

DEMA Show 2024 Exhibit Space Selection and Seniority Policies

Exhibit space assignment for DEMA Show is determined during the exhibit space selection proceedings held each year. Exhibitors are drawn in groups based on the higher-to-lower number-order of seniority points they have earned. Those with the most points are drawn in the first group followed by those with the next highest points and so on.

Seniority points are valuable in selecting future show exhibit space locations. DEMA has adopted certain seniority policies to best serve the interest of all exhibitors. The following rules may only be changed by a majority vote of the DEMA Board of Directors.

1. Exhibit Space Selection

- 1. The exhibit space selection process is held each year at a pre-announced date and location and is open to current exhibitors who wish to attend and who meet all requirements. To reserve an exhibit space, the exhibitor must sign and submit a valid Contract for Exhibit Space and appropriate deposit prior to the established deadline and must exhibit at the Show during which space selection takes place. Exhibitors found in violation of show rules may not be permitted to choose space during their scheduled space selection time. Exhibitors who are late to appointments may lose their selection time slot and will be subject to selecting in a different time slot.
- 2. When the time for the announced exhibit space selection process has ended, space will be contracted on a first-come, first-served basis.

2. Earning Seniority Points

<u>Note:</u> Entities that have not exhibited previously have no seniority points until they physically exhibit and earn seniority points according to the rules below. No seniority points are earned if an exhibitor pays all or part of the exhibit space rental price but does not exhibit; if an exhibitor is found in violation of show rules; or if an exhibitor is a "guest" exhibitor.

- 1. Exhibitors receive two (2) seniority points for each year the exhibitor has contracted and paid for exhibit space as a discrete or "host" exhibitor. These points are accumulated and carried forward for future years.
- 2. Exhibitors receive one (1) seniority point for each 10' x 10' (100 sq. ft.) paid exhibit space unit occupied at the show during which space selection takes place. These points are <u>not</u> accumulated or carried forward for future years.
- 3. Current membership in DEMA entitles an exhibiting company to additional membership seniority points for the year in which the show is held. Companies with current membership in good standing receive the following bonus seniority points.

Silver Member: 10Gold Member: 15Platinum Member: 25

For example, current silver level membership in 2022 entitles an exhibiting company to have 10 membership points awarded toward space selection for the 2023 show. These membership seniority points are valid only for the current year's space selection point tally and are <u>not</u> accumulated or carried forward for future years.

- 4. Exhibiting companies participating in the Certification Census for the current year receive an additional two seniority points. These points are not accumulated or carried forward for future years.
- 5. Exhibiting companies participating in the Manufacturing Purchase Index (MPI) receive additional seniority points as listed below. **These points are <u>not</u> accumulated or carried forward for future years.** Please note:
 - a. The company must report both New Orders AND Inventories to qualify for seniority points.
 - b. Companies receive seniority points in one or more of each Category as listed below:
 - Soft Goods: 2 seniority points
 - Exposure protection: 1 seniority point
 - Hard goods: 3 seniority points
 - Accessories and bags: 1 seniority point.

Companies can choose to report in one or more, or all categories and earn seniority points accordingly. In this way those companies reporting full product lines earn additional incentive points and those choosing fewer can still earn.

- 6. If an exhibitor does <u>not</u> exhibit during any year, is found in violation of show rules while exhibiting, or elects to exhibit as a "guest" within a "host" company's space, points earned from previous years of participation (as described in section II a) are carried forward, but no additional points are earned (see section **h** for definition of "host" and "guest"). Guest exhibitors, non-exhibiting companies, and exhibitors found in violation of show rules may be excluded from space selection while at DEMA Show.
- 7. In some cases, several exhibitors or Pavilions will have the same number of seniority points. In this situation, exhibitors will select in the order in which their full payment for the current year's show was received.
- 8. Each year specific rules will be posted on DEMA's show website (www.demashow.com) to indicate how bonus and other seniority points are calculated. Methods of earning bonus points are subject to annual review and change.

3. Transferring Seniority Points

Written notification to DEMA Show Management (currently National Trade Productions) is required by certified mail for all the following occurrences:

- 1. **Exhibitor sold to a non-exhibiting company**: The points of the acquired exhibitor transfer to the acquiring company.
- 2. **Exhibitor sold to another exhibitor with the two exhibitors combining into one**: In general, a sale exists when the acquiring exhibitor acquires all the assets of the sold exhibitor. The surviving exhibitor retains the higher of the two seniority point amounts, but <u>not</u> a combination of the two. DEMA reserves the right to request documentation of the sale.
- 3. Exhibitor sold to another exhibitor with the two exhibitors continuing to exhibit independently: Each retains its separate seniority points. If at any future time the two exhibitors are combined into one, the surviving exhibitor retains the higher of the two seniority point amounts, but not a combination of the two.
- 4. **Sale of a product, product line, exhibitor name or division:** Sale of a product, product line, exhibitor name or division does not constitute a sale if the selling exhibitor continues to operate within the diving industry. In this case no points are transferred. If the sale of the product, product line, name or division causes the selling exhibitor to discontinue its presence in the diving industry, the acquiring exhibitor retains the higher of the two seniority points, but <u>not</u> a combination of the two.
- 5. **Dissolution of partnerships or distributorship**: The exhibitor that retains the company name retains the seniority points.
- 6. **Corporate name change**: Seniority points can be retained under the new name if a corporate resolution is presented to DEMA that indicates the name of the exhibitor has changed.
- 7. Change of ownership through a stock purchase: Does not affect seniority points.
- 8. **Separate exhibits for different product divisions**: In this case an exhibitor splitting its participation into two or more exhibits has the option of splitting the points evenly between the divisions or retaining all

points with the parent organization, giving none to the division(s) exhibiting separately. The option to split points must be exercised prior to the first exhibit space selection in which the divisions participate independently. Once points are allocated, they may not be combined later. All entities must be members, including affiliates and divisions, to earn membership seniority points.

4. Losing Seniority Points

- 1. Exhibitors that dissolve or discontinue operations forfeit all earned seniority points. Seniority points cannot be acquired by purchasing or otherwise acquiring a bankrupt exhibitor or one that has discontinued operations.
- Violations of exposition rules may subject an exhibitor to partial or total loss of seniority points. All violations will be subject to review and the loss of seniority points will be a unilateral decision by the DEMA Board of Directors.
- 3. Exhibitors that abandon or tear-down exhibits prior to Show closing, fail to staff their exhibits, fail to exhibit in a manner consistent with a positive sales image for their products/services, and/or fail to follow DEMA Show, or convention facility rules may forfeit seniority points normally awarded for participation in the show, subject to review and unilateral decision by the DEMA Board of Directors. Forfeited seniority points cannot be restored.

5. Grouping Exhibits

The purpose of allowing exhibits to group together is to assist show attendees in accessing certain specific categories of businesses. In some cases, these groupings may be designated as "Pavilions" while in other cases exhibitors with common customers or goals may wish to group together. Rules regarding groupings for different categories of businesses are described in detail herein.

- 1. In general, the "Pavilion" designation is reserved for travel/destination exhibitors that have 10 or more exhibit spaces and also a common diving business association. The Pavilion designation is discussed in more detail below.
- 2. Only one exhibitor may occupy a single 10 x 10 ft. exhibit space. All products displayed in an exhibit space must be manufactured or marketed to the wholesale trade by the exhibitor contracted for the exhibit space.
- 6. Non-Travel/Non-Destination Groupings: Exhibitors with alliances other than alliances of a specific geographic destination that desire to group their exhibits with one or more other companies may do so. However, a grouping of non-travel/non-destination companies does not accumulate seniority points. All such groupings are subject to approval by DEMA, including review by the Board of Directors. Once approved by DEMA or the Board, changes to groupings may be subject to an additional approval process by the DEMA Office or the DEMA Board at the Board's discretion. DEMA does not recognize non-travel/non-destination exhibitor groupings as "Pavilions." By nature of the non-Pavilion structure, exhibit space selection can be done at the lowest level of seniority of those companies participating in the group. Thus, when the exhibitor with the lowest seniority points selects a floor location, others in the group with higher seniority points can generally secure exhibit space nearby, as available.
- 7. Travel/Destination Groupings: Based on the needs of show attendees, the DEMA Board of Directors has specified that the Travel/Destination category of business should be made more accessible by permitting the grouping of specific and precisely defined geographic destinations. Travel-related resort or dive operators from a precisely defined geographic destination under the control of a collective Association may be permitted to group their exhibits into a destination-specific*, common area on the exhibit floor. To ensure their relevance, all rules regarding Travel/Destinations groupings are subject to annual review by the DEMA Office, and subject to approval by the DEMA Board of Directors. DEMA posts the latest rules on DEMA's show website (www.demashow.com).

*For example, specific island chains, single islands or single locations qualify. Note that the term "destination-specific" excludes broad areas such as "Baja Peninsula" or "Caribbean."

- 1. DEMA designates travel/destination groupings with at least five (5) exhibitors and at least 10 booth spaces in a common area and under the control of a collective Association as "Pavilions." Pavilions cannot have more than 30 companies exhibiting together (this count includes all "host/guest" exhibitors). Pavilions are provided additional benefits such as show directory listings of all contracted participants plus the Pavilion grouping, and the ability to accumulate Pavilion seniority space selection points. Groupings of fewer than five (5) companies and 10 booth spaces do not receive the benefits of Pavilion designation outlined above. Pavilion names and listings may be subject to initial approval by the DEMA Board of Directors and ongoing review of DEMA Staff and DEMA Show Management.
- 2. Pavilions on the DEMA Show floor at the time of the creation of this document will be considered grandfathered onto the Show floor. All new pavilions may be subject to the approval of the DEMA Board of Directors and ongoing review by the DEMA Office, based on the above guidelines.
- 3. Pavilion Seniority Points:
 - For exhibit space selection purposes, the years of participation of the Pavilion as an entity will be used to calculate the Pavilion's participation seniority points.
 - Seniority points earned for exhibit space size will be based upon the total paid exhibit space occupied by the Pavilion at the most recent show (show during which space selection takes place).
 - Pavilion membership seniority points are earned based on whether the Pavilion Coordinator (defined below in Section g 4) is a current DEMA member in good standing and are based on membership level. The membership point values are as follows:

Silver Member: 10Gold Member: 15Platinum Member: 25

- All participants in the Travel/Destination Pavilion earn seniority points for future shows. Should a participant withdraw from the Pavilion, DEMA can access these records and provide the seniority point count for exhibiting outside of the Pavilion at future shows. Thus, exhibitors are not "punished" for withdrawing from a pavilion.
- In some cases, several Pavilions will have the same number of seniority points. In this situation, Pavilions will select in the order that the complete payment for the current year's show was received.
- 4. Pavilion Coordination: DEMA requires pavilions to be managed by a Pavilion Coordinator. The Pavilion Coordinator will be responsible for assuring that each participant submits an Exhibit Space Rental Agreement and that all payments for the complete Pavilion area are received in full. All such groupings may be subject to approval at each show by the DEMA Board of Directors. The Pavilion Coordinator (not the individual participant) takes part in space selection on behalf of their Pavilion and its participants.
- 5. The Pavilion Coordinator is responsible for assigning space to participants within the approved Pavilion exhibit area, utilizing the Pavilion contract.
- 6. Changes in Current Travel/Destination Pavilions: Coordinators must get prior written approval from DEMA Show Management for any/all Pavilion participants that were not a part of the Pavilion in the previous year. All requests for changes to Pavilion participants must be submitted to DEMA show management at least 120 days prior to DEMA Show. To take advantage of discount periods and other bonuses, it is in the best interest of Pavilion Coordinators to organize and communicate with DEMA Show Management as far in advance as possible. Once Pavilions have been approved, changes in the participants cannot be made without written permission of DEMA Show Management, subject to DEMA Office approval.
- 7. Creating New Pavilions: New Pavilions must receive the approval of the DEMA Office and may require approval of the DEMA Board of Directors. Requests to create new Pavilions must be submitted to the DEMA Office and DEMA Show Management at least 120 days prior to DEMA Show for review.
- 8. Pavilion Pricing: For any exhibitor within the Pavilion to receive the member discount price for space, that participant in the Pavilion must be a DEMA member.

- 9. Pavilion Contracts: Each Pavilion participant is responsible for submitting his/her contract and payment to show management to secure space within their Pavilion; however, the Pavilion Coordinator is 100% financially liable for the entire space selected. Therefore, it is his/her responsibility to ensure that a 20% deposit against the entire space is submitted by the date specified by show management to qualify for the discounted space rate. This date and payment schedule will be posted to DEMA's show website (www.demashow.com).
- 10. No Pavilion Coordinator is authorized to utilize any other space contract or make revisions (including but not limited to revised space rates) to the DEMA Show space contract without prior written consent from DEMA Show Management.
- 11. Use of Aisle and Booth Sizes: Pavilion Coordinators may reconfigure booths within their Pavilion as long as the booths are not island type spaces (i.e., 20' x 20' or 20' x 30'). These spaces can be drawn in the Pavilion with advance approval from DEMA Show Management. Reconfiguration of booths to accommodate island type spaces can change the total net square footage that has been contracted for the Pavilion. Pavilion Coordinators may not create booths or other structures in aisles within or surrounding their Pavilion. Aisles may not be reconfigured.
- 8. Host Exhibitor Permitted to Have Guests: For exhibitors to take advantage of specific and mutually beneficial marketing opportunities that exist <u>outside of DEMA Show</u> but which would be helpful during the trade show, a fully paid exhibitor ("host") may allow up to a maximum of five (5) "guest exhibitors" to display within their DEMA Show exhibit space. The ONLY DEMA Show advantage provided to Guest exhibitors is placement with the Host exhibitor. Travel pavilions may only host a guest exhibitor from the same specific geographic location. Rules for Host/Guest exhibits include:
 - 1. Directory Listing: Listings in the show directory will include only the Host exhibitor name, but Guest exhibitors can purchase a separate listing. Host and Guest exhibitor names cannot be listed together in the directory and separated by punctuation. All directory listings are subject to review and approval by DEMA Show Management. All other listing rules apply.
 - Sponsorships: Only Host exhibitors may purchase sponsorship for DEMA Show and are financially
 responsible for any sponsorship purchases. The Host exhibitor may add the name of the Guest to their
 sponsorship effort, but the name of the Host exhibitor must be included with the sponsorship. The
 physical size of the Guest exhibitor name may not exceed that of the host exhibitor on sponsorship
 materials.
 - 3. Advertising: Only Host exhibitors may purchase directory, on-line, or DEMA Show App advertisement in the DEMA Show App, DEMA publications, or websites.
 - 4. Seminars: Only Host exhibitors may purchase seminar space at DEMA Show and are financially responsible for any seminar space purchases. Seminar listings will only be under the Host name.
 - 5. Exhibit Space Badges: Badges for all exhibitor representatives (Guest and Host) will include only the Host name.
 - 6. Space Requirements: Each "Host exhibitor" and "Guest exhibitor" must represent a minimum of 100 square feet in the exhibit space. For example, an exhibit space with a Host and two Guests requires a minimum of 300 square feet; 100 square feet for the Host, 100 square feet for Guest one (1) and 100 square feet for Guest two (2). Single guest exhibitors may not occupy a space larger than their host exhibitor. Non-profit organizations receiving non-profit pricing for exhibit space may not be a Host company.
 - 7. Signage: To preserve the integrity of the Host/Guest relationship, signage in the guest booth cannot exceed that which would be permitted for the booth were it a stand-alone exhibit. For example, a 10'x10' Guest exhibit space can have signage that fills the 10'x10' booth only. Guest signage cannot exceed the size of the booth space assigned to the Guest exhibitor. Host exhibitor signage must allow for this requirement.
 - 8. Guest Qualification: Guest exhibitors may exhibit with a host when there is a mutually beneficial marketing reason to do so. "Mutually beneficial marketing opportunities" will be unilaterally defined by DEMA and in general require that the relationship meet one or more of the following criteria: An

- exclusive US-wide distribution agreement for products made by the Guest exhibitor; A business agreement exclusive of the DEMA Show relationship between the Host and the Guest exhibitor(s); An equity affiliation between the Host and the Guest exhibitor(s). Other arrangements are subject to review and unilateral decision by DEMA. Exhibitors may only be Guests when their accounts are current with DEMA. Travel pavilions may only host a Guest exhibitor from the same specific geographic location.
- 9. Seniority Points: Only the seniority points for the Host exhibitor can apply to space selection. Guest exhibitors DO NOT earn seniority points when exhibiting within the Host's exhibit space. Guest exhibitors must reside within the contiguous space reserved by the Host exhibitor. The Host exhibitor is financially responsible for all space in their exhibit, including space for the Guest exhibitor(s). Exhibits must remain their original size to retain their original position on the show floor.
- 10. Approval: Once Guests have been approved, changes in the participants cannot be made without written permission from DEMA.
- 11. Host Qualifications and Pricing: Only fully paid for-profit Host exhibitors may have Guest exhibitors in their booth. Pricing for Guest exhibit spaces is billed at the rate appropriate to the Host company.
- 12. Cancellation by Host: Should a Host exhibitor cancel their appearance at DEMA Show the Host remains financially responsible for all contracted exhibit space, including that reserved for the Guest. Following Host cancellation, Guest exhibitors may contract for exhibit space independently of Host but may not be permitted to exhibit in the same floor location and are responsible per the additional contract terms.
- 9. Non-Profit Exhibit Space Pricing: DEMA offers non-profit DEMA-Member organizations the opportunity to exhibit at DEMA Show at a significant discount. Non-profits from the U.S. and its territories may purchase up to two (2) exhibit spaces at the rate of US \$595 per 100 net square feet upon providing documentation that indicates their status as a non-profit corporation in any of the non-profit tax categories allowed by the U.S. Internal Revenue Service (IRS). This can include organizations with the tax-exempt status of 501(c)(3), 501(c)(6), or others in a non-profit, tax-exempt status as defined by the U.S. IRS. DEMA Member Non-profits and Non-Governmental Organizations (NGOs) from outside the U.S. can participate in Non-Profit Exhibit Space Pricing when they present a certificate of non-profit business registration from their home government entity, and when they are DEMA Members in good standing.
 - 1. Appropriate documentation can include copy of the latest tax return or other proof directly from the U.S. Internal Revenue Service or State registration, indicating the organization's non-profit, 501 status or, if from outside the U.S., the appropriate governmental NGO registration documentation.
 - 2. Pricing for additional exhibit spaces will be at the prevailing rate at the time of purchase (i.e.: early purchase discount may apply).
 - 3. Non-Profit organizations receiving the DEMA non-profit rate may not act as "Host" exhibitors.
 - 4. Non-profit organizations that are not DEMA Member organizations may not purchase exhibit space at the non-profit rate.
 - 5. Deposits and liability payments are based on the complete purchase price of the exhibit spaces reserved at the time of purchase or cancellation, whichever is later.
- 10. Competing Organizations: DEMA reserves the right to unilaterally define and exclude any competing organization from exhibiting or advertising at the DEMA Trade Show and from participating in any DEMA-produced event.
- 11. Directory and Electronic Listings, Including Mobile App
 - 1. Exhibitors must use their parent company name when executing the exhibit space contract.
 - Directory listings will include the parent name with no brand or other names. However, DEMA will provide cross listings to brands, tied to the exhibiting member company and the company membership level as follows:

Annual Dues Amount	Brand cross listings
\$200	2

\$525	4
\$2525	8
Non-member	None

3. Host/Guest Exhibitors: Listings in the show directory will include only the Host exhibitor name, but Guest exhibitors can purchase a separate listing. Host and Guest exhibitor names cannot be listed together in the directory and separated by punctuation. All directory listings are subject to review and approval by DEMA show management. All other listing rules apply.