

Gerber® Plumbing Fixtures LLC Internet Minimum Advertised Price Policy - Effective June 1, 2020

INTRODUCTION:

This Policy replaces and supersedes all prior Internet Minimum Advertised Price policies (“IMAP” or “Policy”) issued by Gerber Plumbing Fixtures LLC (“Gerber”), and applies to all Gerber distributors, wholesalers and other resellers located in the United States (collectively, the “Resellers”). This Policy has been implemented in order for Gerber to better compete in the market for premium plumbing fixtures, faucets, fittings, showerheads, and bath accessories. In particular, Gerber has determined that adoption of this Policy is a necessary component of its strategy to reduce or minimize distribution channel conflicts and to ensure that its Gerber and Danze® by Gerber line of products is supported with aggressive marketing, prominent merchandising and product displays, pre-sale and post-sale customer service, education, and stocking of sufficient product inventories to adequately service the local market.

This Policy is subject to change at any time by Gerber, at its sole and absolute discretion.

POLICY APPLICATION:

This Policy applies to all Resellers of Gerber and Danze by Gerber products who buy directly from Gerber and who now or hereafter directly sell Gerber or Danze by Gerber products on the internet or who resell any Gerber or Danze by Gerber products to one or more companies operating an internet website on which they sell, or intend to sell, Gerber products.

POLICY:

The Internet Minimum Advertised Price (“IMAP”) for all Gerber and Danze by Gerber products is 30% off the current standard list price published by Gerber.

This policy is unilateral, non-negotiable, and will not be altered for any Reseller. Each Reseller is free to independently decide whether or not to follow the Policy. All Resellers of Gerber products remain free to sell Gerber products at any price they choose at their sole and absolute discretion.

This Policy applies to all active SKUs manufactured and distributed under the Gerber brand name and Danze by Gerber brand name. It does not apply to discontinued, closeout or distressed merchandise, or to special over-stock promotions as announced by Gerber. It also does not apply to tank covers or parts. Gerber may also, from time to time, announce promotional periods during which the Policy will not apply with respect to all or some Gerber products.

VIOLATIONS:

A “Violation” of the “Internet Minimum Advertised Price Policy” occurs when a price for a Gerber or Danze by Gerber product is displayed on any internet site that is more than 30% below the published list price on gerber-us.com. This includes using any online or internet ads or campaigns with respect to the sale of Gerber products, as well as sponsored links and websites operated by, affiliated with, and/or linked to the Internet Reseller’s website(s). The definition of price does not include any price discounts displayed after a product is added to the cart.

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If, after conducting an investigation, Gerber determines to its sole satisfaction that a Reseller directly or indirectly through third parties has engaged in Internet Advertising of any Gerber products at a resale price less than the IMAP price, Gerber may take the following actions:

Gerber will first notify the Reseller in writing of any violation of the IMAP Policy. If the Reseller corrects the violation within fifteen (15) calendar days, no further action will be required. If the Reseller fails to correct the violation within fifteen (15) calendar days, Gerber will notify the Reseller that Gerber will suspend sales to the Reseller of the products to which the violation related for a minimum of thirty (30) days.

If Reseller continues to be in violation of the IMAP Policy, Gerber will notify the Reseller of Gerber's immediate suspension of sales of all Gerber products to the Reseller for a minimum of six (6) months.

Note: This Policy is not intended to restrict Gerber's rights to manage its distribution channels and to make and change its decisions regarding Resellers and others with whom it will do business. Among other things, depending on the severity or number of violations and the response of the Reseller when advised of a violation of this IMAP, Gerber may deem it appropriate to bypass some or all of the steps above and immediately cease doing business with the Reseller.

GERBER IMAP POLICY ADMINISTRATION:

No Gerber employee or sales representative has any authority to modify or alter this Policy or to negotiate this Policy or any agreement with respect to it with any Reseller.

The only people authorized to answer questions regarding the Policy or to comment on the Policy on behalf of Gerber, and the people to whom all questions regarding the Policy must be addressed, are the Gerber IMAP Policy Administrators at the address designated below.

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