

PROFILITEC CORPORATION UNILATERAL MINIMUM ADVERTISED PRICE (UMAP) POLICY

Profilitec Corporation ("Profilitec") adopts the following Unilateral Minimum Advertised Price Policy ("MAP Policy"). This Unilateral MAP Policy adopts a minimum advertised price policy to maintain the value of our trade name and trademark within the industry.

To successfully market Profilitec products requires an understanding of how to specify and construct lasting flooring assemblies by choosing the right systems for a particular application. This understanding is acquired through the various educational programs offered by Profilitec, which include training workshops, in-house seminars, printed educational material, and our website. Profilitec resellers must engage in these 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 Profilitec 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, Profilitec has chosen to institute the following unilateral MAP Policy for all Profilitec resellers in the United States. This unilateral MAP Policy shall apply to all advertisements displayed or broadcasted within the United States and its territories.

All Profilitec products have a published suggested retail price that is outlined in the Profilitec Price Catalog, entitled **2023 Price List USA**, and will change as the Price Catalog is amended from time to time and announced by Profilitec. It is the resellers' sole responsibility to reference the most current available price list to determine the current unilateral MAP Policy prices.

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

The MAP Policy provides the following guidelines:

- 1. Any advertised price more than twenty percent (20%) below the suggested retail price for such product as listed in the then current Price List USA would be inconsistent with the MAP Policy.
- 2. Except as otherwise expressly provided herein, the unilateral MAP Policy is applicable to all forms of advertising Profilitec 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 unilateral MAP Policy is not applicable to in-store displays, 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 Profilitec product is more than twenty percent (20%) below the listed price in the Price List USA would also be inconsistent with the unilateral MAP Policy. Advertising the availability of volume discount without stating or including an advertised price is not inconsistent with the unilateral MAP Policy.
- 4. Prices listed on an Internet website are considered advertised prices that are covered by the unilateral 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 unilateral 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 unilateral MAP Policy.
- 5. The unilateral 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 Profilitec products remain free to sell at any prices they elect.
- 6. The unilateral MAP Policy does not establish maximum advertised prices. All resellers may offer Profilitec products at any time in excess of the minimum advertised price established for such products.
- 7. The unilateral 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 unilateral MAP Policy.
- 8. Resellers agree to hold all trademarks of Profilitec and its affiliates and subsidiaries as the property of Profilitec and to use advertising materials provided by Profilitec in an authorized manner only. In particular:
 - A. Images used to promote and sell Profilitec products must be approved by Profilitec.



- B. All fonts, logos, and trade names must conform to Profilitec's company guidelines.
- C. Images generated by the reseller, which are used to promote and sell Profilitec products, must be approved by Profilitec.
- D. Use of images to promote and sell Profilitec products on eBay.com or any third-party website, are prohibited.
- E. Any organization or individual wishing to incorporate Profilitec products on its website must display a highly visible web link to the www.profilitec.com website either before, immediately following, or within the page displaying Profilitec content. Additionally, the top of each web page on which Profilitec products are displayed must include the following notice: "The trademarks of Profilitec Corporation are the exclusive property rights of Profilitec SPA, its affiliates and subsidiaries and any commercial use is restricted except as permitted by law."
- F. Resellers are prohibited from adopting the look and feel of the Profilitec website, which may mislead customers into believing that Profilitec 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 Profilitec trademark, trade name, or Profilitec created/owned images in any advertisement that promotes Profilitec products at a price more than 20% below the suggested retail price for such product, as listed in the then current Price List USA, is prohibited. The use of Profilitec's trademarks or trade names in advertising is limited to authorized resellers in good standing with Profilitec's unilateral MAP Policy. Resellers acting inconsistently with the unilateral 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.profilitec.com website is owned and controlled by Profilitec 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 Profilitec resellers are free to establish their own advertised prices on products that Profilitec has already sold to resellers, Profilitec 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 unilateral MAP Policy.

- a. Intentional and/or repeated failure to abide by this unilateral MAP Policy will result in the termination of dealership or distributorship for the violating reseller.
- 12. This unilateral MAP Policy is not subject to negotiation, and Profilitec will not discuss any conditions of acceptance related to this unilateral MAP Policy. Profilitec will not respond to any questions from or comments by one reseller regarding the activities of any other reseller. Further, Profilitec neither solicits nor will it accept any assurance of any reseller compliance with the unilateral MAP Policy. Nothing in the declaration of the unilateral MAP Policy shall constitute an agreement between Profilitec and any reseller.
- 13. The policy administrator shall be solely responsible for determining whether a violation of the unilateral MAP Policy has occurred, communicating decisions to resellers regarding this unilateral MAP Policy, and receiving any communication regarding sanctions imposed under this unilateral MAP Policy. PROFILITEC SALES PERSONNEL OR OTHER EMPLOYEES HAVE NO AUTHORITY TO MODIFY OR GRANT EXCEPTIONS TO THIS UNILATERAL MAP POLICY.
- 14. This MAP Policy is effective as of May 25th, 2023 and shall remain in effect until further written notice from Profilitec. Profilitec reserves the right at any time to modify, suspend, or discontinue the unilateral MAP Policy in whole or in part or designate promotional periods during which the terms of the unilateral MAP Policy change or designate periods of time during which the unilateral MAP Policy is not applicable.

All questions or comments regarding this unilateral MAP Policy should be directed to the Policy administrator at Profilitec Corporation, 472 Meeting Street, Suite C, #301, Charleston, SC 29403.