

Twin Air MINIMUM ADVERTISED PRICING POLICY

In order to preserve its reputation for providing customers with high value products and strong after-sales support, and to further enhance the Twin Air brand image and its competitiveness in the marketplace, Twin Air USA, Dominus Corporation (collectively "Twin Air") are unilaterally instituting a policy of minimum advertised price standards for Twin Air products. This Minimum Advertised Pricing Policy ("MAP Policy") will become effective January 1, 2020 and will apply to all distributors, dealers, and retailers, including catalogs and internet retailers (collectively, "Resellers"), who resell Twin Air products to end users located in the United States and Canada.

Twin Air greatly values the efforts of all Resellers to distribute Twin Air products and support our customers. This MAP Policy is adopted for the benefit of all Resellers and will be uniformly enforced.

This MAP Policy shall work under the following guidelines:

1. Twin Air will, from time to time, publish a Schedule of Manufacturer's Suggested Retail Prices ("MSRP Schedule") on its internet website, which may be amended or adjusted by Twin Air at any time in its sole discretion. The MSRP Schedule will identify the effective date, the Twin Air products that are subject to this MAP Policy and the manufacturer's suggested retail price ("MSRP") for those products. Each advertisement of a Twin Air product identified in the MSRP Schedule that is more than 10% below the MSRP will be a violation of this MAP Policy. Twin Air products not specifically identified in the MSRP Schedule are not subject to this MAP Policy. The initial MSRP Schedule is enclosed.
2. This MAP Policy applies to all advertisements of Twin Air products listed on the MSRP Schedule in any and all media, including, but not limited to, flyers, posters, coupons, mailers, inserts, newspapers, magazines, catalogs, mail order catalogs, e-mail newsletters, e-mail solicitations, internet or similar electronic media, television, radio, and public signage. This MAP Policy is not applicable to any in-store advertising that is displayed only in the store and not distributed to any customer(s).
3. The inclusion in advertising of free or discounted products (whether made by Twin Air or another manufacturer) with a product covered by this MAP Policy would be contrary to this MAP Policy if it has the effect of discounting the advertised price of the covered Twin Air product more than 10% below the MSRP.
4. A visible strike out, deletion or alteration of any price in any internet advertising is strictly prohibited.
5. This MAP Policy applies only to advertised prices and does not apply to the price at which Twin Air products are actually sold or offered for sale to an individual consumer within Resellers' retail location or over the telephone. Resellers remain free to sell these products at any prices they choose under these circumstances.
6. This MAP Policy does not establish maximum advertised prices. All Resellers may offer Twin Air products at any price in excess of the MSRP.
7. Internet auctions may not display or have reserved bid or other acceptable prices more than 10% below the MSRP.
8. Twin Air must be specifically excluded from any type of advertised store-wide sale or promotion if the promotion is perceived to discount Twin Air more than 10% below the MSRP. Advertised coupons, dealer bucks, etc. are allowed as long as they are for future store-wide purchases only. Dealers must not include statements in advertising or options related to Twin Air which may lead consumers to perceive the offer of prices is below 10% off MSRP.

9. Pricing listed on an internet site is considered an “advertised price” and must adhere to this MAP Policy. Once the pricing is associated with an intent to purchase (added to shopping cart or order), the price becomes the selling price and is not bound by this MAP Policy. Discounts applied at checkout to the entire order based on a customer’s purchasing history with the Reseller, such as discounts for “frequent shoppers”, do not violate this MAP Policy.
10. This MAP Policy is solely within Twin Air’s discretion and authority acting through the duly authorized managers of Twin Air. No employee or sales representative of Twin Air has any authority to discuss, modify or grant exceptions to this MAP Policy. Any representation or action by any employee, sales representative or persons not specifically authorized to discuss, modify or grant exceptions to this MAP Policy under this paragraph is unauthorized and invalid. All questions about this MAP Policy should be in writing and directed via U.S. Mail to MAP Policy Administrator, Twin Air, c/o Dominus Corporation 410 E Walnut St Unit #2 Perkasi, PA, 18944, who will respond only in writing. No oral communications about this MAP Policy are authorized. The MAP Policy Administrator shall be solely responsible for determining whether a violation of the policy has occurred, communicating decisions to Resellers regarding the policy and receiving any communications regarding sanctions imposed under this MAP Policy. Any action taken by Twin Air under this MAP Policy shall be without liability to Twin Air.
11. From time to time, Twin Air may choose to offer special promotions on certain products. In such an event, we reserve the right to modify or suspend this MAP Policy in whole or in part by notifying all Resellers of the duration and nature of the change. Twin Air further reserves the right to adjust the MSRP with respect to all or certain products at its sole discretion. Such changes shall apply equally to all Resellers.
12. Distributors of Twin Air products will supply a copy of this MAP Policy to any new or existing Reseller for their records.
13. The terms of this MAP Policy are confidential and should not be disclosed to other parties.

POLICY Violations:

Failure to abide by this Policy may result in penalties, including those specifically set forth below, as well as being terminated as an authorized Twin Air dealer.

Dealer violations will be addressed under this four-step enforcement process:

First violation: Dealer will receive a written notification informing the Dealer that it will be subject to a two (2) day prohibition from purchasing Twin Air products. Corrective action must be implemented within 48 hours for electronic advertisements (email/internet sites) and the relevant production cycle for print and other advertisements, but no later than thirty days. If corrective action is not implemented within the aforementioned timeframe, the two-day prohibition will be extended and Dealer's rights to use Twin Air trademarks and copyrighted material will be forfeited and not permitted until reinstated at the sole discretion of Twin Air and/or its authorized agent on its behalf.

Second violation:

Dealer will receive a written notification informing the Dealer that it will be subject to a thirty (30) day prohibition from purchasing Twin Air products, and the dealer's rights to use Twin Air trademarks and copyrighted material will be forfeited and not permitted during this period. If corrective action is not implemented within the timeframe delineated above, the thirty-(30) day prohibition can be extended and Dealer's rights to use Twin Air trademarks and copyrighted material will be forfeited and not permitted until reinstated at the sole discretion of Twin Air and/or its authorized agent on its behalf. Violations after 180 days from the first violation will be considered a new first violation.

Third violation:

Dealer will receive a written notification informing the Dealer that it will be subject to a ninety (90) day prohibition from purchasing Twin Air products, and the dealer's rights to use Twin Air trademarks and copyrighted material will be forfeited and not permitted during this period. If corrective action is not implemented within the timeframe delineated above, the ninety-(90) day prohibition can be extended and Dealer's rights to use Twin Air trademarks and copyrighted material will be forfeited and not permitted until reinstated at the sole discretion of Twin Air and/or its authorized agent on its behalf. Violations after 180 days from the first violation will be considered a new first violation.

Fourth violation:

Dealer will receive a written notification informing the Dealer that it will be subject to a minimum one (1) year prohibition from purchasing Twin Air products, and the dealer's rights to use Twin Air trademarks and copyrighted material will be forfeited and not permitted during this period. If corrective action is not implemented within the timeframe delineated above, the one (1) year prohibition can be extended and Dealer's rights to use Twin Air trademarks and copyrighted material will be forfeited and not permitted until reinstated at the sole discretion of Twin Air and/or its authorized agent on its behalf. Violations after 180 days from the first violation will be considered a new first violation.

Notwithstanding the above, based on the sole discretion of Twin Air and/or its authorized agent, a Dealer who demonstrates multiple first violations of this policy may be subject to a permanent prohibition from purchasing Twin Air and the Dealer's rights to use Twin Air's trademarks and copyrighted material will be forfeited and not permitted.

This MAP Policy has been established by Twin Air to help ensure Twin Air's position as a world class producer of high quality products and to protect the reputation of its name and products. This MAP Policy is also designed to avoid destructive intra-brand conflict and to ensure that dealers and distributors have the incentive to invest resources into services for Twin Air customers.