# Eminence Speaker LLC Minimum Advertised Price Policy

Effective February 22, 2023, Eminence Speaker LLC ("Eminence") will unilaterally adopt the Minimum Advertised Price ("MAP") Policy described herein. This MAP Policy supersedes all previous MAP polices related to all the products listed on <a href="https://www.eminence.com">www.eminence.com</a> ("Eminence Products") and attached to this policy.

Eminence is recognized as one of the most notable and respected loudspeaker brands in the Professional Audio, Musical Instrument, Home Hi-Fi, DJ, Mobile Electronics, Sound Contractor, Do It Yourself, and Electronics Industries across the globe. Eminence products are frequently preferred because customers recognize that they provide superior quality and value. This policy is designed to:

- Protect the investment of our high-quality wholesalers and the Eminence brand reputation
- Encourage distributors, dealers, and wholesalers to effectively promote and market the value of Eminence products to prospective customers
- Protect the Eminence reputation for quality, value, and service
- Ensure Eminence consumers have viable access to technical support, product recommendations, and warranty service

Under this policy, Eminence will not conduct business with distributors, dealers, or wholesalers of any kind that advertise any Eminence product at any price below MAP, or that violate this policy in any other way. Eminence MAP (attached below) is published annually on Eminence price sheets and distributed in the first quarter of each year. Unauthorized distributors, dealers or wholesalers of any kind who do not abide by the Eminence MAP Policy will be ineligible to purchase Eminence Products from any authorized distributor, dealer, or wholesaler of any kind.

This MAP Policy applies solely to all off site advertised prices and does NOT apply to the price at which Eminence Products are sold. All distributors, dealers and wholesalers remain free to set their own selling prices.

This MAP Policy applies to all distributors, dealers and wholesalers offering Eminence products for sale in the United States and Canada.

### **ADVERTISEMENTS:**

This MAP policy applies to all off-site advertisements in any form and in any media format, (except within a physical retail location where Eminence Products are sold) including, but not limited to print media (newspapers, catalogs, mailings, inserts magazines, coupons, brochures, flyers, posters, printed advertisements, sale bills, billboards, or signage), broadcast media (radio, television), internet or other ecommerce vehicles (e-mail blasts, social media, forums, blogs, and any online expression of price accessible by a browser or web crawler).

Website features such as automated bounce-back pricing e-mails, pre-formatted e-mail responses, automatic price display for any items prior to being placed in a customer's shopping cart, and other similar features are communications initiated by the reseller and constitute advertising under this policy.

Under this policy, any expression, in any media format stating or implying a price lower than the Eminence MAP price will be a violation of this policy. Examples of such include, but are not limited to the following:

- "Click for Lower Price"
- "Price too low to mention"
- "See Price in Cart"
- "Click here for Better Price"
- "Check Cart for Lower Price"
- "Add to Cart for Lower Price"
- "Log In For Price"
- "Manufacturer won't allow us to show you the price"
- "Call for price" (if MAP price is displayed in the advertisement)
- "Sale: Add to Cart"
- "E-mail for Price" (If MAP price is displayed in the advertisement)
- "Mouse over for Price"
- "Make Offer"

Any effort by any distributor, dealer, or wholesaler to circumvent or otherwise elude this policy will be considered a violation.

Eminence-authorized distributors, dealers or wholesalers cannot sell Eminence products to another distributor, dealer, or wholesaler if they have any expectation that the entity will advertise Eminence products in any manner that would be a violation of this policy. Any action that results in such an advertisement will be considered a violation of the policy by the authorized representative.

"Eminence Products" combined as a kit or group may only be advertised at a price equal to or above the sum of the MAP price of each individual unit contained in the kit.

Eminence distributors, dealers, or wholesalers are free to advertise Eminence products in the following manner without violating this policy:

- Advertise Using the Eminence MAP Price
- Advertise without pricing and state "Call or E-mail for price quote"
- Verbally quoting a price to a customer
- Advertising an Eminence Product with free shipping and/or handling so long as the value of the free service is not deducted to result in a published price below Eminence MAP
- Advertise below Eminence MAP as part of an Eminence sponsored promotion

#### USED, REPAIRED, REFURBISHED, OR DEMO EQUIPMENT

Used, repaired, refurbished, or demo equipment may be advertised below the Eminence MAP price so long as it is definitively marked as such in the listing for the product.

From time to time Eminence may discontinue models or invest in promotions with respect to certain products, or engage in the sale of "close out" products. Eminence reserves the right to modify or suspend the MAP policy with respect to such products by notification to dealers, distributors and wholesalers. Eminence further reserves the right to unilaterally adjust the MAP with respect to all or certain products at its sole discretion upon notification to distributors, dealers, and wholesalers.

## **MONITORING AND REPORTING**

Eminence and/or third parties contracted by it will regularly monitor advertised prices of Eminence products across all forms of media described herein. Eminence will not review any distributor, dealer or wholesaler advertisements or other marketing materials in advance to grant any guarantee of compliance.

#### POLICY DECLARATION

This policy is unilateral. Eminence will not ask for, nor will it accept any acknowledgment of compliance or agreement. Each distributor, dealer or wholesaler has the unconditional authority to autonomously determine if it shall follow this policy. The policy will not be negotiated nor modified in any manner for any distributor, dealer or wholesaler by any Eminence representative at any time. This policy represents confidential Eminence information that has been disclosed to you as an Eminence distributor, dealer, or wholesaler. It may not be shared with any other party except for the express purpose of communicating the policy to one of your wholesale customers.

# <u>AUTHORIZED EMINENCE DEALER AND DISTRIBUTOR MAP VIOLATION</u> IMPLICATIONS:

Eminence will notify an authorized Dealer or Distributor if they are in violation of this MAP Policy. Eminence reserves the right to provide a 24 hour grace period on any violation; however, a 24 hour grace period will not be provided if it's a reoccurrence of the same violation.

- The first violation of MAP will result in suspension of access to Eminence products for a period of 90 calendar days. If this first occurrence is not corrected within the 90 day suspension your account will be terminated.
- A second violation of MAP will result in termination of your account.

#### DISTRIBUTOR'S 3RD PARTY CUSTOMER MAP VIOLATION IMPLICATIONS:

Eminence will notify an authorized Distributor if one of their 3rd party reseller customers are in violation of this MAP Policy. Eminence reserves the right to provide a 48 hour grace period on any violation of this type; however, a 48 hour grace period will not be provided if it's a re-occurrence of the same violation by the same 3rd Party Customer.

• If the violation is not corrected within the 48 hour grace period, it will result in termination.