



The Simple Comforts of Life

### **Noritz America IMAP Policy**

Effective as of August 1, 2018

#### Introduction:

Noritz America has adopted the following Internet Minimum Advertised Price (“IMAP”) Policy, which is applicable to all U.S. Noritz America dealers, sales representatives, distributors, retailers, and resellers, otherwise referred to as “Sellers”. Noritz America has adopted this IMAP Policy in offer to promote the quality of Noritz Branded Products, preserve individual pricing decisions, and maintain a fair business environment for all Sellers. The IMAP Policy will allow us to continue providing the highest quality products and service to our customers and Sellers.

Noritz America, in its unilateral discretion, will not do business with any reseller, as to the products covered by this IMAP Policy, if that reseller intentionally advertises any IMAP product below the set IMAP price. Noritz America is confident that this program will strengthen its competitiveness and benefit all its resellers.

#### IMAP Policy and Guidelines:

1. Noritz America reserves the right, in its unilateral discretion, to take other action with respect to any reseller that violates this IMAP Policy.
2. The IMAP policy will be enforced by Noritz America in its sole discretion.
3. Noritz will maintain an updated “IMAP Products” list of those products that will fall under this IMAP Policy on the Company’s Main Website. Noritz America reserves the right to update or modify the list at any time.
4. At certain times, Noritz America will grant permission to resellers to advertise the IMAP Products at the process lower than the IMAP retail price. In such events, Noritz America reserves the right to modify or suspend the IMAP retail price with respect to the affected products for a specified period by providing advanced notice to all resellers of such changes.
5. If a reseller with multiple store locations violates this IMAP Policy at any particular store location, then Noritz America will consider this to be a violation by all of the reseller’s locations.
6. The IMAP policy applies to all advertisements of Noritz America products in any and all media, including, but not limited to, posters, flyers mailers, coupons, newspapers, magazines, inserts, catalogs, mail order catalogs, email newsletters, email solicitations, Internet or similar electronic media, television, radio, and public signage. The IMAP policy is not applicable to any in-store advertising that is displayed only in the store and not distributed to any customers.
7. Pricing listed on the internet is considered an “Advertised Price” and must adhere to the IMAP policy. Once the pricing is associated with an actual price (an internal order), the price becomes the selling price and is not bound by this IMAP policy. Statements such as “we will match any price” and “call for price” are acceptable. Internet auctions may not display or have reserved bid or other acceptable prices below the IMAP price.

8. The Noritz America IMAP Policy does not establish Maximum Advertised Prices, therefore all Sellers may offer Noritz Products at any price that exceeds the IMAP established for such product.

Consequences:

1. Level 1 (Non-Compliance Awareness Letter)
  - ACTION REQUIRED Regarding Non-Compliance of Company Internet Minimum Advertised Price ("IMAP") Policy
    - i. Request that company gives this matter their utmost attention and update their advertised prices within the next two weeks.
2. Level 2 (Non-Compliance Correction Action Letter)
  - ACTION REQUIRED Second Notice Regarding Non-Compliance of Company Internet Minimum Advertised Price ("IMAP") Policy
    - i. Imperative that issue gets resolved as soon as possible.
3. Level 3 (Final Warning Letter)
  - IMMEDIATE ACTION REQUIRED Third and Final Notice Regarding Non-Compliance of Company Internet Minimum Advertised Price ("IMAP") Policy
    - i. Suspension of any/all orders to company's account will be placed on a Do Not Sell list, which will be shared with our distribution partners.

We are aware that all companies have the right to sell our products to whomever they want, but we must be assured that our IMAP Policy is maintained in strict compliance to assure not only the integrity of our brand, but also assuring all companies and partners a level playing field in the marketplace.