

Wednesday, January 13, 2016

Pearl Discontinuation Update

MAAX | Pearl CS / DS – USA

As a follow up to our Pearl discontinuation announcement sent in early December, we would like to provide an update on the discontinuation of the Pearl products. We have run into a couple of unforeseen obstacles and want to provide as much visibility as possible on the situation in order to minimize any difficulties that they may cause.

Pearl Classic & Designer Series

We have seen a higher rate of orders for some Pearl units targeted for discontinuation than we expected. As a result, orders for some models and configurations are not able to be fulfilled through the end of January. In most cases, an alternative model is available from MAAX Professional or Collection and we will honor the current Pearl pricing when a price difference occurs on a comparable system through the originally scheduled discontinuation period of Jan 31st 2016. We apologize for this inconvenience and are working diligently to satisfy customers through this transition. As a reminder, please refer to the SKU Transition Guide for help in identifying alternative models for the discontinued Pearl SKUs.

All Pearl models listed below have officially been discontinued. The remaining models are in limited quantities and no guarantee can be made of availability.

| <u>Model Name</u> | <u>Model #</u> |
|-------------------------|----------------|
| CS DO | 103563 |
| CS 06 | 103564 |
| CS 06 NS | 103574 |
| CS P6 | 103566 |
| CS 63 NS | 103578 |
| CS 636 | 103571 |
| CS 553 NS | 103580 |
| CS 05 NS | 103576 |
| CS P5 | 103567 |
| CS 32 | 103588 |
| CS 60 IFS | 103585 |
| Ambrosia 6636 (drop in) | 101319 |
| Ballade 7242 | 100463 |
| Kava 7236 | 103554 |
| Kava 7242 | 103555 |
| Navarre 6642 | 103559 |
| Navarre 7242 | 103558 |
| Okapi 7236 | 103556 |
| Rhapsody 7344 | 100474 |
| Standard 6030 | 100480 |



If you would like to obtain an updated list of the exact Pearl models currently still available, please contact MAAX Customer Care in Minneapolis.

Pearl Designer Series (Eterne & Release)

We had informed you in early December that the Eterne and Release series would be the only products moving forward with the Pearl True Whirlpool system; however we have had to reverse that decision because of unforeseen barriers related to parts sourcing and manufacturing. The Pearl system has a number of unique components that have become very cost prohibitive; making it difficult to offer the products at a reasonable price moving forward. Since the Eterne and Release product designs are unique and many of you promote this product, we will continue to produce the product, but with the Hydromax system in replacement of the True Whirlpool system. We apologize for any difficulties this may cause and do not take lightly the fact that we had to reverse a decision announced only weeks ago. We felt it necessary to be transparent and inform you as quickly as possible. Please note the following as it pertains to this transition:

- The Pearl True Whirlpool system will be available while supplies last (based on historical demand we should have supplies through May 2016). All Eterne & Release models will then feature the MAAX Hydromax Whirlpool system and will no longer feature the Pearl True Whirlpool system.
 - The True Whirlpool Combo will be replaced by the Hydromax Combo
 - Backjets will no longer be an option and will be offered as standard on the Hydromax system with no up charge (Except for the 60" models that currently do not offer a backjet option)
 - Pearl Series options for Thermazone and AromaScents will be discontinued
- All Eterne & Release models will continue to feature the MAAX Aerofeel air system.
- The Eterne & Release models will have the same sales codes, there will be no change.
- The Hydromax option will be available for delivery May 15th 2016.

This transition affects the following SKUs:

| <u>Model Name</u> | <u>Model #</u> |
|--------------------------|-----------------------|
| Eterne 7236 | 101317 |
| Eterne 7242 | 101318 |
| Release 6032 | 105310 |
| Release 6036 | 105311 |
| Release 6636 | 105312 |
| Release 7236 | 105313 |
| Release 7242 | 105314 |
| Release 6060 | 105315 |

Thank you for your continued partnership with MAAX. We look forward to driving success in 2016 with exciting new products and a comprehensive product offering that will meet your needs.