



## Minimum Advertised Pricing Policy

**RUBBERMAID® COMMERCIAL PRODUCTS (RCP)** is a manufacturer of innovative, solution-based products for commercial and institutional markets worldwide. Since 1968, RCP has pioneered technologies and system solutions in the categories of food services, sanitary maintenance, waste handling, material transport, away-from-home washroom, and safety products and is a leader in those fields.

As distributors and resellers, you rely on the outstanding reputation of the RCP brand in your decision to carry our products, and your customers look for the RCP trademark to know that they are purchasing premium products. The reputation of RCP can and will be damaged if the RCP brand is perceived by consumers as a discounted, or off-price, brand. For that reason, we have determined that it is in the best interest of the RCP brand to deal only with distributors and resellers who choose to sell our products at or above the RCP Minimum Advertised Price (MAP) as outlined below.

### Minimum Advertised Price Policy

RCP believes that every RCP product should be offered to the consumer at no less than the Minimum Advertised Price (MAP) every day of the year.

- i. This includes all NEW products introduced in the current year or products introduced in the previous calendar year. These products will have a MAP price of MSRP minus 25% (rounded to the nearest whole dollar). It is at RCP's discretion to assign a different percentage off list price as the MAP price for some SKUS.
- ii. All other RCP products will have a MAP price of MSRP minus 40% (rounded to the nearest whole dollar). It is at RCP's discretion to assign a different percentage off list price as the MAP price for some SKUS.
- iii. RCP may also exclude certain SKU's from this MAP policy at their discretion.

If there are any changes or additions to MAP pricing guidelines during the year, RCP will distribute a new price file with these changes. All RCP products that have been obsoleted or discontinued are not subject to MAP pricing.

We appreciate the value that our distributors and re-sellers bring to our businesses with special pricing offers, such as sales and special promotions. We also appreciate that our commitment to bringing distributors, resellers, and consumers new products means that our distributors and resellers will, from time to time, be required to sell excess merchandise at a reduced price. It is desirable for both RCP and our distributors and resellers that these occasional transactions be undertaken only in a systematic way that avoids damaging the favorable equities associated with the RCP brand. Accordingly, occasional sales, special promotions, and closeouts will be permitted only when pre-approved by RCP in writing.

## **Practices Inconsistent with the Minimum Advertised Price Policy**

Pricing practices that directly or indirectly reduce the price paid by the consumer for RCP products will be considered inconsistent practices and a violation of the Minimum Advertised Price Policy. While it is not possible to list all such inconsistent practices, some of them are listed below:

- Selling and advertising RCP products below the MAP, in any medium (including in-store, print, audio, video, Internet communications or online)
- In eCommerce transactions, “see cart for pricing” practices are inconsistent with RCP brand guidelines if the consumer is not required to enter a specific log in or password to see this pricing.
- Website features such as “click for price”, automated “bounce-back” pricing e-mails, pre-formatted e-mail responses, forms, and automatic price display for any items prior to being placed in a customer’s shopping cart, and other similar features are considered to be communications initiated by the dealer (rather than by the customer) and thereby constitute “advertising” under this MAP Policy. Thus, these actions will be non-compliant to this policy
- Advertising below MAP on marketplace sites as well as on direct sites
- Unapproved gifts offered with purchase of RCP products
- Volume discounts or case pack discounts that are less than MAP price at the individual SKU level will be considered a violation of this policy
- Presenting with the purchase of RCP products a gift card of an unapproved amount, or a gift card of an approved amount other than one that can be used with separate or future purchases
- Unapproved coupons specifically for RCP products
  - Use of generic coupons for any merchandise in the store or online, when the use of that coupon is “netted out” or shown in an advertisement for RCP products. *(With respect to coupons that cover any and all of the merchandise in a retailer’s store, while it is our strong preference that RCP products be excluded from such coupons, we will not consider such all-merchandise coupons to be an inconsistent practice).*
- Non-compliance with RCP Advertising and Brand Usage Guidelines.
- Transshipping and or reselling RCP products to other distributors or resellers who sell RCP products to consumers below MAP pricing.
- It is considered non-compliance for distributors or resellers to follow MAP violated pricing if another party is in violation of RCP’s MAP policy
- If a distributor or wholesaler with multiple store location violates the MAP Policy at any one store location, or on any associated website, then RCP will consider this to be a violation by the distributor or wholesaler

## **Enforcement of the Minimum Advertised Price Policy**

RCP will monitor the practices of distributors and resellers either directly or via 3<sup>rd</sup> party agencies and/or analytical tools in all markets. Distributors and Wholesalers are expected to provide reasonable cooperation in any RCP investigations regarding possible MAP Policy violations. Hindering or otherwise failing to cooperate with an RCP MAP Policy investigation will be considered a violation of the MAP Policy. If we discover that a distributor or reseller is engaging in any inconsistent practice as described above, we will take the actions outlined below, unilaterally and without consultation or agreement with either the non-compliant distributors or reseller or others. *(Note that in instances of a MAP violation by a reseller who does not have an authorized or direct purchasing relationship with RCP and instead purchases RCP products and accessories from an authorized reseller, RCP will pursue enforcement actions through the authorized reseller as outlined below).*

- ) If an initial violation occurs, RCP will issue a letter to the non-compliant distributor or reseller requesting that they correct pricing to be compliant with the RCP MAP guidelines as noted above. Pricing must be corrected within 5 business days of the dated written or electronic notification.
- ) If a second violation occurs, RCP will remove the violating distributor or reseller from “where to buy” on Rubbermaid Commercial Products’ web site temporarily or indefinitely
- ) Further violations will result in any or all of the following actions:
  - o Cancellation of any pending orders or restrict future orders
  - o Suspension of the ability to access or purchase new innovation and/or specific RCP SKUS
  - o Termination of any and all programming elements such as pricing, co-op and rebate support temporarily or indefinitely
- ) RCP reserves the unilateral right to terminate our business relationship with non-compliant distributors or resellers. Such a decision will be made by our management team, without any consultation or agreement with the non-compliant distributors or resellers or with others

## **Conclusion**

We understand that every distributor or reseller has the right to decide what products to buy and at what price to sell the products it stocks. We, too, have the right to do business only with distributors and resellers who respect our efforts to retain and build the equity underlying the RCP trademark. We will exercise our right to take the foregoing steps, including the cessation of business, with distributors and resellers whose practices jeopardize the premium equity behind the RCP brand.