



### Minimum Advertised Pricing (MAP) Policy Agreement

This Minimum Advertising Pricing (MAP) Policy Agreement (this “Agreement”) is entered into this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_\_, between Alpha Professional Tools®, a Division of Nao Enterprise, Inc. with its principal place of business at 16 Park Dr Ste 9, Franklin, Sussex County, New Jersey, USA 07416, (hereinafter referred to as “Alpha®”) and \_\_\_\_\_, With office(s) at \_\_\_\_\_, (hereinafter called “Distributor”).

**WHEREAS**, Alpha® is a manufacturer, importer and supplier of stone cutting equipment, abrasive materials that are used in the natural and artificial stone industry and related products and/or equipment systems, and that only approved Distributors are authorized to re-sell Alpha® products (“Alpha® Products”) under strict specifications, terms and conditions, Alpha® does agree to sell to Distributor and Distributor does agree to buy from Alpha®, and that both parties agree such relationship would be mutually beneficial.

**THEREFORE**, in consideration of the above recitals and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, both parties mutually agree as follows:

#### **1. APPOINTMENT**

As a Distributor of Alpha® Products, Distributor is subject to the terms and conditions of the Distributor Policy and the terms set forth in this Agreement. Distributor does hereby agree to abide by all terms and conditions of this Agreement. This Agreement with Alpha® has specific guidelines as to advertised pricing which the Distributor acknowledges and that its failure to comply with this Agreement may affect the Distributor’s appointment as a Distributor.

#### **2. MAP**

To assure the integrity of the Alpha® product line, fair pricing and an orderly marketplace, Distributor agrees not to advertise any of Alpha® Products at a price lower than the Alpha®



minimum advertised price (hereinafter called “MAP”). MAP refers to and is applicable to all published, advertised or publicly posted prices, regardless of the manner communicated and irrespective of the format or medium of communication whether it be by electric mail, postcard, flyer, radio, television, billboard, magazine, trade journal, newspaper, insert, website banner or similar ad, webpage, facsimile, mailings, pre-recorded telemarketing message, or any other form of advertising. MAP does not apply to non-advertised prices. The restriction contained herein is with respect to advertising, marketing, publishing and/or broadcasting prices for public dissemination.

Alpha® shall determine MAP for all of Alpha® Products, in its sole and absolute discretion.

Alpha® reserves the right to set, change, modify or discontinue any product, or MAP at any time, without notice and without liability.

All automatic e-mail responses to price inquiries must comply with MAP.

The inclusion in advertising of free or discontinued products, rebates or bundled promotions (whether for any of Alpha® Product or those of another manufacturer), with a product covered by this Agreement, would be contrary to MAP if it has the effect of discounting the advertised price of the covered products.

MAP applies only to advertised price and does not apply to the price at which the product is actually sold or offered for sale to an individual consumer within the Distributor, retail location or over-the-phone, which is separately covered by another policy of Alpha® under the Distributor Policy.

### **3. OBLIGATIONS AND RESPONSIBILITIES OF DISTRIBUTORS**

Distributor shall only advertise Alpha® products at prices greater or equal to MAP.

All pictures, images and descriptions of Alpha® products must be used as they appear and may not be altered in anyway without prior written approval from Alpha®. All of Alpha® Products advertised for resale must adhere to the established logo, trademark or descriptive design.

Only authorized Distributors are authorized to advertise Alpha® Products.

Approved Distributors are responsible for all advertising of their customers or resellers. Distributor represents and warrants to Alpha® that they advised each of their customers of MAP and this Agreement and each such customer has agreed to abide by this Agreement, signing the certificate provided by Alpha®.

MAP does not establish maximum advertised prices and distributors, and retailers may offer Company products at any price in excess of the MAP established for such product.

#### **4. OBLIGATIONS AND RESPONSIBILITIES OF ALPHA®**

4.1 Alpha® will establish, maintain and support an ongoing MAP program for its product line. MAP levels will be set and monitored.

4.2 Alpha® will make available marketing and promotional tools such as web links, digital files containing artwork and photographs, new product information or other material as applicable. All pictures, images and descriptions remain the exclusive proprietary property of Alpha® and may not be altered, modified or manipulated in any way.

#### **5. FAILURE TO COMPLY (Authorized Distributors/Distributors)**

First Violation. Should Distributor fail to comply with the terms of this Agreement, a warning will be issued via e-mail stating that Alpha® Product(s) are being advertised below MAP. Distributor shall then comply within forty-eight (48) hours; unless, however, Distributor is using e-Bay, Amazon, Marketplaces or other online auction sites then they shall comply within twenty-four (24) hours, as the case may be. After a first violation, Distributor shall immediately (a) lose up to five percent (5%) of the Distributor discount, if applicable, for a ninety (90) day period or (b) have its distributorship suspended for ninety (90) days. For clarification purposes, assuming Distributor has a 15% discount, such Distributor following a first violation shall have its discount reduced to 10% for ninety (90) days or its distributorship will be suspended for ninety (90) days.

Second Violation. Should Distributor fail to comply following the suspension period after the first violation, or should Distributor receive a notice of a second violation of any kind, Distributor shall immediately (a) lose up to ten percent (10%) of the Distributor discount, if applicable, for one hundred eighty (180) days or (b) have its distributorship suspended for one hundred eighty (180)

days.

Third Violation. Should Distributor commit a third violation or fail to cure prior violations, (a) Distributor shall immediately lose the entire Distributor discount, if applicable, for one (1) year or (b) Distributor's status as an approved distributor or Distributor shall be suspended for one (1) year (after such time such Distributor would have to re-qualify as an approved distributor or Distributor; and all unpaid balances outstanding to Alpha® shall become immediately due and payable).

Alpha® reserves the right, in its sole discretion, to determine all violations of this Agreement and in the sole discretion of Alpha® at any time resulting in the permanent loss of Distributor's distributorship.

## **6. E-SALES; INTERNET; WEB**

6.1 All picture, images and descriptions from Alpha® website or e-mail communications are the exclusive property of Alpha® and may be used only with prior written approval from Alpha®. Such intellectual property of Alpha® must be used as it appears on the website or e-mail and may not be altered in anyway without prior written approval from Alpha®.

6.2 All Alpha® Products advertised on a web site or via e-mail must be advertised with a price greater than or equal to MAP, Distributor, and all web-based advertising must comply with all MAP policies.

6.3 When advertising "E-Mail for best price," any published response to inquiries must contain MAP. MAP does not apply to "one-on-one" e-mail or other communications between Distributors and their customers as long as the price information is not advertised to other customers.

6.4 E-Bay and other sale or auction site policy:

- (a) "Buy It Now" option must be listed at a price equal to or greater than MAP.
- (b) Opening bids must start at MAP, with or without a "Buy It Now" option.
- (c) All sellers on e-Bay, or similar auction sites, must have a website or retail location.

6.5 A “click for price” button on a website that displays a price lower than MAP is a violation of this Agreement.

## **7. UNAUTHORIZED DISTRIBUTORS**

7.1 When any violation of this Agreement or the MAP policy occur, all interested parties, including the unauthorized Distributor, web hosting company, magazine, newspaper and publisher will be notified immediately that they are in violation of the Alpha® MAP policy.

7.2 In the event a non-authorized Distributor is found to have purchased products from an approved Alpha® Distributor and is advertising or marketing in violation of the Alpha® MAP policy, Distributor shall be responsible for the resale actions of their customers and will be held accountable for any violations of this Agreement or the MAP policy. Distributor shall sign, and shall have all customers that are resellers or distributors of Alpha® Products sign a certificate, in the form attached hereto, indicating that they have been provided a copy of the this Agreement to review and agree to abide by the terms and conditions of this Agreement.

## **8. DISCONTINUED ITEMS**

Discontinued Alpha® Products will continue to be advertised at MAP without exception unless or until a new price is published by Alpha®.

Alpha® retains the right to set or determine all advertised pricing on discontinued Alpha® Products.

## **9. MISCELLANEOUS**

9.1 Attorneys' Fees. If any party to this Agreement seeks to enforce the terms or provisions of this Agreement, then the prevailing party in such action shall be entitled to recover from the losing party all costs in connection with such action, including without limitation reasonable attorney's fees, expenses and costs incurred at the trial court and all appellate levels.

9.2 Headings. The headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

9.3 Applicable Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New Jersey. To the fullest extent permitted by law, Distributor and Alpha® here by (a) submit to the exclusive jurisdiction of the United States District Court for the District of New Jersey, County of Essex, or if jurisdiction is not available therein, the courts of the State of New Jersey, County of Bergen for the purpose of any legal action or proceeding brought under this Agreement and (b) agree that exclusive venue of any such action or proceeding may be laid in such courts and waive any claim that the same is an inconvenient forum.

9.4 Agreement to Take Actions. It is the intent of the parties hereto that this Agreement be valid and enforceable in accordance with the laws of the State of New Jersey. Each party hereto shall execute, and/or prepare and deliver such other records, resolutions, consents, documents, certificates, agreements, notes, guarantees and other writings and take such further and other actions as may be necessary or appropriate in order to ensure the proper effectiveness and enforceability of this Agreement. Further, each party hereto shall perform its covenants and agreements expeditiously and diligently, and in good faith, and shall not take any action or omit to take any action which might adversely affect its ability to perform the obligations or consummate the transactions contemplated by this Agreement and shall execute and/or prepare and deliver such records, resolutions, consents, documents, certificates, agreements, notes, guarantees and other writings and take such other actions as may be necessary or appropriate in order expeditiously to perform any such obligations and/or consummate any such transactions.

9.5 Assignment; Binding Effect. This Agreement and all of the provisions hereof shall inure to the benefit of, and be binding upon, the parties hereto and their respective successors and assigns and are not intended to confer upon any other person any rights or remedies hereunder. Notwithstanding the foregoing, Distributor cannot assign this Agreement or any of its rights, duties or obligations hereunder without the prior written consent of Alpha®.

9.6 No Waiver. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision hereof (whether or not similar), nor shall any



such waiver constitute a continuing waiver unless otherwise expressly so provided.

9.7 Severability. The invalidity of any one or more of the words, phrases, sentences, clauses, sections or subsections contained in this Agreement shall not affect the enforceability of the remaining portions of this Agreement or any part hereof, all of which are inserted conditionally on their being valid in law, and, in the event that any one or more of the words, phrases, sentences, clauses, sections or subsections contained in this Agreement shall be declared invalid, this Agreement shall be construed as if such invalid word or words, phrase or phrases, sentence or sentences, clause or clauses, section or sections, or subsection or subsections had not been inserted.

9.8 Injunctive Relief. Because Distributor has access to proprietary information and intellectual property of Alpha Professional Tools®, the parties hereto agree that money damages would not be an adequate remedy for any breach of the provisions hereof. Therefore, in the event of a breach or threatened breach of the MAP policy or this Agreement, Alpha®, or its successors or assigns, shall be entitled to, in addition to other rights and remedies existing in its favor, specific performance and/or injunctive or other relief in order to enforce, or prevent any violations of, the provisions hereof (without posting a bond or other security).

9.9 Counterparts. This Agreement may be executed in one or more counterparts, by original, email, PDF or other electronic signature, all of which shall be considered one and the same Agreement and each of which shall be deemed an original.

#### **Minimum Advertised Pricing (MAP) Policy Agreement**

##### DISTRIBUTOR

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

##### ALPHA PROFESSIONAL TOOLS®

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_