

Cheviot Products Inc. MAP Policy

1 July, 2015

To our valued customers:

This letter is to inform you that the following minimum advertised price (MAP) policy will go into effect on **1 August, 2015** and will apply to all wholesalers, showrooms, stocking distributors, and authorized online retailers of Cheviot Products.

The goal of this policy is to maintain dealer margins, protect our brand reputation and to enable proper post-sale customer support through the uniform advertising of product prices.

Minimum Advertised Price

Advertised prices for products may not appear at a discount of greater than twenty-five percent (25%) off Cheviot Products' current list price. This includes any coupons or allowances which may be applicable. The policy applies to all product categories (sinks, faucets, bathtubs, etc.)

Consequences for Violation of this MAP Policy

<u>First Violation</u>	A written notice will be issued requesting correction of the advertised pricing within 5 business days. If pricing is not corrected, a second violation will be applied.
<u>Second Violation</u>	Purchasing of products in violation of the MAP policy shall be suspended for a period of 30 days. Purchasing shall not be reinstated until pricing is brought into compliance with the MAP policy.
<u>Third Violation</u>	Purchasing of all products shall be suspended for a period of 30 days.
<u>Fourth Violation</u>	Purchasing status will be suspended indefinitely.

Authority

Cheviot Products Inc. has adopted this MAP policy unilaterally in furtherance of its independent business strategy and reserves, at its sole discretion, the right to change its MAP policy and interpret, enforce and otherwise handle all questions and issues related to the policy. No sales representative or employee of Cheviot Products Inc. has the authority of discuss, change, or enforce the MAP Policy.

We appreciate your cooperation with the minimum advertised price policy. Your continued business is very important to us and I trust you will appreciate our efforts to protect our brand reputation and your margins.

Please direct any questions concerning the MAP policy to Jameel Amlani at 1-800-665-7858.

Thank you,

Jameel Amlani
General Manager