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“From The Mountains of Montana to Your Home”

Minimum Advertised Price Policy

Introduction

As the leader in innovative design and uniquely purposeful products, Montana Woodworks® is proud to support its high quality dealers in their efforts to educate, assist and support our customers in the often uncertain world of consumer purchases.

We recognize that our dealers invest time and resources to deliver an extraordinary customer experience through knowledgeable staff and compelling presentation. To best support our dealer's efforts, Montana Woodworks® has unilaterally established a MAP policy that will allow dealers to institute and maintain the margins necessary to preserve the high level of customer excellence that consumers have come to expect.

To best protect the investment of our dealer's time and efforts, Montana Woodworks® has unilaterally adopted this Minimum Advertised Pricing Policy. It is our belief that promotion of Montana Woodworks® products established primarily on the basis of price could be detrimental to the dealer's efforts to provide excellent customer service and support, as well as being harmful to Montana Woodworks® brand and image.

In order to avoid impairment of dealer's time and effort while also protecting Montana Woodworks® brand, reputation and effectiveness, the following policy was implemented effective April 15th 2013.

Policy

- 1.** All Montana Woodworks® products have a Minimum Advertised Price. This MAP pricing is made available twice yearly in the Montana Woodworks® Vendor Information File and/or as requested. Montana Woodworks® reserves the right to update or modify Minimum Advertised Pricing at any time.
- 2.** This MAP Policy applies to all advertisements of Montana Woodworks® products in any and all media including but not limited to; Internet, Social Media, websites or similar such electronic media, radio, television, public signage, flyers, coupons, mailers, inserts, newspapers, magazines, catalogs, mail order catalogs, email newsletters, email solicitations, etc.
- 3.** This MAP Policy is not applicable to any in-store advertising that is displayed only in store and not distributed to the customer.
- 4.** If pricing is displayed, any strike through or other alteration of the Minimum Advertised Price is strictly prohibited.

- 5.** MAP 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 consumer or over the telephone. Dealers of Montana Woodworks® products remain free to sell these items at any price they choose.
- 6.** MAP does not establish maximum advertised prices. All dealers may offer Montana Woodworks® products at any price in excess of the Minimum Advertised Price.
- 7.** Internet auctions may not display or have reserved bid or other acceptable prices below the MAP price.
- 8.** The inclusion in advertising of free, discounted or bundled products (whether made by Montana Woodworks® or another manufacturer) with a product covered by this MAP Policy would be contrary to this policy if it has the effect of discounting the advertised price of the covered product below the MAP.
- 9.** Montana Woodworks® MAP Policy does not in any way limit the ability of any dealer to advertise that they “have the lowest advertised price” or that they “will meet or beat any competitors price” that consumers should “call for price” or phrases of similar import as long as the price advertised or listed for the products is not less than MAP.
- 10.** From time to time, Montana Woodworks® may permit dealers to advertise products at prices lower than the MAP price. One such example may be the timeframe of the day prior to Thanksgiving until the Tuesday following Thanksgiving. Prior authorization for any such deviation from MAP Policy must be approved, in writing, by Montana Woodworks®.
- 11.** From time to time, Montana Woodworks® may offer a direct manufacturer’s rebate to customers. In such events, it shall not be a violation of this MAP Policy to advertise the availability of the manufacturer’s rebate provided; (a) the advertisement include the MAP Policy compliant price, the rebate amount and the net price after manufacturer’s rebate in the same type size and style AND (b) an asterisk is placed next to the net price after the manufacturer’s rebate, AND (c) the phrase “*After Manufacturers Rebate” appears in the same area of the advertisement as the advertised product.
- 12.** Where Montana Woodworks® products are bundled or sold as part of a package that includes other products (whether manufactured by Montana Woodworks® or not), it shall be a violation of this MAP policy to sell or advertise the bundle (or package) at a price that: (a) is lower than the total Minimum Advertised Price of the Montana Woodworks® product or (b) violates the letter or spirit of the MAP Policy.

13. It shall be a violation of this MAP Policy to include in any advertising for Montana Woodworks® products any additional discount, coupon, gift card or incentive (whether in the form of a special event, promotion, term of doing business or otherwise) that translates into an immediate price reduction where the cumulative effect would be to reduce the advertised price of any product below MAP. Advertising that includes an additional discount, coupon, gift card, points or any other incentive for future purchases shall be evaluated under the same guidelines as described in section 12 regarding product bundling. For example, a gift card redeemable on a future purchase would be considered an “other product” under section 12. This section (13) shall not apply to any manufacturer’s rebate from Montana Woodworks® on Montana Woodworks® products.

14. It shall not be a violation of this MAP Policy to advertise that a customer may “call for price” or “email for price” or to use similar such language, specifically with Montana Woodworks® products so long as no price is listed. It WILL be a violation of this Policy to list the MAP price and also advertise “call for lower price” or “email for lower price” or use similar such language to effectively circumvent this policy.

15. If a dealer with multiple physical locations or multiple websites violates that MAP Policy at any particular store or website, Montana Woodworks® shall consider this to be a violation by all of the dealer’s locations and/or websites.

16. Although dealers remain free to establish their own resale prices, Montana Woodworks® reserves the right to cancel all orders and indefinitely refuse to accept any new orders from any dealers following Montana Woodworks® verification that such reseller has advertised any MAP Products at a net retail sales price less than the then current MAP retail price established by Montana Woodworks® or if the dealer violated this policy in any other way.

17. Montana Woodworks® sales representatives are NOT permitted to discuss this policy or make any agreements or assurances with respect to Montana Woodworks® Policy regarding dealer advertising or pricing.

18. Montana Woodworks® does not seek, nor will it accept any written or oral, formal or informal agreement, with any of its dealers regarding the prices that a dealer may advertise or charge at any time for Montana Woodworks® products.

Minimum Advertised Pricing Policy

Acknowledgment of Receipt and Understanding

This MAP Policy has been unilaterally established to protect the Montana Woodworks® brand, image and reputation. The MAP Policy is also designed to ensure dealers and sales representatives have the incentive to invest time and resources into providing the excellent customer service that Montana Woodworks® is renowned for.

Please indicate your understanding of this policy and by signing and listing the name of your company below. Ensure you list all physical/on-line locations.

We appreciate your commitment to continuing outstanding customer service and satisfaction.

Agreed to by: _____

Printed Name of Dealership Principal: _____

Signature of Dealership Principal: _____

Date: _____

Dealership or E-Commerce Name: _____

Dealership or E-Commerce Address: _____

Physical Location(s) if applicable or in addition to above: _____

Website URL(s): _____

MAP Policy Advertising Guidelines

ADVERTISEMENTS CONSISTENT WITH MAPP	ADVERTISEMENTS NOT CONSISTENT WITH MAPP
<p>An advertisement stating a price at or higher than the MAP for that specific MAP product.</p>	<p>An advertisement stating a price lower than the MAP price regardless of whether it is a “One Time”, “X Hours Only”, “Grand Opening” or other temporary sale</p>
<p>“Price Too Low To Print”</p> <p>“Call For Price”</p> <p>We Will Meet or Beat Any Competitors Price”</p> <p>Pricing that is communicated by individually addressed email or phone call to a specific user/customer that has REQUESTED a price quote.</p>	<p>MAP price shown with a line through it, a strike-through, a cancel sign or other indication, sign or symbol indicating a price below MAP.</p> <p>For E-Commerce sites, showing a price below MAP on any web page, pop-up or window prior to the final “checkout” page that requires payment information.</p> <p>This includes, without limitation, “Click For Price”, “Show Price”, “Add To Cart For Price”, “Place In Cart For Price”, “Check Out Now For Price” or similar links or buttons that show a price below MAP upon clicking on, rolling over or other activation whether or not such activation navigates the user to a cart or any other page or window, unless it is the actual final checkout page that requires payment information.</p>
<p>Advertisements that offer:</p> <ul style="list-style-type: none"> • \$X or X% off on total purchases • X% off any item • Instant rebates or discounts • Other store-wide or category-wide discounts <p style="text-align: center;">IF</p> <p>(A) The offers are not limited to Montana Woodworks® products or brands,</p> <p style="text-align: center;">AND EITHER</p> <p>(B)(I) Montana Woodworks® products are not shown in the advertisement</p> <p style="text-align: center;">OR</p> <p>(B)(II) Montana Woodworks® are shown in the ad but without</p> <p>(1) A netted down price below the MAP, or</p> <p>(2) A regular price that would result in a netted down price below MAP after application of the offer, whether or not the ad actually states the netted down price.</p>	<p>Advertisements that offer:</p> <ul style="list-style-type: none"> • \$X or X% off on total purchases • X% off any item • Instant rebates or discounts • Other store-wide or category-wide discounts <p style="text-align: center;">IF</p> <p>(A) The offers are not limited to Montana Woodworks® products or brands,</p> <p style="text-align: center;">OR</p> <p>(B) the offers are not limited to Montana Woodworks® products and brands and Montana Woodworks products are shown in the ad</p> <p style="text-align: center;">WITH</p> <p>(I) A netted down price below MAP or,</p> <p>(II) A regular price that would result in a netted down price below MAP after application of the offer, whether or not the ad actually states the netted down price.</p>

EXAMPLES

<i>ADVERTISEMENTS CONSISTENT WITH MAP</i>	<i>ADVERTISEMENTS NOT CONSISTENT WITH MAP</i>
<ul style="list-style-type: none"> • “Purchase Any Dining Table Set And Get A \$50 Instant Rebate” <p>NO MONTANA WOODWORKS® NAME, PRODUCTS OR PRICES SPECIFIED</p>	<ul style="list-style-type: none"> • “Purchase Any Montana Woodworks® 4 Post Dining Table And Get A \$50 Instant Rebate.” <p>SPECIFIC MONTANA WOODWORKS NAME, PRODUCT AND/OR PRICES IN AD</p>
<ul style="list-style-type: none"> • “Purchase Any Dining Table And Get A \$50 Instant Rebate.” <p>IF A SPECIFIC MONTANA WOODWORKS® DINING TABLE WITH A \$699 MAP IS SOLD AT A REGULAR PRICE OF \$749, WITH A FINAL PRICE AFTER REBATE OF \$699, THEN IT IS MAP COMPLIANT.</p>	<ul style="list-style-type: none"> • “Purchase Any Dining Table And Get A \$50 Instant Rebate.” <p>IF A SPECIFIC MONTANA WOODWORKS® DINING TABLE WITH A \$699 MAP IS SOLD AT A REGULAR PRICE, WHICH WHEN COMBINED WITH THE INSTANT REBATE, LOWERS THE SALE PRICE TO LESS THAN \$699, THEN IT IS NOT MAP COMPLIANT.</p>
<p>Free shipping, low interest financing or other services along with the purchase of a Montana Woodworks® product provided that the ad does not show/subtract the value of the service along with/from the regular price to indicate a netted down price below MAP, whether or not the ad actually states the final netted down price.</p>	<p>Free products, gifts or other items with the purchase of a Montana Woodworks® product(s).</p> <p>Free Montana Woodworks® product with the purchase of another Montana Woodworks® product or any other product(s).</p>
<p>Two or more Montana Woodworks® products advertised for one price, if the total price is equal to or greater than the sum of the individual MAP prices.</p> <p>Example: Products A and B have MAP prices of \$400 and \$300 respectively. If they are advertised for one price and that advertised price is greater than or equal to \$700, then the ad is compliant with the MAP policy.</p>	<p>Two or more Montana Woodworks® products advertised for one price, if the total of the price is less than the sum of the individual MAP prices.</p> <p>Example: Products A and B have MAP prices of \$400 and \$300 respectively. If they are advertised for one price and the advertised price is less than \$700, then the add is in violation of MAP policy.</p>

QUESTION	ANSWER
<i>What Is MAPP?</i>	<p>MAP stands for Minimum Advertised Pricing. MAP policy refers to this unilateral Minimum Advertised Pricing Policy which began on the effective date listed in the policy.</p>
<i>Why Did Montana Woodworks® Implement This MAP Policy?</i>	<p>Montana Woodworks® objective is to have its products compete with other brands in the market place on the basis of total value including quality, features, after sale support and price.</p> <p>Montana Woodworks® established this policy in an effort to ensure the long-term viability of its brands and to help protect those dealers who provide valuable services to their customers.</p> <p>Montana Woodworks® feels that a written policy best serves the interests of its dealers as a whole.</p> <p>Montana Woodworks® products premium image has been well earned through extensive product and market development activities and through superior customer service.</p> <p>This policy serves to ensure Montana Woodworks® products remain within the “premium” range.</p>
<i>How Does MAP Work?</i>	<p>A MAP policy prohibits a manufacturer’s dealers from advertising the manufacturer’s products below prices set by the manufacturer.</p> <p>A MAP policy is designed to promote fair competition amongst retailers.</p> <p>Montana Woodworks® had unilaterally implemented this MAP policy and has determined specific minimum prices at or above which it believes dealers should advertise its products in order to remain dealers.</p> <p>See text and examples in the body of the document for specific details.</p>

<p><i>What Happens If A Dealer Chooses To Advertise Below MAP?</i></p>	<p>Dealers may choose to advertise below MAP. However, in that event, Montana Woodworks® will in its sole discretion, unilaterally implement steps noted in the policy to bring such dealer into compliance or revoke dealers status including but not limited to right of refusal in accepting new orders and/or fulfilling existing orders and shipments.</p>
<p><i>What kinds of communications with customers are not subject to the MAP policy?</i></p>	<p>In-store signage that is not given to customers is not considered to be using media.</p> <p>Answers to price related questions directed to specific customers who have made or sent inquiries or requests for prices are considered consumer initiated.</p> <p>Both of these examples are considered to be “Offers of Sale” and not advertising.</p>
<p><i>Does The MAP Policy Apply To The Dealer’s Final Selling Price?</i></p>	<p>No. The MAP policy only applies to the prices in advertising.</p>
<p><i>Once Revoked, Can A Dealer Be Reinstated?</i></p>	<p>It is possible for a revoked dealer to be reinstated. However, the dealer must not communicate with Montana Woodworks® its assurances about its future advertising or pricing plans.</p> <p>The decision whether to and if so reinstate any dealer are in Montana Woodworks® sole and absolute discretion and Montana Woodworks® will not consider nor accept dealer statements or input.</p>
<p><i>Where Should I Direct Any Additional Questions About Montana Woodworks® MAP Policy?</i></p>	<p>All questions regarding this MAP policy should be directed to info@montanawoodworks.com or sent via fax to 406.889.3811</p>