

Gamblin Artists Colors
Unilateral Minimum Advertised Price Policy
***Updated*, November 12, 2013**

COMMITMENT

For more than 30 years, Gamblin Artists Colors has strived to provide oil painters with highest quality materials and technical support at reasonable prices. We appreciate the efforts that you have provided over the years in helping us grow as a company, and build the market image of quality, value and integrity that we enjoy today. We want to ensure that our Retail Partners market our products in ways that are consistent with our market image and continue to provide a high level of support to artists "in the aisle". Gamblin believes this is best accomplished by having a financially healthy network of Retail Partners committed to engaging, supporting and inspiring their communities of artists. In order to achieve these objectives, many years ago, Gamblin unilaterally implemented a minimum advertised pricing policy ("MAP Policy") that applies to all Retail Partners and all Gamblin Materials. This is an updated MAP Policy that completely replaces previous MAP Policies.

MINIMUM ADVERTISED PRICE POLICY

On and after the date above, other than during Promotional Periods, a Retail Partner's minimum advertised prices appearing in Advertising of Materials may not be less than the then-current corresponding MSRP Discount. Retail Partners are solely responsible for ensuring that they keep a current list of Materials and their corresponding MSRP in effect at any time. Retail Partners that do Advertising, other than In-Store Advertising, of Materials at prices lower than those suggested in this MAP Policy will be in violation of this MAP Policy.

Promotional Periods are exceptions to this MAP Policy that permit a Retail Partner to display a minimum advertised price in Advertising of Materials at the corresponding Promotional Period minimum advertised price as indicated in this MAP Policy.

Painting Materials

For all Gamblin Painting Materials, the following apply:

- **MSRP Discount:** maximum of 25% off MSRP
- **Promotional Period:** The calendar months of January, February, April, May, August and September
- **Promotional Period minimum advertised price:** maximum of 40% off MSRP

Painting Sets

For all Gamblin Painting Sets, the following apply:

- **MSRP Discount:** maximum of 25% off MSRP
- **Promotional Period:** The calendar months of January, February, April, May, August, September, October, November and December
- **Promotional Period minimum advertised price:** maximum of 40% off MSRP

Printmaking Materials

For all Gamblin Printmaking Materials, the following apply:

- **MSRP Discount:** maximum of 15% off MSRP, year-round
- **Promotional Period:** None
- **Promotional Period minimum advertised price:** None

Gamblin reserves the right to change these minimum advertised prices, MSRP Discounts, and Promotional Periods described above in its sole discretion. Written notification of any such changes will be provided to Retail Partners.

DEFINITIONS

Advertising

Advertising refers to any written or printed communication intended to solicit sales of Materials that appears in any form of public media including, without limitation, print, broadcast, recorded message, or digital or electronic formats, including on the Internet and postings on Amazon.com. The definition of Advertising is intended to be all-encompassing and also includes, for example and without limitation, communications or

materials that a Retail Partner or a third party at the Retail Partner's direction (i) sends by mail including, without limitation, in direct mailings or catalogs; (ii) direct to existing or prospective customers by email, group fax or instant message; (iii) display on billboards or other public signage, flyers or banners; (iv) broadcast as infomercials or the equivalent; or (v) display anywhere on the Internet whether or not the Retail Partner also engages in the sale of Materials to consumers from the same website.

Retail Partner

Retail Partner refers to any business that is selling any Materials anywhere, including but not limited to their own store, their own website or through a website that they control (e.g. Amazon.com)

Materials

Materials means any Gamblin product that are sold by a Retail Partner.

MSRP

MSRP means the prices that Gamblin communicates to its Retail Partners from time to time listing suggested prices for Materials.

MSRP Discount

MSRP Discount means the amount below the MSRP at which Retail Partners can advertise Materials every day, outside of Promotional Periods.

In-Store Advertising

In-Store Advertising refers to Advertising including, without limitation, point-of-sale communications and materials that are displayed, broadcasted or posted in, or immediately outside, of a Retail Partner's physical place of business so as to be visible to or heard by customers who come to the Retail Partner's physical place of business.

SCOPE

This MAP Policy only applies to a Retail Partner's *advertised* prices. By *advertised*, Gamblin refers specifically to Advertising, other than In-Store Advertising, that a Retail Partner conducts that mentions or displays specific prices for Materials. This MAP Policy does not apply to In-Store Advertising. This MAP Policy does not address, restrict or limit the *actual* prices at which a Retail Partner chooses to sell Materials to its customers.

A Retail Partner is not required to display their advertised prices in Advertising. However, if a Retail Partner does, the Advertising must comply with this MAP Policy.

This MAP Policy applies to all Materials that a Retail Partner displays on any website regardless of whether the Retail Partner owns or controls the website. Retail Partners are solely responsible for ensuring that all search engines with which they affiliate or cooperate or in which they invest comply with the requirements of this MAP Policy.

Pricing that appears on any website is considered an advertised price and must adhere to this MAP Policy until the consumer purchasing the Materials places the Materials in the virtual shopping cart. The shopping cart window is considered part of the check-out procedure and its display in the check-out process falls outside the scope of this MAP Policy. Consequently, a Retail Partner will violate this MAP Policy by displaying advertised prices, or making any references to additional discounts available after placing goods in the shopping cart, of Materials anywhere on a website other than in the shopping cart or check-out page that are below the then-current MSRP Discount or Promotional Period minimum advertised price.

The use of "add to cart for lower price", "add to cart for VIP/Club price", "click on", "click through", or "members get additional savings" buttons, or any similar buttons or automated price quotation features or suggestions of lower prices available only after adding an item or items to the shopping cart or referring to additional discounts in Advertising on a website is also strictly prohibited.

Use of terminology such as "entire stock (or department) 50% off" shall be treated as Advertising subject to this MAP Policy if the Advertising refers to, or displays a picture of, any Materials or the Company name or logo.

In determining a Retail Partner's compliance with this MAP Policy, Gamblin will consider all price discounts, coupons, and other types of inducements, incentives or promotional offerings (including, without limitation, "VIP discounts" or "Warehouse Member Discounts") that a Retail Partner chooses to offer in promoting Materials in Advertising. The value of all such incentives and promotional offering shall be determined by Gamblin, at Gamblin's sole discretion, and shall be deducted from the Materials price shown in the Advertising to determine the effective advertised price. For example, in cases where Advertising features a statement such as "VIPs SAVE AN ADDITIONAL \$X (or X%) ON THIS ORDER", Gamblin defines the Retail Partner's effective advertised price to be equal to the price shown in the Advertising of the Materials less the stated savings.

This MAP Policy does not apply to Advertising featuring Materials that have been discontinued.

UNILATERAL

This MAP Policy is not a solicitation or request on Gamblin's part for any form of agreement from a Retail Partner selling Materials. Gamblin has not in the past, and will not now or in the future, ask a Retail Partner to enter into any mutual agreement or understanding with Company, formal or informal, oral or written, that asks the Retail Partner to give up its right to carry on its business according to the Retail Partner's best judgment. In the same way, Gamblin will not give up its right to carry on its business according to its best judgment. Gamblin furthermore retains the right to deal or decline to deal with any Retail Partner to the extent permitted by law.

Gamblin will not discuss any conditions of acceptance related to this policy. Nothing in this policy is intended to be, nor shall be construed to be, an agreement between Gamblin and any Retail Partner as to the prices at which the Retail Partner actually sells, as opposed to advertises, Materials.

VIOLATION

If Gamblin determines that a Retail Partner has advertised Materials at less than the suggested minimum advertised price established by this policy, Gamblin may, in its sole discretion, withdraw any/all promotional and in-store support for that Retail Partner, remove the Retail Partner from our list of Gamblin Retail Partners, refuse any new orders, and/or place the Retail Partner on shipping hold thru our distribution partners.

COMMENTS

To ensure legal compliance, the only Gamblin representative to whom questions may be addressed concerning this policy is Pete Cole, President of Gamblin. Gamblin will not negotiate this policy and does not wish to receive any complaints from any Retail Partner about any other Retail Partner's pricing practices or compliance with this policy.

We believe this policy is in the best interests of the artists and retail partners we work with. Thank you again for your support of Gamblin Artists Colors.

Best regards,



Pete Cole
President
Gamblin Artists Colors