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UNILATERAL MINIMUM ADVERTISED PRICE (MAP) POLICY

Schluter Systems (Canada) Inc. (“Schluter”) unilaterally announces and adopts this new Unilateral Minimum Advertised Price Policy (“MAP Policy”). This MAP Policy has two central elements; first, it readopts a minimum advertised price policy to maintain the value of our trade name and trademark within the industry and in the minds of our customers, and second, it restates Schluter’s intellectual property rights and use of such materials to protect the value of the Schluter brand, trademark, and trade name in order to maintain integrity and brand equity by emphasizing the value and quality of Schluter’s products through advertising and marketing.

To successfully market Schluter products requires an understanding of how to specify and construct lasting tile assemblies by choosing the right systems for a particular application. This understanding is acquired through the various educational programs offered by Schluter, which include CTEF workshops, in-house seminars, printed educational material, and our website. Schluter believes that our resellers must engage in similar activities – particularly contractor seminars and educational programs for sales staff – and display, or make available, educational and technical literature and samples.

To ensure profit margins for our resellers that are commensurate with our resellers’ investment in such training and educational activities, to protect the value of the Schluter brand, trademark, and trade name, and to maintain integrity and brand equity by emphasizing the value and quality of these products through advertising and marketing, Schluter has chosen to institute the following MAP Policy for all Schluter resellers in Canada. **This MAP Policy shall apply to all advertisements displayed or broadcasted within Canada.**

All Schluter products have a published suggested retail price that is outlined in the Schluter Price Catalog, entitled **Illustrated Price List**, and will change as the Price Catalog is amended from time to time and announced by Schluter. We maintain and announce on our website, www.schluter.ca, the Price Catalog, which has all current illustrated prices shown thereon. It is the resellers’ sole responsibility to reference the most current available price list to determine the current MAP Policy prices.

This MAP Policy only pertains to the advertising of Schluter products; in no way does the MAP Policy restrict the actual sales price of such products.

The MAP Policy provides the following guidelines:

1. Any advertised price more than ten percent (10%) below the suggested retail price for such product as listed in the then current Illustrated Price List would be inconsistent with the MAP Policy.
2. Except as otherwise expressly provided herein, the MAP Policy is applicable to all forms of advertising of Schluter products in any and all media, including, without limitation, flyers, newspapers, catalogs, mailings, displays, emails, faxes, the Internet, electronic media, and Internet banner ads. The MAP Policy is not applicable to in-store displays,



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- point-of-sale signs, hangtags, bar codes or similar marks on products or product packaging that merely states the sale price.
3. The advertising of free goods, bundles or volume discounts where the implicit price of any Schluter product is more than ten percent (10%) below the listed price in the Illustrated Price List would also be inconsistent with the MAP Policy. Advertising the availability of a volume discount without stating or including an advertised price is not inconsistent with the MAP Policy.
 4. Prices listed on an Internet website are considered advertised prices that are covered by the MAP Policy until the product is placed in the “virtual shopping cart.” Once the product enters the shopping cart, it is considered to be part of the checkout procedure; the price is deemed to no longer be an advertised price and does not constitute advertising for the purposes of the MAP Policy. However, indicating that the product must be placed in the virtual shopping cart to see the price would be considered advertising for the purposes of the MAP Policy.
 5. The MAP Policy applies only to advertised prices and does not apply to the price at which the products are actually sold or offered for sale to an individual customer at the reseller’s location or over the telephone. Resellers of Schluter products remain free to sell at any prices they elect.
 6. The MAP Policy does not establish maximum advertised prices. All resellers may offer Schluter products at any time in excess of the minimum advertised price established for such products.
 7. The MAP Policy does not in any way limit the ability of any reseller to advertise that “it has the lowest prices,” “it will meet or beat any competitor’s price,” “one should call for a price,” or phrases of similar import, so long as the products’ advertised price is not less than the minimum advertised price. However, if pricing is displayed, any strikethrough marking or other alteration of the price that might suggest that the price is below the minimum advertised price is inconsistent with the MAP Policy.
 8. Resellers agree to hold all trademarks of Schluter and its affiliates and subsidiaries as the property of Schluter and to use advertising materials provided by Schluter in an authorized manner only. In particular:
 - (a) Images used to promote and sell Schluter products must be approved by Schluter.
 - (b) All fonts, logos, and trade names must conform to Schluter’s company guidelines.
 - (c) Images generated by the reseller, which are used to promote and sell Schluter products, must be approved by Schluter.
 - (d) Use of images to promote and sell Schluter products on eBay.ca or any third-party website, are prohibited.



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- (e) Any organization or individual wishing to incorporate Schluter products on its website must display a highly visible web link to the www.schluter.ca website either before, immediately following, or within the page displaying Schluter content. Additionally, the top of each web page on which Schluter products are displayed must include the following notice: “The trademarks of Schluter® Systems are the exclusive property rights of Schluter Systems (Canada), Inc., its affiliates and subsidiaries and any commercial use is restricted except as permitted by law.”
 - (f) Trademarks, trade names and/or products owned by Schluter, its affiliates and subsidiaries may not be used in any domain name for resellers’ web page or any affiliated web pages; metatags; keywords used in advertising within search engines; and keyword advertising programs like Google Ads. Such use is a misappropriation of the Schluter mark and violates Schluter’s valuable intellectual property rights.
 - (g) Resellers are prohibited from adopting the look and feel of the Schluter website, which may mislead customers into believing that Schluter owns, sponsors, endorses, licenses, or is otherwise affiliated with the resellers’ commercial website.
9. While resellers are free to sell at whatever price they wish, the use of any Schluter trademark, trade name, or Schluter created/owned images in any advertisement that promotes Schluter products at a price more than 10% below the suggested retail price for such product, as listed in the then current Illustrated Price List, is prohibited. The use of Schluter’s trademarks or trade names in advertising is limited to authorized resellers in good standing with Schluter’s MAP Policy. Resellers acting inconsistently with the MAP Policy will no longer be in good standing, and any authorization to use, reprint, or reissue our trademark or trade name in any advertisement is automatically revoked.
10. All content on the www.schluter.ca website is owned and controlled by Schluter and is protected. Resellers in good standing may download or copy content for their personal use or commercial purposes, but no modification of the content is permitted, including changes, deletions of any copyright, trademark (including corporate logo), or other proprietary notices.
11. Although Schluter resellers are free to establish their own advertised prices on products that Schluter has already sold to resellers, Schluter will, without assuming any liability, cancel all existing unfilled orders and indefinitely refuse to accept any new orders from any reseller immediately after verifying, in its sole judgment and to its sole satisfaction, that such reseller has deviated from this MAP Policy.
- (a) For greater certainty, Schluter will cancel all existing unfilled orders and refuse to accept any new orders from resellers who advertise Schluter products below the minimum advertised prices set forth in the Illustrated Price List, or suggest



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directly or indirectly in any medium, publication, or on the Internet that the price of any Schluter product is below the minimum advertised price in the Illustrated Price List.

12. Intentional and/or repeated failure to abide by this MAP Policy will result in the termination of dealership or distributorship for the violating reseller. Schluter does not intend to do business with resellers who compromise the perceived value of Schluter and its products.
13. This MAP Policy is not subject to negotiation, and Schluter will not discuss any conditions of acceptance related to this MAP Policy. Schluter will not respond to any questions from or comments by one reseller regarding the activities of any other reseller. Further, Schluter neither solicits nor will it accept any assurance of any reseller compliance with the MAP Policy. Nothing in the declaration of the MAP Policy shall constitute an agreement between Schluter and any reseller.
14. The policy administrator shall be solely responsible for determining whether a violation of the MAP Policy has occurred, communicating decisions to resellers regarding this MAP Policy, and receiving any communication regarding sanctions imposed under this MAP Policy. **SCHLUTER SALES PERSONNEL OR OTHER EMPLOYEES HAVE NO AUTHORITY TO MODIFY OR GRANT EXCEPTIONS TO THIS MAP POLICY.**
15. This MAP Policy is effective as of June 1, 2019 and shall remain in effect until further written notice from Schluter. Schluter reserves the right at any time to modify, suspend, or discontinue the MAP Policy in whole or in part or designate promotional periods during which the terms of the MAP Policy change or designate periods of time during which the MAP Policy is not applicable. MAP Policy modifications shall be made available on Schluter's website at www.schluter.ca.
16. All questions or comments regarding this MAP Policy should be directed to the MAP Policy administrator at Schluter Systems (Canada) Inc. by phone at 1-800-667-8746, by email to MAP@schluter.com, or by mail to Schluter Systems (Canada) Inc., Attn: MAP Policy Administrator, 21100 chemin Ste-Marie, Ste-Anne-de-Bellevue, QC H9X 3Y8.