



US Minimum Advertised Price Policy (MAP) Effective 1-1-19

1. Introduction

Pilgrim Home & Hearth is building on its 65+ years of partnership with Professional Hearth Retailers through continuous product innovations, dealer support and our important Lifetime Guarantee to ensure the highest level of satisfaction to all of our customers.

We recognize that our success is tied to the success of our national network of select Pilgrim authorized dealers. We also know that many of our dealers invest significant time and resources to deliver an extraordinary customer experience. We want to protect their ability to do so, while at the same time discouraging price-based advertising that would be detrimental to our dealer's service and support efforts. As a result, Pilgrim has unilaterally established this Minimum Advertised Price ("MAP") Policy.

2. Policy Statement

Pilgrim, in its sole discretion, reserves the right to discontinue doing business with any reseller that advertises any product(s) covered by this MAP Policy at a price lower than the MAP. MAP pricing is indicated as **Retail List Price** on Pilgrim's published price sheets / order forms. This includes all Pilgrim brands – Pilgrim, Napa Forge and Old World.

3. General Guidelines

1. The products covered by this policy are listed in Section 5, ("MAP Products"). Pilgrim may in its sole discretion modify this list from time to time.
2. Pilgrim recognizes that dealers are free to make their own decisions to advertise and sell any Pilgrim product at any price they choose, without consulting or advising Pilgrim. Similarly, Pilgrim will exercise its right to make its own decisions regarding the Pilgrim Authorized Reseller Program supplemental marketing materials, point-of-purchase displays, product allocation, new product availability, or future promotional, joint marketing, or sponsorship programs.
3. The MAP Policy applies to advertised prices, not the price at which MAP Products are actually sold or offered for sale to an individual in-store or over the telephone.
4. Pilgrim believes in maintaining a well-regulated and fair marketplace for all its authorized resellers. Please see the FAQ's for more information on the MAP policy and enforcement.

4. Advertising Guidelines

1. The MAP Policy applies to all advertisements of MAP Products in any and all media, including but not limited to flyers, posters, coupons, mailers, inserts, newspapers, magazines, catalogs,

television, radio, and public signage, as well as Internet sites, social media sites, apps, or any other electronic media.

2. The MAP Policy does not apply to solely on premise or in-store advertising that is not distributed to customers.
3. 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.
4. It shall not be a violation of this MAP Policy to advertise that a customer may “call for price” or “email for price”, or to use similar language, specifically with respect to Pilgrim Products, so long as no price is listed.
5. This MAP Policy also applies to any activity which Pilgrim determines, in its sole discretion, is designed or intended to circumvent the intent of this MAP Policy, such as solicitations for ‘group purchases’ and the like.
6. It shall not be a violation of this MAP Policy to advertise in general 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 and otherwise complies with this MAP Policy.
7. From time to time, Pilgrim may permit resellers to advertise MAP Products at prices lower than the MAP retail price. In such events, Pilgrim reserves the right to modify or suspend the MAP retail price with respect to the affected products for a specified period of time by providing advance notice to all resellers of such changes.
8. From time to time Pilgrim may offer a direct or indirect manufacturer’s rebate program to customers. In such events, it shall not be a violation of this MAP Policy to advertise the availability of the manufacturer's rebate, provided that:
 - o i. the advertisement includes a MAP-compliant price, the rebate amount, and the net price after manufacturer's rebate in the same type size and style;
 - o ii. an asterisk is placed next to the net price after manufacturer's rebate; and
 - o iii. “*after manufacturer's rebate” appears in the same area of the advertisement as the advertised product.

Rebate programs from Pilgrim, whether on MAP Products or Pilgrim's partner’s products are exempt from this policy.

5. Policy Enforcement

1. If a dealer with multiple store locations violates this MAP Policy at any one store location, or on any associated website, then Pilgrim will consider this to be a violation by the dealer.
2. Pilgrim reserves the right to cancel any pending orders, restrict future orders, or suspend dealers' account if Pilgrim reasonably believes:
 - o i. a dealer has violated the provisions of this policy; or
 - o ii. a dealer intends to violate this policy.
3. Pilgrim's MAP Policy Administrator is solely responsible for determining whether a violation of the MAP Policy has occurred, as well as determining appropriate sanctions.
4. Waivers to this MAP Policy may be granted in Pilgrim's sole discretion by the MAP Policy Administrator in writing. Pilgrim Sales, Marketing, or other personnel are not authorized to modify or grant exceptions to the MAP Policy. In the event that the MAP Policy Administrator

authorizes a waiver to the MAP Policy, dealers must strictly adhere to the terms of the waiver letter. Deviation from the terms of a waiver letter is a violation of the MAP Policy.

5. Pilgrim monitors the advertised prices of dealers, either directly or via the use of 3rd party agencies or tools. Dealers are expected to provide reasonable cooperation in any Pilgrim investigations regarding possible MAP Policy violations. Hindering, obstructing, delaying, or otherwise failing to cooperate with a Pilgrim MAP Policy investigation is a violation of this MAP Policy.
6. The MAP Policy will be enforced by Pilgrim in its sole discretion and without notice. Dealers, distributors, resellers, have no right to enforce the MAP Policy. Violations of this policy may result in any of the aforementioned sanctions up to and including termination of our business relationship, as well as any available remedies by law. All questions related to this MAP Policy should be directed to: customerservice@pilgrimhearth.com

6. Identified MAP Products

All current products listed on Pilgrim's website pilgrimhearth.com and products listed on current published price sheets and order forms. Some older discontinued products may, at Pilgrim's sole discretion, be advertised below MAP with a preauthorized waiver from Pilgrim.

FAQ's

Q: What happens if I receive a notice of MAP violation?

A: Your Company will have 24 hours to correct the price to be MAP compliant. You must notify Pilgrim of the correction at customerservice@pilgrimhearth.com. If the infraction is not corrected within 24 hours or if this is your third MAP violation in a rolling six month period, you will be placed in "Non-Compliance" status.

Accounts placed in "Non-Compliance" status in our system a "Stop Ship" order will be placed on the account; the "Non-Compliance" and "Stop Ship" designations will be removed 14 days after the MAP violation is corrected. You will not be able to place new orders under "Non-Compliance" status. Orders where an "Acknowledgment of Receipt" was sent by Pilgrim will continue to ship, however no new Acknowledgments will be sent on accounts with a "Stop Ship" status.

Q: What happens if I have a new MAP violation while already under a "Stop Ship"?

A: The 14 day "Stop Ship" period resets and will begin as soon as all violations are corrected and Pilgrim is notified of the correction.

Q: Will Pilgrim take additional actions in regards to MAP violations?

A: Pilgrim reserves its right to take additional actions up to and including termination of our relationship with your company.

Q: What about Price Matching other retailers?

A: Pilgrim does not allow advertising any MAP covered product below MAP price under any circumstance.