



## **ALUIDS MINIMUM ADVERTISED PRICE (MAP) POLICY**

**Effective Date: April 1, 2019**

**Krome USA Inc.**, is a Distribution Company of Foodservice & Commercial Plumbing Equipment, and has made significant investments in its brand image—emphasizing both, quality and performance of its Foodservice & Commercial Plumbing Products. In keeping with this, Krome USA Inc believes that its products should be advertised at prices that reflect the value of those products and **ALUIDS's** brands.

Krome USA Inc expects all distributors and retailers (collectively “resellers”), including those selling over the Internet, to maintain its high standards and brand image for these product lines. Krome USA Inc further expects all resellers to take the time to learn about it and properly promote its products, so resellers can properly serve their customers.

For all of these reasons, Krome USA Inc has implemented this Minimum Advertised Price (“MAP”) Policy (the “Policy”) for all its **Products**; (individually, a “Product,” and collectively, the “Products”).

This Policy is in addition to and separate from all other programs and policies intended to establish a strong brand presence, allowing the end customer an experience that is consistent with ALUIDS's emphasis on high quality and performance.

### **1. SCOPE OF POLICY**

The Policy applies to all resellers that sell, promote, or advertise the Products, including their online sale, and applies to all advertising and promotion of the Products. This includes, without limitation, placements on websites, social media, banner and pop-up ads, broadcast e-mails, landing pages, affiliated marketing, email marketing, etc.

This Policy applies only to advertised prices and does not apply to the maximum price at which the Products are sold to an end customer. All resellers remain free to sell the Products at prices

they choose after the consideration of minimum value for the product. ALUIDS does not seek, nor will discuss or accept, any agreement or assurance from resellers concerning the prices at which any reseller decides to sell the Products.

## **2. COVERED PRODUCTS**

This Policy covers only the Products (as that term is defined above), and does not apply to damaged, discontinued or non-active products, as long as the Product advertised clearly states that it is damaged, discontinued, or non-active.

From time to time, Krome USA Inc may choose to offer special promotions on certain Products. In such an event, ALUIDS reserves the right to modify or suspend this Policy in whole or in part by notifying resellers of the duration and nature of the change. Each reseller is responsible for regularly checking “www.aluids.com” to be aware of changes to the MAP and this Policy.

## **3. ADVERTISING AND PRICES**

a) Resellers are not required to indicate pricing for the Products on online media. However, if a price for a Product is indicated, the model shown on the rating plate must be included in the description of the Product being sold, and the advertised price of a Product covered by this Policy cannot be less than the MAP.

b) All advertised Products must accurately refer to the manufacturer’s limited warranties for the Product. Resellers must not misrepresent the terms of the manufacturer’s limited warranty or provide any warranty information that is misleading.

c) Resellers are reminded that they are prohibited from using the words “authorized,” “factory authorized,” “authorized reseller,” “factory authorized reseller”, “factory authorized internet reseller” or any other word or phrase that states or implies that the reseller is authorized or sponsored by ALUIDS.

d) Resellers are reminded that—unless pursuant to a separate express agreement reseller may have with ALUIDS—no rights to ALUIDS’s trademarks are granted. Resellers are, therefore, reminded that they are prohibited from, among other things, using the words “Aluids”, “Art & Performance Blended Together” or any other Aluids brand or trade name (or any confusingly similar words) as part of their trade or business names. This includes any use of such words within a root URL, email address, or any other identifier associated with a reseller.

e) The individual Aluids model numbers that compose the system combination must be displayed with the system pricing. The advertised prices for the Products cannot be less than the MAP. This applies to prices for an entire system or prices for individual components in the aggregate.

f) If a reseller advertises the “installed price” for a Product online, the advertised price of the Product must not be lower than the MAP. Advertising free or discounted labor and installation will constitute a violation if such inclusion has the effect of discounting the advertised price of the Product below the MAP.

g) Resellers may not sell Products to any other resellers that advertise or otherwise promote the Products in online media by indicating a price that is less than the MAP or that otherwise violates this Policy.

h) The posting or listing of the price of a Product on any approved third party website, including, without limitation, Amazon, Google Shopping, Yahoo, EBay, Facebook or other auction websites is considered as advertising by a reseller and subject to the terms and conditions of this Policy. Pricing that is not MAP compliant on these third party websites will be in violation of this Policy.

i) Resellers may advertise the Products at any price in excess of the MAP.

j) Resellers who advertise the Products in compliance with this Policy may not promote the Products through arrangements which provide cash back to customers. Doing so diminishes the brand image of the Products.

The following actions by a reseller **are not** allowed under this policy:

a) Displaying a numerical discount, as a percentage or dollars off next to the advertised price, that when applied lowers the advertised price below MAP.

b) Use of coupons or codes that imply a percentage or dollars off discount that would lower the advertised price to be below MAP.

c) Banners that display sitewide promotions with numerical discounts that when applied lowers the advertised price below MAP.

The following actions by a reseller **are** allowed under this Policy:

a) Displaying a numerical discount, as a percentage or dollars off next to the advertised price, that when applied does not lower the advertised price below MAP.

b) Promotions and sitewide banners that direct the consumer to the shopping cart for additional discounts.

c) Payment of applicable sales taxes;

d) Offering free shipping; and

e) Providing free financing.

#### 4. ENFORCEMENT

This Policy is a “three strikes” policy. If a reseller advertises any of the Products for resale at prices below the MAP three times within a seven day period such violation will result in such consequences as Krome USA Inc may determine in its sole discretion. These consequences may include, without limitation, loss of access or suspension to all or part of ALUIDS products. After each MAP violation, the reseller or dealer will receive an email with the date, time and screen shots detailing the Policy violation.

If an account is suspended, it will remain suspended for a minimum of seven days after correction of the MAP violation. Any subsequent MAP violation that occurs within a six month period from the date of the original suspension is subject to a minimum thirty day account suspension or account closure, as Krome USA Inc may determine in its sole discretion.

Krome USA Inc will investigate and resolve any reported violation unilaterally and in its sole discretion, and will communicate its decision to the particular reseller that is the subject of the investigation.

#### 5. POLICY ADMINISTRATION

This Policy shall be unilaterally administered by Krome USA Inc, and shall be effective **GLOBALLY**. Krome USA Inc does not seek consultation with any online reseller, nor will accept an agreement with any online reseller regarding this Policy. There are no third-party beneficiary rights to this Policy. Any failure by Krome USA Inc to require compliance with any provision of this Policy will not operate as a waiver of strict compliance in the future.

KROME USA INC SALES PERSONNEL AND REPRESENTATIVES HAVE NO AUTHORITY TO MODIFY OR GRANT EXCEPTIONS TO THIS POLICY OR HAVE ANY COMMUNICATIONS WITH ANY RESELLER REGARDING VIOLATIONS OF THIS POLICY. The Policy administrator shall be solely responsible for determining whether a violation of this Policy has occurred and for communicating with the offending reseller.

This Policy supersedes any other minimum advertised price policy previously issued by Krome USA Inc with respect to the Products. If any provision of this Policy is invalid or unenforceable in a jurisdiction or province, it is to be modified or severed in that jurisdiction or province to the extent of such invalidity or unenforceability and that fact does not affect the validity or

enforceability of that provision in another jurisdiction or province or this Policy's remaining provisions.

Each reseller is free to independently decide whether or not to follow this Policy. A reseller's decision to sell at or above MAP is not communicating acceptance or agreement to comply with this Policy.

This Policy is subject to revision by Krome USA Inc in its sole discretion at any time. Krome USA Inc will provide notice of changes to the Policy on [www.aluids.com](http://www.aluids.com) and copies of the current version of the Policy will be available upon request by the reseller. Questions regarding the Policy can be sent to [www.aluids.com](http://www.aluids.com).