



COPELAND FURNITURE PRICING POLICY

Copeland Furniture has provided a *Manufacturer's Suggested Retail Price (MSRP) effective May 1, 2014 as well as this pricing policy.* Copeland Furniture neither solicits nor will it accept any assurance of compliance with this policy. Nothing in the policy shall constitute an agreement between Copeland Furniture and any retailer that the retailer will comply with the policy. Dealers remain free to advertise and sell any Copeland Furniture products at whatever price they believe is appropriate. But Copeland Furniture is advising retailers that it intends to sell its products only to retailers who voluntarily adopt the policy guidelines that follow:

Definitions:

In-store sales are defined as any retail sales to consumers who reside within 60 miles of a retailer's brick and mortar showroom or who have visited a retailer's brick and mortar showroom within 60 days prior to the date of sale, regardless of residence.

Not-in-store sales are defined as any retail sales to consumers who reside more than 60 miles from the retailer's brick and mortar showroom and who have not visited said retailer's brick and mortar showroom within 60 days prior to the date of sale.

- Copeland Furniture products may be advertised no lower than 33.3% below MSRP for **in-store sales**
- Copeland Furniture products may be sold at a **net-delivered price** that is no lower than 25% below MSRP for **not-in-store sales**.

Net-delivered price is defined as a sales price that includes home delivery.

Retailers whose business is regarded by Copeland Furniture (at its sole discretion) as primarily *ecommerce* or *catalog*-based may advertise and sell at a *net-delivered price* that is no lower than 25% below MSRP. Trade discounts or coupons or other promotions, the result of which is a net-delivered-price greater than 25% off the MSRP are *not* authorized by this policy. With a *net-delivered price* that is no lower than 25% off the MSRP, any Copeland Furniture retailer may advertise free shipping to the lower 48 US states.

Retailers whose business is regarded by Copeland Furniture (at its sole discretion) as primarily *brick and mortar*-based should make a distinction on websites, catalogs or other advertisements as to how **in-store sales** vs. **not-in-store sales** are treated. Said retailers may advertise and sell at a price no lower than 33.3% below MSRP and may set local delivery or pick-up fees at their discretion for all *in-store sales* (as defined above). Primarily brick and mortar retailers, who offer to sell through their website or catalog, may advertise and sell at a price no lower than 33.3% below MSRP but should prominently advertise and charge a delivery price that is at least 10% of the pre-sales tax price for all *not-in-store sales* (as defined above). Any omission of the aforementioned delivery price for not-in-store sales will be regarded as a policy violation.

Retailers may not omit the price and substitute such terms as "Call for special pricing," "E-mail us for special pricing," or any other language that implies a lower price. Any strike-through or other alteration of this policy is prohibited.

Copeland Furniture intends to sell its product only to retailers who implement the suggestions of this policy.

Policy violations: Copeland Furniture will unilaterally cancel open orders, and/or refuse to accept future orders from retailers that undertake the following:

1. Advertise (*as defined below*) or sell a Copeland Furniture product below the suggestions set forth in this policy; or
2. Resell a Copeland Furniture product to any reseller who advertises any Copeland Furniture product below the terms of the policy.

Unintentional violations: If it is deemed that a retailer has *unintentionally* violated either policy Copeland Furniture may, at its discretion, forgo termination of dealer status and issue a notice explaining the nature of the violation.

Reinstatement: Copeland Furniture may unilaterally decide to consider reinstatement of a dealer after a period of time to be determined at the sole discretion of Copeland Furniture. In no instance either prior to or after termination of dealer status will Copeland Furniture solicit or accept any dealer's agreement to comply with the policies.

Products exempt from this policy:

- At Copeland Furniture's sole discretion certain products and product groups may be exempt from this policy for factory authorized sales periods.
- The *Sarah Bedroom* collection is exempt from the policy
- Returned products and floor samples
- Product discontinued by Copeland Furniture
- With prior authorization from Copeland Furniture, goods that would qualify for return

The **MSRP** applies to all retail advertisements of Copeland Furniture products (whether identified as a Copeland Furniture product or not) in media, including but not limited to flyers, posters, coupons, mailers, inserts, newspapers, email, magazines, catalogs, mail order catalogs, internet or similar electronic media, television, radio and public signage

Advertised price means the price at which Copeland Furniture products are advertised, after any discounts, rebates or other reductions in price are applied, including but not limited to the following:

- Rebates, volume incentives or any other discounting
- Gifts, premiums or services associated with the purchase of any Copeland Furniture products
- Payment of sales or other taxes for the customer
- Discounts on non-Copeland Furniture products (including accessories) which are bundled in any way with Copeland Furniture products.
- Free or discounted shipping.

The policies described herein are not negotiable. Implementation of Copeland Furniture's pricing policy is solely Copeland Furniture's decision and responsibility. No employee of Copeland Furniture has authority to discuss or modify this policy. Any questions regarding these policies should be in writing and directed to:

**Pricing Policy Administrator
Copeland Furniture
156 Industrial Drive
Bradford, VT 05033**

or sent via fax:

**Attn: Pricing Policy Administrator
802.222.9285**

Copeland Furniture will respond only in writing. The terms set out in these policies are subject to change, from time to time, upon notice to all Copeland Furniture retailers. Notice of any changes may be given by fax, e-mail or other electronic means.