

2016 SCHOLASTIC INC. LAYDOWN DATE POLICY

Scholastic is committed to providing a fair and equitable distribution of its titles to all of its customers. Some titles (“Restricted Titles”) are subject to a “laydown date” to which all distributors and retailers must abide. Scholastic will notify you, either directly or through trade publication notices, of which titles will be treated as Restricted Titles and the related laydown dates. In order for you to receive copies of Restricted Titles before the laydown date to facilitate distribution and re-sale to your customers and to ensure fair distribution for all booksellers, Restricted Titles will be subject to the following:

1. All cartons of Restricted Titles released before the laydown date will be clearly marked with the laydown date.
2. Your receipt of Restricted Titles in advance of the laydown date will be permitted solely to allow you to process your shipment for redistribution/resale in accordance with the terms hereof.
3. You must ensure that Restricted Titles are kept secure and not placed on any selling floor and/or in any display areas, and are not sold or otherwise distributed (including without limitation to your staff) and do not leave your secure environment prior to their laydown date. All resellers must ensure that their accounts/retail locations are aware of and abide by the laydown dates and this policy. Distributors, as well as retailers redistributing to their retail locations, must provide to their accounts/retail locations clear, explicit written instructions appropriate for both full carton and less than full carton quantities to insure compliance with this policy by their accounts/retail locations. Please call 888-724-1872 to report violations.

4. **Retailers**

- A. Any retail location that sells, displays or otherwise distributes a Restricted Title prior to its laydown date for the **first time** will be required immediately to take the Restricted Title off sale until the laydown date and will be placed on a watch list for 12 months following this first violation.
- B. Any retail location that sells, displays or otherwise distributes a Restricted Title prior to its laydown date a **second time** while on the watch list will not be shipped Restricted Titles until the laydown date for the duration of the 12 month period (i.e., Scholastic will not ship from its warehouse or other facility until the laydown date).
- C. No retail customers, including on-line retailers, may allow Restricted Titles to arrive at their customer’s address ahead of the laydown date. Retailers may ship copies the day before the laydown date to arrive on the laydown date (but not before) provided that they obtain Scholastic’s prior written approval no less than thirty (30) days prior to the laydown date.

5. **Distributors/Retail Distribution Centers**

- A. Any distributor/retail distribution center that ships a Restricted Title to a retail location that violates the Laydown Date Policy for the **first time**, will be responsible for contacting and instructing the retail location to take the title off sale and secure all copies until the laydown date. In addition, the distributor/retail distribution center and all violating retail locations will be placed on a watch list for the 12 months following this first violation.
 - B. Should a retail location on the 12 month watch list violate the Laydown Date Policy a **second time**, the distributor/retail distribution center will be required to not ship Restricted Titles to the violating retail location until the laydown date for the duration of the 12 month period (i.e., the distributor/retail distribution center will not ship from its warehouse or other facility until the laydown date).
 - C. Distributors/Retail Distribution Centers will be responsible for ensuring their accounts/retail locations comply with this Laydown Date Policy. Any distributor/retail distribution center that fails to cooperate with Scholastic in enforcing the above terms with its accounts/retail locations, or that violates the Laydown Date Policy itself, may itself be subject to penalties as Scholastic deems appropriate.
6. Any retailer, distributor, or retail distribution center, including its employees, officers and representatives, that shares information about or images of a Restricted Title, other than such information that is authorized to be released by Scholastic, before the laydown date on any social media, including but not limited to Facebook, Twitter, Instagram, Tumblr and Pinterest, shall be in violation of this Laydown Date Policy and subject to the consequences set forth above.
7. Notwithstanding the terms of this policy, Scholastic reserves the right to review any account's compliance record with this policy, and to take appropriate action if necessary. Certain Restricted Titles may warrant variation from or supplements to this policy and you will be notified in advance of any such situations. These terms are subject to change upon notice.