



## Internet Policy

For CABANACOAST® and Actiwin® Co.  
Ltd.

Effective April 9 2018

CABANACOAST® (and Actiwin® Co. Ltd.) is a complete line of luxury and fashion-forward patio furniture designed for both residential and commercial use.

From the Greater Toronto Area to San Diego, California, more than 185 retail stores across Canada and the US sell CABANACOAST® patio furniture. These reputable stores specialize in outdoor patio furniture and related products. Their knowledgeable, experienced sales and design consultants work closely with their local customers to provide them the best in outdoor living. CABANACOAST® commercial patio furniture is recognized for its exquisite, modern design. Our commercial clients include Marriott International, Hilton Hotels & Resorts, Whole Foods Market, Kona Grill, Colonial Country Club and many more.

We strongly believe that selling our extensive range of products through independent Authorized Dealers offers our retail customer the best means to personally touch and feel the comfort, quality and extensive finish and fabric choices that we offer. Our online store locator enables our customers to locate their closest retail store.

We also acknowledge that the retail marketplace is undergoing significant changes, particularly concerning e-commerce. Consequently, CABANACOAST® has revised our internet policy in regards to advertised price and internet sales.

**Effective immediately, CABANACOAST® has adopted the following Minimum Advertised Price (“MAP”) requirements for any and all Authorized Dealers who sell CABANACOAST® products:**

- Authorized Dealers may not advertise nor sell CABANACOAST® products at less than MAP, which cannot exceed 30% off Manufacturer’s Suggested Retail Price (“MSRP” or “Suggested Retail Pricing” per the price list) and is inclusive of all discounts including but not limited to promo codes, coupons, “strike through” price, pre-season discounts, close-out markdowns, gifts, shipping and sales tax.
- These MAP requirements apply to any Authorized Dealers advertising CABANACOAST® products via, but not limited to, newspaper, radio, direct mailers, magazines, circulars, flyers, inserts, television or via the internet.
- Authorized Dealers may not promote nor sell CABANACOAST® products online at a net price below MAP. This includes, but is not limited to, sending broadcast emails or placing an ad on any other internet site including third-party sites.
- Authorized Dealers may not hide internet prices below MAP by advertising “email for pricing,” “get discount at checkout,” etc.
- These MAP requirements are applicable to Authorized Dealers in Canada and the United States.

The intent of these MAP requirements is to protect the integrity of CABANACOAST® products and to preserve the investments made by CABANACOAST® and our Authorized Dealers. We have concluded that online advertising using discounted prices below MAP can negatively affect the goodwill associated with CABANACOAST®'s products and can potentially damage the reputation of both our products and our brand in the marketplace. Internet advertising using discounted prices below MAP may also lead customers to purchase our products without the benefit of talking with knowledgeable sales representatives about them or without evaluating our products to ensure that they are a good fit for their needs. Concurrently, we do not want to negatively impact our Authorized Dealers' margins.

**In addition, CABANACOAST® will allow “brick and mortar” Authorized Dealers (dealers who stock and display CABANACOAST® products in a physical storefront) to sell current CABANACOAST® products via their store’s retail internet sites providing the dealer follows the MAP requirements and the internet sales requirements, which are as follows:**

- Authorized Dealers seeking to drop ship CABANACOAST® product to a consumer by any other means other than their own delivery associates must have such deliveries made by a “White Glove” service – a premium delivery service which includes delivery, unpacking, assembly and placement of the furniture as well as disposal of all shipping and packing debris.
- The selling Authorized Dealer is fully responsible for service to the consumer before, during and after the sale. This specifically includes, but is not limited to, any freight damages and/or warranty claims, irrespective of the consumer’s geographic location.

CABANACOAST® will NOT drop ship an internet sales order. CABANACOAST® does not sell our products directly to the consumer or sell through internet-only dealers who do not have a brick and mortar storefront.

CABANACOAST® is committed to ensuring that our brand stands for high quality, comfortable and durable furniture and that the advice, service, knowledge and support which are necessary to maintain a high level of customer satisfaction is available to all end users of our products. We feel that the internet is an excellent tool for both our residential and commercial customers to learn more about our products.

This Internet Policy will be uniformly enforced. CABANACOAST® will monitor compliance with the Internet Policy and will impose sanctions up to and including termination of its business relationship with any Authorized Dealer found to be in violation of the Internet Policy. Violations of this Internet Policy will be determined by CABANACOAST® in its sole discretion. Authorized Dealers who we deem to have failed to follow this Internet Policy will be notified in writing, and will have 5 business days to correct the pricing for their first offense. If the situation is not corrected in a timely manner, or if there are additional offenses, termination of the dealership may result.

This Internet Policy applies to all prices appearing in any form and by any means on any part of the internet that is searchable by the public. This Internet Policy applies only to our Authorized Dealers’ advertised prices, not to their selling prices.

This Internet Policy does not constitute an agreement between CABANACOAST® and any Authorized Dealer who complies with the Internet Policy. Each Authorized Dealer will decide, in their sole discretion, whether to comply or not to comply and, therefore, compliance does not evidence any kind of agreement between the Authorized Dealer and CABANACOAST®. This Policy supersedes any previous agreement regarding CABANACOAST® and the

internet and advertised price, whether written, verbal or implied.

CABANACOAST® reserves the right to modify, suspend or discontinue this Internet Policy in whole or in part at any time. We reserve the right to modify the price list at any time. It is the Authorized Dealer's responsibility to stay up to date with the current price list. All Actiwin® Co. Ltd. and CABANACOAST® trademarks and images are the property of Actiwin® Co. Ltd. CABANACOAST® sales representatives have no authority to modify or grant exceptions to this Internet Policy.

This Internet Policy is non-negotiable. Term & Conditions of this Internet Policy are subject to change. The terms of this Internet Policy are confidential and should not be disclosed to other parties.

The use of CABANACOAST®'s Trademarks, copyrighted items and images on the Internet without the express permission of CABANACOAST® is strictly prohibited. All disputes will be governed under the laws of the Country of Canada, Province of Ontario without regard to its conflicts of laws or principles. If you have any questions regarding this Internet Policy please email them to [patio@cabanacoast.com](mailto:patio@cabanacoast.com).