

2018 Dealer Support Programs

August 14, 2017

Pricing Tiers

- 2018 Dealer Pricing Tiers
 - Tier 1 up to \$15,000
 - Tier 2 \$15,000 \$30,000
 - Tier 3 \$30,000 -\$60,000
 - o Tier 4 \$60,000+
- Dealer List Price (DLP) 2% Discount from DLP
- 3% Discount from DLP
- 4% Discount from DLP
- Based on the higher of 2017 purchases or 2018 orders + purchases
- Dealers reaching a higher tier during the year will be upgraded to the higher pricing tier for all future orders & shipments

Dealer Territory & Exclusivity

- Protected Territory
 - NuCanoe Inc. <u>will not</u> add another Dealer in the territory without prior approval from the Dealer within the period covered by the Dealer Agreement.
 - Other NuCanoe Dealers <u>may not</u> market and advertise within the protected territory without prior approval from NuCanoe Inc.
 - Territory reviewed and updated annually.
- Open Territory
 - NuCanoe does not guarantee territory exclusivity
 - Other NuCanoe Dealers may market and advertise within the territory.
- To Quality for Protected Territory
 - o Meet all Dealer Requirements
 - Minimum of \$15,000 in purchases for prior year or purchases plus orders for current year; higher in certain markets and territories.
 - Actively market & promote NuCanoe products and the NuCanoe brand
 - Final determination is at the sole discretion of NuCanoe Inc.

Demo Boats & Accessories

- NuCanoe dealers may purchase one discounted demo boat per model per year for each store location where demo boats will be held and used
- Factory seconds will be used when available; colors are as available
- Demo boats may be sold "as is" (no warranty) at the end of the season or model year
- Additional demo boats may be purchased, if available, for rental or demo use, or for resale to professional or commercial users
- Dealers may purchase one accessory package and paddle per demo boat at a 25% discount; must be ordered at same time as with demo boats and used on demo boats for full season

Shipping Program

- 25% discount on shipping costs for shipments of 10 or more boats
- Single shipment accessory order discounts
 - Order value \$500 \$1,999 40% accessory shipping discount

• Order value \$2,000 or more – 60% accessory shipping discount

Marketing Cost Share

- Advertising & Promotions Cost Share 33%
 - For advertising & promotions related exclusively to NuCanoe and Dealer; No other paddlesports brands may be included
- Shows & Events 33% of cost for space dedicated to NuCanoe, subject to the following:
 - For booths less than 200 sq ft, NuCanoe must be only paddlesport brand on display
 - For booths 200 sq ft or more, a minimum of 3 NuCanoe boats consisting of at least
 2 NuCanoe models must be on display

POP Marketing & Display

- High quality marketing and display items are available to Dealers at a discounted cost.
- Available Items
 - Vinyl Banner \$25
 - Tear Drop Flag \$125
 - 2-Boat Display Rack \$200
 - o 4-Boat Display Rack \$250

Team NuCanoe Pro Staff

- Team NuCanoe supports NuCanoe and NuCanoe dealers by participating in kayak fishing tournaments, creating & sharing content, and supporting Dealers at show & events
- Team NuCanoe members receive a 5% discount from Dealer List Price on NuCanoe products (1 boat/yr)
- NuCanoe provides Team NuCanoe member credit for supporting Dealers at Shows & Events, participating in kayak fishing tournaments, and providing marketing content.
- See Team NuCanoe Program for the full details

Employee Purchase Program

- Employees of NuCanoe dealers qualify for the NuCanoe Pro Deal Purchase Program, providing a 5% discount from the Dealer List Price.
- Purchases must be approved by authorized buyer and limited to 1 boat per employee

Drop Ship Orders

- NuCanoe, Inc. will drop ship orders direct to customers on behalf of NuCanoe Dealers
 - Dealers are responsible for boats once shipped and for informing their customers about receiving procedures
 - Drop shipped boats that are refused by customers for cosmetic damage are the Dealer's responsibility. NuCanoe Inc can assist in returning the refused boat to the Dealer and filing the claim.
- Drop ship orders for accessories only will be assessed a \$10 drop ship charge