



2018 Advertising Protocol

February 23, 2018

Please note important changes to the August 27, 2012 Policy in Red. The changes take effect March 31, 2018.

Bobrick Washroom Equipment seeks to have a consistent, current and logical advertising message throughout our distribution channels and across all mediums. Therefore, this Advertising Protocol, until amended or modified, sets forth the rules and requirements governing Distributors when advertising Bobrick products. If there is any conflict between the terms of this Protocol and terms relating to advertising contained in a Distributor's Agreement or on the Company website, the terms of this Protocol shall control.

This protocol applies to all distributors. A Distributor who does not agree to and does not sign on to this Advertising Protocol does not have the right to use the benefits of the Protocol. A Distributor, by agreeing to the terms of this Protocol, is permitted to use the appropriate copy written logo, colors, brand and images in conjunction with advertising. Advertising includes, but is not limited to, providing a published price and product description on any Bobrick product in a flyer, catalog or website. Any Distributor who is not a signatory to this Protocol and who exercises rights granted by this Protocol, and any Distributor who is a signatory to this Protocol and fails to comply with its terms, is subject to having its right to act as a Distributor for Bobrick terminated.

The following categories of Distributors, referred to in this Protocol as Advertising Distributors, can secure the benefits of this Protocol:

- Authorized Full Service Stocking Distributor – Agrees and conducts itself consistent with the terms of this Advertising Protocol, has executed a Bobrick Full Service Distributor Agreement, and is in good standing with Bobrick.
- Authorized Stocking Distributor – Agrees and conducts itself consistent with the terms of this Advertising Protocol, has executed a Bobrick Stocking Distributor Agreement and is in good standing with Bobrick.
- Authorized Distributor – Agrees and conducts itself consistent with the terms of this Advertising Protocol and has an active and current Bobrick account

When advertising Bobrick products by any medium, the Distributor agrees to the following conditions:

- 1. Pricing: Minimum retail pricing (MAP) is found on iBob. The MAP price list is published periodically and is available on www.Bobrick.com.** Distributors are required to update prices to comply with MAP within 30 days of the published date of the MAP price list. Free shipping may be included as part of this minimum advertised price.

Distributors understand and agree that Bobrick sets minimum retail prices for unit sales. This is part of Bobrick's marketing strategy and is designed to ensure fair competition. Therefore, the following guidelines are provided:

- Advertising Distributors may not offer items below Minimum Advertising Prices on either single unit or multiple unit prices. Online advertised pricing must be at or above MAP throughout the customer's shopping experience. **Shopping Cart items cannot reflect pricing below MAP prior to additional promotional terms being met on the site.** This includes proceeding to the Checkout function in common shopping websites. MAP must be maintained prior to the Customer's Purchase Intent, i.e. has gone beyond the shopping functions and provided personal information needed for purchase.
 - Advertising Distributors can advertise other services, job pricing, rebates or incentives with appropriate wording as long as advertising language is not a monetary or a percentage amount that implies a specific item price concession below MAP. Bobrick will have final decision on whether particular language or offers violation the MAP program.
 - Advertising Distributors may offer pricing on specific items that go below MAP after the Customer's Purchase Intent (as defined in subparagraph a. above).
 - Bobrick will adjust its net prices from time to time. Advertising Distributors will be given a 30 day grace period from the date of any announced price change to adjust prices to new MAP levels.
 - Bobrick reserves the right to adjust MAP levels for new products. These adjustments to MAP will be announced in writing and require immediate compliance until superseded by either a separate announcement or end date for the introductory period.
- 2. Third Party Provider Restrictions:** As a Bobrick authorized Distributor, you must disclose if you sell to third party sites such as Amazon, Google, Ebay, etc. Because these sites use automated software which potentially violates MAP, you may be found in violation of our MAP policy. Products sold via these sites must comply with the MAP policies as outlined above. As a Bobrick authorized Distributor, you must also disclose all URLs or dba addresses under which you operate on those sites if requested in our audits.
 - 3. Penalties for Non-Compliance:** Bobrick will periodically audit Advertising Distributors for Compliance with MAP. Any Distributor who advertises below the established minimum price or violates our advertised minimum price policy will be notified in writing by Bobrick of any violations of this policy of which Bobrick becomes aware. The Distributor will have 7 days from receipt of the written notification from Bobrick to comply with the policy. If the violation is not rectified in a timely manner or repeated violations occur, at Bobrick's discretion, the Distributor's account with Bobrick will be placed on credit hold until rectified or subject to termination of its right to act as an Authorized Bobrick Distributor.

4. General Advertising: The name Bobrick, the use of any Bobrick image, or any variation of the Bobrick brand name is not to be used in connection with the advertising of any other brand. The Advertising Distributor therefore agrees to the following:

- a. Must maintain registration on www.bobrickresources.com
- b. Utilizes images and videos as obtained on www.bobrickresources.com, without alteration. Seeks written permission for all Bobrick images and videos utilized that are altered or not obtained from www.bobrickresources.com. Permission will not be unreasonably withheld
- c. Show images in which Bobrick products are featured or implied, in a tasteful and professional manner.
- d. Update images with proper photos, names and company names as directed by Bobrick within a reasonable period of time.
- e. Sell Bobrick products complete, with all components as originally shipped by Bobrick
- f. Use only authorized distributor logos in Bobrick advertising.

5. Website Advertising. The following applies to website advertising:

- a. Avoid implying any special relationship with Bobrick with use of colors, logos, domain name, business name or images. If Bobrick has any objections to the way in which its mark is being represented, it will notify Distributor in writing and request that corrective action be taken within a reasonable period of time. In the event of serious violations, Bobrick reserves the right to ask for an immediate change or to suspend any rights of Distributor under this Advertising Protocol.
- b. Limit linkages on their Bobrick pages to only those sites approved in writing by Bobrick (Approval will not be unreasonably withheld).
- c. Abide by internet retailing standards outlined by the Better Business Bureau's BBBonline®.
- d. Avoid using the terms "Bobrick," "Bobrick Washroom," "Bobrick Washroom Equipment" in any URL address.

6. Sales Outside of the United States and Canada: Unless an internet Distributor is given express written permission from Bobrick, a Distributor is allowed to ship to United States and Canada only. Bobrick has an active export program and is committed to complying with all applicable laws and regulations. Website distributors found in violation by making sales to non-domestic markets without Bobrick's express written consent are subject to immediate termination.

7. Catalog and Flyer Advertising: The following applies to printed advertising:

- a. Allow Bobrick marketing personnel to review Bobrick advertisements in the catalog layout at least 30 days prior to publication. Bobrick Marketing will be reviewing all print layouts for correct and current item numbers, quality reproduction of photography, appropriate product features and benefits, and accuracy of any claims.

Approval will not be unreasonably withheld. In the event this provision is not followed, Bobrick reserves the right to withhold advertising allowances and fees.

- b. Bobrick Marketing Personnel are available to review if a Distributor has a question concerning the use of any wording, including wording from existing Bobrick literature, in connection with flyers or other advertising featuring Bobrick products.

- 8. **Tax Exemption:** Advertising Distributors must obtain applicable sales tax exemption forms and provide same to Bobrick for drop shipments into the following states: New York, Colorado, Oklahoma, California, and Tennessee. Distributors assume all tax liability unless they obtain the proper tax exempt certificates. Bobrick reserves the right to suspend Distributor rights if either appropriate documentation is not on file with Bobrick or tax liability is not collected. This applies to all drop ship distribution regardless of medium (internet Distributors are not exempt from providing documentation to Bobrick).

Bobrick reserves the right to modify its advertising policy at any time. Bobrick Sales Managers will be contacting Advertising Distributors to identify possible problems that need correcting. Please make every effort to address their concerns and correct possible issues in a timely manner. The approval of Catalog and Flyer Advertising must be handled consistent with the provisions of Paragraph 6 of this Protocol.

Effective: March 31, 2018

Revised: February 23, 2018