



## **AHF PRODUCTS INTERNET POLICY**

### **Effective July 2, 2019**

As a Distributor or Retailer of AHF Products (“AHF”) flooring products, your use of the AHF brands and logos reassures your customers that they can expect high quality service from you as well. The purpose of this Internet Policy is to ensure the proper use of the AHF brands, protect the prestige and goodwill of AHF and to encourage authorized AHF flooring retailers (“Authorized Retailers”) to continue to provide high levels of service whether selling to a consumer in their stores or on their websites.

**INTELLECTUAL PROPERTY.** AHF owns or has rights to all intellectual property related to its flooring products. For purposes of this Policy, “AHF Intellectual Property” means AHF’s owned or licensed registered or common law trademarks, copyrights, trade names, service marks, trade dress and logos.

**PERMISSION TO USE.** Authorized AHF Distributors (each an “Authorized Distributor”) and Authorized Retailers may use certain AHF Intellectual Property to market, promote, sell, and provide information about AHF flooring products. Authorized Retailers may only use AHF Intellectual Property to conduct the sale of AHF flooring products over the Internet on their own websites and may not sell AHF flooring products on any third-party websites such as Ebay, etc. Authorized Retailers using AHF Intellectual Property must comply with AHF’s guidelines regarding graphic appearance, trademark and copyright notices, and AHF’s brand standards and marketing policies. The guidelines and other information about the authorized use of AHF Intellectual Property is located at <https://www.ahfproducts.com/About/Governance.html> (or other Authorized Retailer sites as they may become available).

All AHF Intellectual Property remains solely and exclusively the property of AHF. AHF reserves the right to revoke any permission to use any AHF Intellectual Property at any time for failure to comply with this Policy or for any other reason in AHF’s sole discretion. Upon notice from AHF or an Authorized Distributor of termination as an Authorized Retailer, a retailer must immediately cease all use of AHF Intellectual Property on its website, or in any other manner.

AHF'S IMAGE. AHF Intellectual Property and the AHF family of brands are well recognized by the trade and public worldwide and have established prestige and goodwill over many years. Accordingly, an Authorized Retailer may not: (a) use AHF Intellectual Property in any manner that in AHF's sole judgment harms the good name and reputation of AHF or its products, or (b) use AHF Intellectual Property as part of any unfair, deceptive or unethical business practices. For example, "cabin grade," "tavern grade" or any second quality goods must be clearly identified as such and not sold as first quality goods. Advertising by Authorized Retailers may not associate any "cabin grade" or tavern grade" products with the Armstrong® Flooring, Hartco®, Bruce® or Robbins® brands.

PROTECTION OF AHF INTELLECTUAL PROPERTY. Authorized Retailers may not register or use any domain name, business or trade name, trademark, label or design, incorporating or substantially similar to any AHF Intellectual Property. Authorized Retailers will indemnify, defend and hold harmless AHF from and against all costs, damages, claims (threatened or actual) and expenses (including, without limitation, reasonable attorneys and experts fees) arising from or in connection with the unauthorized use or misuse by Authorized Retailer of any AHF Intellectual Property in any media including the Internet.

INTERNET ADVERTISING OF AHF FLOORING PRODUCTS BY AN AUTHORIZED RETAILER. An Authorized Retailer may advertise AHF flooring products over the Internet only from its own website(s) or advertising through an Internet search engine that refers a consumer to that retailer's website. An Authorized Retailer may not advertise AHF flooring products on any other Internet media in any form, including, but not limited to social media, Internet shopping services, mobile technology or unsolicited emails

MINIMUM INTERNET PRICE ADVERTISING FOR AUTHORIZED RETAILERS. In order to protect the integrity of its brands and to ensure quality service at retail for the consumer, as part of this Internet Policy, AHF is announcing Minimum Internet Advertising Prices for selected AHF-owned brands of products. The specific products that are covered by the Minimum Internet Advertising Prices in this Internet Policy are listed on the Minimum Internet Advertising Price lists located at <https://www.ahfproducts.com/About/Governance.html> ("Covered Products"). In order to remain in compliance with the Minimum Internet Advertising Price aspect of this Internet Policy, an Authorized Retailer who advertises Covered Products over the Internet from its website(s) or from a reference to its website on an Internet search engine, may do so only at prices

no lower than those listed for the Covered Products at <https://www.ahfproducts.com/About/Governance.html> (or other Authorized Retailer sites as they may become available). Current Minimum Internet Advertising Prices on Covered Products will be posted and updated fifteen (15) days prior to their effective date on <https://www.ahfproducts.com/About/Governance.html> (or other Authorized Retailer sites as they may become available). These Minimum Internet Advertising Prices on Covered Products do not apply to “Membership Club”-type retailers that require the payment of a membership fee in order for a consumer to purchase products from that retailer.

The Minimum Internet Advertising Price aspect of this Internet Policy will be administered unilaterally by AHF. While Authorized Retailers are free to advertise all AHF products at any price they choose, over the internet or otherwise, AHF intends to have Covered Products purchased only by Authorized Retailers who advertise Covered Products over the Internet from their website(s) or from a reference to its website on an Internet search engine and at prices no lower than the Minimum Internet Advertising Prices lists located at <https://www.ahfproducts.com/About/Governance.html> (or on other Authorized Retailer sites as they may become available). AHF does not seek, and will not accept, any agreement by an Authorized Retailer to comply with Minimum Internet Advertising Prices.

Minimum Internet Advertising Prices are applicable only to Authorized Retailers located in the United States. Minimum Internet Advertising Prices do not apply to actual in-store pricing or advertising of prices on any AHF flooring products in any media (newspaper, radio, TV, etc.) other than advertising of Covered Products on an Authorized Retailer’s website or from a reference to its website on an Internet search engine.

**CONSEQUENCES OF INTERNET PRICE ADVERTISING BELOW MINIMUM INTERNET ADVERTISING PRICE FOR COVERED PRODUCTS.** AHF will determine independently whether an Authorized Retailer has violated this Policy. Violations will be determined considering the totality of any deals, discounts, free merchandise, etc., advertised on the Internet in connection with the Internet advertising of AHF flooring products. Violations will also include Internet references such as “click for pricing” if those prices are below AHF’s Minimum Internet Advertising Prices.

All reports of violations of AHF’s Minimum Internet Advertising Prices should be documented and reported to AHF via e-mail at [internetcompliance@AHFProducts.com](mailto:internetcompliance@AHFProducts.com). AHF

alone will determine whether a violation has occurred. Phone calls or other emails regarding Minimum Internet Advertising Prices will not be accepted or responded to. AHF sales representatives and the Authorized Distributors are not authorized to discuss or take any action regarding AHF Minimum Internet Advertising Prices, please do not ask them to do so. AHF will not discuss with any other retailer the consequences of a reported violation of Minimum Internet Advertising Prices.

In the event AHF determines that an Authorized Retailer has advertised a Covered Product below its Minimum Internet Advertising Price in violation of this Policy, AHF will, for the first violation, notify the Authorized Retailer and all Authorized Distributors that the Authorized Retailer has violated this Policy and that any repeat violation will result in suspension of sales of the applicable collection of Covered Product as set forth below (the “First Violation Notice”).

In the event, after a notice period, an Authorized Retailer advertises a Covered Product below the Minimum Internet Advertising Price in violation of this Policy from the same collection or collections stated in the First Violation notice, then AHF will suspend authorization of said Retailer to purchase any AHF products in that collection or collections (*i.e.*, Prime Harvest, TimberBrushed, Dundee, etc.) for a period of 30 days. Written notice of that suspension will be sent to Authorized Retailer and to all Authorized Distributors will also be notified (the “Second Violation Notice”).

In the event, after a notice period, an Authorized Retailer advertises a Covered Product below the Minimum Internet Advertising Price in violation of this Policy from the same collection or collections stated in the Second Violation notice (whether during the 30-day suspension period or thereafter), then AHF will suspend authorization of said Retailer to purchase any AHF products in that collection or collections for another 90-day period. Written notice of that suspension will be sent to Authorized Retailer and all Authorized Distributors will also be notified (the “Third Violation Notice”).

In the event, after a notice period, Authorized Retailer advertises a Covered Product below the Minimum Internet Advertising Price in violation of this Policy from the same collection or collections stated in the Third Violation notice (whether during a 90-day suspension period or thereafter) then AHF will permanently terminate authorization of said Retailer to purchase any AHF products in that collection or collections. Written notice of that permanent termination will be sent

to Authorized Retailer and all Authorized Distributors will also be notified (the “Fourth Violation Notice”).

OTHER POLICY VIOLATIONS. It is a violation of this Internet Policy for any Authorized Retailer: (a) to sell any AHF flooring products to a retailer that is not an Authorized Retailer; (b) to sell any AHF flooring products to any third party Internet seller or website not owned by that Authorized Retailer and approved by AHF; or (c) to sell any AHF flooring products to any other type of Internet shopping service. Any Authorized Retailer that sells AHF flooring products to or through any such unauthorized account will be immediately terminated as an Authorized Retailer and will no longer be permitted to purchase any AHF products. All reports of unauthorized sales in violation of this Internet Policy should be sent to AHF at [internetcompliance@AHFProducts.com](mailto:internetcompliance@AHFProducts.com).

NOTICE TO DISTRIBUTORS. All Authorized Distributors will be notified of all suspensions and terminations of sales to Authorized Retailers by AHF along with the inclusive dates of the suspension or termination and the category or categories of products affected thereby. An Authorized Distributor (a) that sells a collection of any Covered AHF flooring products (*i.e.*, Prime Harvest, TimberBrushed, Dundee, etc.) to a Retailer during a period of suspension or termination on the collection or collections of products as noticed by AHF; or (b) that sells to any other type of Internet shopping service or Internet site not approved by AHF, will have all of its AHF file-back reimbursements related to all of its AHF flooring products cancelled for a period of thirty (30) days for each such instance. It is the responsibility of Distributor to determine whether its customers are retail outlets authorized by AHF to purchase AHF flooring products.