

# TADgreen Inc.

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## TADgreen Inc. Minimum Advertised Pricing Policy for e-cloth® Effective April 1, 2014

### Introduction

TADgreen Inc. (TADgreen) suggested resale prices (SRP) reflect the premium quality of the products in e-cloth®, e-auto™ by e-cloth®, e-cloth® for pets and ebody™ brands (e-cloth® Brands) and the image that TADgreen seeks to have associated with these brands. The superior processes by which e-cloth® is made are among the ways in which it is distinguished from microfiber cleaning products not manufactured by e-cloth®. Such products have not undergone rigorous testing, nor do they meet the high quality standards of e-cloth® products.

TADgreen is unilaterally instituting a policy of minimum advertised price standards for e-cloth® products. This Minimum Advertised Pricing Policy ("MAP Policy") is effective April 1, 2014 and will apply to distributors and retailers, including catalogs and internet retailers (collectively, "Resellers"), who resell e-cloth® products to end users located in the United States.

TADgreen greatly values the efforts of all Resellers to distribute e-cloth® Brands products and educate our customers to the merits of e-cloth® Brands products and to the benefits of chemical-free cleaning. We recognize that our Resellers invest time and resources through training to ensure knowledgeable associates and providing a compelling vendor presentation within their stores. This MAP Policy is adopted for the benefit of all Resellers and will be uniformly enforced.

TADgreen's MAP Policy for e-cloth® Brands are thus necessary and appropriate to avoid confusion with inferior microfiber products and to enhance the inter-brand competitiveness of e-cloth®. For these reasons, TADgreen has unilaterally decided not to sell e-cloth® to accounts that seek to free-ride off others' investment in the brand by advertising or selling e-cloth® below TADgreen's suggested resale prices.

### Official Policy and Guidelines

1. TADgreen reserves the right, in its unilateral discretion, to take other action with respect to any Reseller that violates this MAP Policy.
2. The MAP Policy will be enforced by TADgreen in its sole discretion.
3. TADgreen recognizes that any authorized e-cloth® Brands account can make its own decisions to advertise and sell any e-cloth® Brands product at any price it chooses without consulting or advising TADgreen. TADgreen similarly has the right to make its own independent decision regarding product allocations and Reseller participation as an e-cloth® Brands Reseller – at any time.
4. TADgreen will maintain an updated price list with SRP of all e-cloth® Brands products that will fall under this MAP Policy. TADgreen reserves the right to update or modify this list at any time.

5. All Products listed will have an SRP MAP retail price. Listing a price lower than the SRP next to a featured Product in any advertising will be viewed as a violation of this MAP Policy. This MAP Policy applies to all advertisement of e-cloth<sup>®</sup> Brands products in any and all media, including, without limitation, flyers, coupons, mailers, inserts, newspapers, catalogs, mail order catalogs, internet or similar electronic media including websites, forums, email newsletters, email solicitations, television, radio, and public signage.
  - a. Pricing listed on an internet site is considered an “advertised price” and must adhere to the MAP Policy.
  - b. Such website features as “Click for price”, automated “bounce – back” pricing e-mails, pre-formatted e-mail responses, forms, 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 Reseller (rather than by the customer) and this constitutes “advertising” under this MAP Policy.
  - c. This MAP Policy also applies to any activity which TADgreen 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.
  - d. Internet auctions may not display or have reserve bid or other acceptable prices below SRP.
6. The inclusion in advertising of free or discounted products (whether e-cloth<sup>®</sup> Brands 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 e-cloth<sup>®</sup> Brands product.
7. From time to time, TADgreen may establish national promotions and permit Resellers to advertise e-cloth<sup>®</sup> Brands Products at prices lower than the SRP retail price. In such events, TADgreen reserves the right to modify or suspend the SRP with respect to the affected products for a specified period of time by providing advance notice to all Resellers of such changes. TADgreen reserves the right to support individual Reseller programs, events, and promotions.
8. If a Reseller with multiple store locations violates this MAP Policy at any particular store location, then TADgreen will consider this to be a violation by all of the Reseller’s locations.
9. Although Resellers remain free to establish their own resale prices, TADgreen reserves the right to cancel all orders and indefinitely refuse to accept any new orders from any Resellers following TADgreen’s verification that such Reseller has advertised any e-cloth<sup>®</sup> Brands product at a net retail sales price less than the then-current SRP established by TADgreen, or if reseller has violated this policy in any other way.
10. TADgreen’s permission to Resellers to use any e-cloth<sup>®</sup> Brands trademarks, registered trademarks, images, product descriptions, and copyrighted content is contingent upon adherence to the MAP Policy. Display and publication of copyrighted materials without authorization constitutes copyright infringement under the Copyright Act of 1976, as amended, and any similar applicable statutes.
11. This MAP Policy is solely within TADgreen’s discretion and authority acting through the duly authorized managers of TADgreen. No sales representatives of TADgreen

are permitted to discuss this Policy or make any agreements or assurances with respect to TADgreen's MAP Policy regarding Reseller advertising or pricing. This also includes any consumer program or promotion that affects the below-listed MAP Products. 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.

- a. All questions about this MAP Policy should be in writing and directed via U.S. Mail to MAP Policy Administrator, TADgreen Inc, PO Box 812, Greenland, New Hampshire 03840 or via e-mail to [mapadministrator@tadgreen.com](mailto:mapadministrator@tadgreen.com) who will respond only in writing or through email. No oral communications about this MAP Policy are authorized.
  - b. 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.
  - c. Any action taken by TADgreen under this MAP Policy shall be without liability to TADgreen Inc.
12. Distributors of any e-cloth<sup>®</sup> Brands product for TADgreen 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.

This MAP Policy has been established by TADgreen to help ensure the image of e-cloth<sup>®</sup> Brands products as high quality, high performance 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 TADgreen customers.