplan Publishing Account Manager for further details.

General Terms and Requirements

From these accrued coop funds, Kaplan Publishing will authorize a credit equal to 100% of the cost of the advertisement or promotion, or the standard charge for advertising in retailer-controlled media, not to exceed the contract amount for the year. To earn the allowance, promotion must be completed by December 31 of the current calendar year.

The following are examples of qualifying advertising and promotional costs:

- Print, radio, television, or online advertising
- Retailer's brochures, catalogs, circulars, or mailing pieces
- Placement and value-added programs
- Other reasonable and practical methods of advertising and promotion that a retailer may suggest

Coop may not be used for website listings.

Written approval for all Kaplan Publishing cooperative advertising and promotions, including the selection of titles to be advertised and promoted, must be secured from a Kaplan Publishing Account Manager and Kaplan Publishing Marketing Director in advance of the retailer's advertising or promotion. Retailers must give reasonable notice of the type, cost, and date of the advertisement or promotion planned. Except as provided below, such notification must be indicated in the Retail Advertising Contract.

Retailers earning coop monies of \$10,000 or less may elect to sign only one Retail Cooperative Advertising contract in advance of any advertising or promotion for the year. Such retailers agree to comply in full with the Kaplan Publishing cooperative advertising policy for the entire calendar year. After signing the contract, use of earned coop funds under this provision does not require written approval on separate contracts.

Retailers applying for coop monies on the basis of their prior year indirect purchases must supply proof of net purchases by title from a distributor by March 31st of the current calendar year.

Within 90 days after the completion of the advertising or promotion, retailers must submit a claim to the Claims Department:

Kaplan Publishing
Attention: Michelle Patterson
1 Liberty Plaza, 24th floor
New York, NY 10006
Phone: 212-618-2403
Email: michelle.patterson@kaplan.com

To process each claim, Kaplan Publishing requires the following documentation:

- Copy of coop contract approved by Kaplan Publishing
- Invoice stating total cost or charge
- For print advertising, a full-page tear sheet of each ad showing the date and name of the periodical
- For radio and television advertising, the station invoice showing the length of the commercial
- For catalogs, brochures, and circulars, a copy of the complete catalog, brochure, or circular

- For website advertising, a printed copy of the page view with the URL
- For other advertising or promotion, documentation that will reasonably support the expenditure

In the case of magazine, newspaper, radio, or television advertising, Kaplan Publishing will reimburse retailers for the actual space or time costs of the print or broadcast advertising, including actual promotion costs, up to the maximum coop allowance.

All regular retail accounts in good credit standing are eligible to apply for cooperative advertising money. Failure by a retailer to comply with specific requirements of this policy will result in the denial of the requested credits. Approval of all contracts and claims will be granted or withheld on a non-discriminatory basis.

Coop deductions should be taken upon receipt of a Kaplan Publishing credit memo.

Questions should be directed to the following:

Kaplan Publishing
Attention: Michelle Patterson
1 Liberty Plaza, 24th floor
New York, NY 10006
Phone: 212-618-2403
Email: michelle.patterson@kaplan.com