

2 HOUNDS DESIGN MINIMUM ADVERTISED PRICING POLICY

Introduction

The 2 Hounds Design Minimum Advertised Price (MAP) policy will be effective July 1, 2016. 2HD reserves the right to take action against any retailer found to be in violation of the letter or spirit of this policy.

2 Hounds Design (2HD) holds our wholesale clients in very high esteem. We both recognize and appreciate your investment of time and effort to ensure your customers have a pleasant shopping experience and leave your site or store with products best suited to their needs.

We support your success by offering USA-made premium quality products, innovative sales tools and attentive customer service.

After much consideration, 2HD is extending that support with a mandatory Minimum Advertised Price (MAP) Policy, to ensure that every one of our retail partners, whether brick-and-mortar or online, can sell our products at a profitable price.

MAP pricing does not restrict the price charged above the MAP, nor does it constrain lower pricing inside the store itself, as long as that price is not advertised outside the store, as defined below. It simply, but strongly, prohibits advertising a price below the MAP.

From a 2 Hounds Design perspective, the MAP Policy will help preserve our reputation within the industry as the producer of premium quality USA-made products, with excellent customer service and a warranty that is unique in the industry.

From a retailer perspective, it will prevent price wars and other unprofitable pricing strategies, and instead enable time and investment in value-added services like consultative selling, in-depth product knowledge, reference material for customers to browse, quick shipping, and outstanding customer service and support. Positive customer experiences foster loyalty and build relationships that bring customers back.

All 2HD wholesale customers are required to participate in the MAP pricing agreement to ensure a fair and healthy competitive environment which benefits everyone.

Policy Statement

2HD, in its sole discretion, reserves the right to discontinue doing business with an reseller that advertises any product(s) covered by this MAP policy at a price lower than the MAP.

Policy Coverage

This MAP policy applies unilaterally to all retailers of 2 Hounds Design products, whether online or in brick-and-mortar outlets. A retailer's choice to sell any 2HD product constitutes an acceptance of this policy in full, without confirmation, written or verbal, by the retailer of their acceptance.

This policy applies to all 2HD products and applies to advertised prices, and not the prices at which 2HD products are actually sold by retailers.

Advertising includes, but is not limited to, search engine (PPC) advertising, email marketing, blogs, online sales, online display advertising including banners, social media, search engine optimization (including page titles and descriptions), shopping feed and comparison shopping engine advertising, affiliate marketing, print advertising such as newspapers, magazines, flyers, brochures, postcards, catalogs, billboards, posters, 2HD-specific coupons, radio advertising, TV advertising, cataloging, direct mail marketing, and any other 2HD product-related hardcopy or online advertising medium.

This policy does not apply to store-wide loyalty programs or store-wide coupons. Further, it does not apply to non-price promotions such as "free shipping", "we pay the tax", or "free gift with purchase" as long as the gift is not another 2HD product such that the combined sale price is less than the sum of MAP prices for those items. For brick-and-mortar stores, it does not apply to the actual price displayed to a consumer within the physical store, or agreed upon with a customer over the phone, as long as that price is not advertised outside the store. Similarly, the policy does not apply to the price within an online store shopping cart as long as that price is not displayed before the customer views their cart.

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Sales on Amazon and eBay are permitted as long as they adhere to the terms of this policy. "Buy it Now" options must be listed at a price equal to MAP or greater. The 2 Hounds Design Minimum Advertised Price (MAP) policy will be effective July 1, 2016. 2HD reserves the right to take action against any retailer found to be in violation of this policy. Sales on Jet.com are not permitted.

If pricing is displayed in other than a brick and mortar retail store, any strike-through or other alteration of the Minimum Advertised Price is prohibited. 2HD's MAP policy does not in any way limit the ability of any retailers to advertise that "they are the low price leader" or, they "will meet or beat any competitor's price", that consumers should "call for pricing" or phrases similar as long as the advertised price is not less than MAP.

Retailers should contact 2HD before initiating an advertisement or promotion if there is any doubt about whether it is in compliance with the terms or spirit of this MAP policy.

2HD Minimum Advertised Price Guide

2HD MAP pricing is double (2x) the un-discounted wholesale price.

2 Hounds Design reserves the right to periodically change this pricing, and will notify retailers via email newsletter (make sure you are on our list) and by updating the prices on the wholesale website (2houndswholesale.com).

Policy Violations

2HD will monitor and enforce the MAP Policy at its sole and absolute discretion. 2HD reserves the right not to do business with any retailer who violates the the MAP Policy.

In the event of a violation, the retailer will be contacted via e-mail with a two (2) calendar day notice to make the changes required to be in compliance with this MAP Policy. If no change is made within the two (2) day period, all shipments will be discontinued until the necessary changes are made, and the retailer will be removed from the store locator. In addition, repeated violations of this MAP policy (defined as 2 or more violations) will result in termination of the wholesaler agreement and any pending or future order(s) will not be fulfilled.

For a retailer with multiple locations, a violation at any location will be treated as a violation by all.

2HD believes in establishing lasting relationships based on trust and mutual success, and limits the number of retailers we work with. If you believe a retailer is in violation of the MAP policy, please contact 2HD via e-mail. It is in 2HD's sole discretion to contact the seller and deal with the situation.

Changes to the MAP Policy

2HD reserves the right to periodically change the terms of this policy.

2HD employees and salespeople are not authorized to modify or grant exceptions to this policy.

2HD may in its sole discretion update, revise, suspend, or discontinue its MAP policy in whole or in part at any time, with or without notice.