



Tile Minimum Advertised Price Policy

Tile has and continues to make substantial investments in building and protecting the equity of the Tile brand, developing markets for and advertising Tile's products, and educating consumers about the unique value proposition associated with the Tile brand. Tile recognizes that its dealers invest time and resources to provide extraordinary customer service and support by knowledgeable staff. Advertising and sales practices that promote Tile products primarily on the basis of low price could be detrimental to our resellers' service and support efforts. To help protect the investment of resellers, and to preserve Tile's reputation for providing customers with high value products, strong after-sales support, and to preserve its competitiveness in the marketplace, Tile is unilaterally instituting a Minimum Advertised Price policy ("MAP").

Effective as of January 24, 2015 Tile will unilaterally establish and enforce its MAP policy on all distributors, resellers and dealers (collectively "Reseller") of Tile products. The MAP policy will apply to all Resellers in North America.

This MAP Policy, as well as all other non-public information regarding Tile's products (including pricing) is Tile Confidential Information and is governed by the Tile Nondisclosure Agreement or other written documents between Tile and its resellers, dealers and distributors. The disclosure of this MAP Policy to any person, other than members of a Tile Authorized Reseller organization who need to know for purposes of implementing this MAP Policy within their respective organization(s), is strictly prohibited.

- 1. MSRP.** All Tile products ("Product") sold will have a Manufacturer's Suggested Retail Price ("MSRP") and Resellers will only advertise Product at or above MSRP. Listing a price lower than \$1.00 than MSRP next to the Product in any advertising will be deemed a violation of this MAP policy. The MAP applies only to the Reseller's advertised prices, not selling prices. Resellers are free to sell Products at whatever price they choose.
- 2. Application.** This MAP policy applies to all advertisement of Products in any media or form including the Internet. Website features such as "Click for Price", pre-formatted and "bounce – back" email pricing or automatic displays and similar features are considered to be "advertising". MAP Pricing must be displayed on the "Catalog Page" (page that displays when the site is searched for a generic product description such as "location finder" or "tracking device" or a specific description such as "Tile"). Prices with "strike-thru" or no price with a redirection to "Check-Out" or "Cart" to see a price that is below MAP is considered a violation. Using advertised discounts on products or associated services when added to a web-cart is not permitted (e.g. a Reseller cannot state "10% off Tile products" or "10% off all products when added to cart."). Once pricing is associated with an actual purchase as part of a "check-out" process, and the customer is paying for the Product, the price becomes the selling price and is not subject to this MAP policy. A sale price next to a Product in a brick and mortar retail store, intended only for customers in such store, will not be a violation of this MAP policy.
- 3. Price Strategies.** It will not be a violation to advertise that the Reseller has "the lowest prices" or will match or beat its competitors' prices, or to use similar phrases so long as the



Reseller does not include any advertised price below MAP. It will be the responsibility of the Reseller to monitor its online sales strategies to ensure compliance with the MAP policy. By way of illustration only, Google Checkout will advertise the last price paid. Therefore, when products are sold at prices below MAP, an advertising event occurs to the next consumer because they see the product and the "last price sold" without having to "add to cart" or take other permitted action under this MAP policy. This inadvertent advertising is not permitted and must be monitored by the Reseller.

4. **Promotions and Manufacturer's Rebate.** Tile may in its sole discretion determine that Products may be advertised for a limited time at prices lower than MSRP and will so notify Resellers in writing. In Tile's sole discretion it may offer a direct manufacturer's rebate to customers. During such periods it will not be a violation of this MAP policy to advertise the availability of the manufacturer's rebate, provided that the advertisement clearly shows a MAP-compliant price, the rebate amount, and the net price after manufacturer's rebate, all in the same type size and style.
5. **Bundling.** Any "bundling" of Products with any other product or service, or advertising the inclusion of free or discounted products with a Tile Product is only permitted with the prior formal approval of Tile. In a bundle, the MSRP of the Tile product must be called out.
6. **Questions.** All questions regarding this MAP policy may be directed to Mark Smeadala (mark@thetileapp.com). NO TILE SALES REPRESENTATIVE IS PERMITTED TO DISCUSS THIS MAP POLICY, MAKE ANY AGREEMENTS, GRANT ANY EXCEPTIONS, OR PROVIDE ANY ASSURANCES REGARDING ANY ADVERTISING OR PRICING BY RESELLER.
7. **Enforcement.** Tile may monitor the advertised price of dealers or distributors, either directly or through the use of third party agencies. It will be in Tile's sole discretion to determine whether or not any activity is a violation of or intended to circumvent the intent of its MAP policy.

Product MSRP

Tile Mate 1 Pack \$20.00
Tile Mate 4 Pack \$50.00
Tile Slim 1 Pack \$30.00
Tile Combo Pack \$60.00
Tile Sport 1 Pack \$35.00
Tile Sport 2 Pack \$60.00
Tile Style 1 Pack \$35.00
Tile Style 2 Pack \$60.00
Tile Style & Sport Combo Pack \$60.00