

Rustic Elegance | Handcrafted in Los Angeles Since 1966

Memorandum

To: Customers From: ARTO Date: 3/29/2024

Re: Handpainted Offering and Custom Handpainted

As of March 8, 2024 we have a new Handpainted offering. All designs and color ways are represented in the price book. All active SKU/Item Codes are listed in the Excel Price List. There are 3 tiers for pricing T2, T3, and T4 being the higher priced. Sizes available are 4x4, 6x6, and 8x8.

The SKU/Item Code breakdown is as follows.

Example: T2-100-A-4X4

T2 = Tier it is in.

100 = The unique number for the linework/design.

A or B =The preselected colors for that design.

4X4, 6X6, 8X8 = The size of the bisque.

For all the Designs listed there is a corresponding Custom colorway SKU.

Example: T2-100-CUSTOM-4X4

T2 = Tier it is in.

100 = The unique number for the linework/design.

CUSTOM = Custom color(s)

4X4, 6X6, 8X8 = The size of the bisque.

Below is an example of (1) T2 Design in (2) Colors ways, (3) Sizes, and a Custom Color option.

SKU/Item Code	Color	Size	T2 - Retail Price
T2-100-A-4X4	A	4X4	\$29.85
T2-100-A-6X6	A	6X6	\$40.90
T2-100-A-8X8	A	8X8	\$56.50
T2-100-B-4X4	В	4X4	\$29.85
T2-100-B-6X6	В	6X6	\$40.90
T2-100-B-8X8	В	8X8	\$56.50
T2-100-CUSTOM-4X4	CUSTOM	4X4	\$37.35
T2-100-CUSTOM-6X6	CUSTOM	6X6	\$51.10
T2-100-CUSTOM-8X8	CUSTOM	8X8	\$70.65

Below is an example of (1) T3 Design in (2) Colors ways, (3) Sizes, and a Custom Color option.

SKU/Item Code	Color	Size	T2 - Retail Price
T3-104-A-4X4	A	4X4	\$37.00
T3-104-A-6X6	A	6X6	\$50.65
T3-104-A-8X8	A	8X8	\$70.00
T3-104-B-4X4	В	4X4	\$37.00
T3-104-B-6X6	В	6X6	\$50.65
T3-104-B-8X8	В	8X8	\$70.00
T3-104-CUSTOM-4X4	CUSTOM	4X4	\$46.25
T3-104-CUSTOM-6X6	CUSTOM	6X6	\$63.30
T3-104-CUSTOM-8X8	CUSTOM	8X8	\$87.45



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Below is an example of (1) T4 Design in (2) Colors ways, (2) Sizes, and a Custom Color option.

SKU/Item Code	Color	Size	T2 - Retail Price
T4-110-A-6X6	A	6X6	\$77.45
T4-110-A-8X8	A	8X8	\$107.70
T4-110-B-6X6	В	6X6	\$77.45
T4-110-B-8X8	В	8X8	\$107.70
T4-110-CUSTOM-6X6	CUSTOM	6X6	\$101.65
T4-110-CUSTOM-8X8	CUSTOM	8X8	\$141.35

Special Custom - If a customer wants a design that is not in the standard Haindpainted offering or a design was offered in the past and is no longer in the standard Handpainted offering, then it is "Special" Custom and will require a custom SKU/Item Code to issue a work order and "Custom Handpainted Design" Service SKU to pay for the artwork setup and the sample tile. Once the strike off is approved the price of the production run tile would be determined on complexity of the design and how many colors will be used. The SKUs below should cover the scenarios stated above.

SKU/Item Code	CUSTOM - Retail Price	
CUSTOM-HP-3X3	TBD	
CUSTOM-HP-4X4	TBD	
CUSTOM-HP-5X5	TBD	
CUSTOM-HP-6X6	TBD	
CUSTOM-HP-8X8	TBD	

Changes to Note:

- We no longer have 3x3 in the standard line. They are custom and subject to production approval.
- We no longer have a "\$100, Color Change Fee" for custom Decos. The Custom SKU of the Standard offering is the price. Colors must be selected from the Standard Color pallet to be offered at the custom price. If any other color outside of the Standard color pallet is requested, then it is "Special" Custom and subject to higher/different pricing.
- The "Custom Handpaint Design" Service SKU (\$400.00) should be used along with a Special
 Custom SKU (No Charge). This is because the Service SKU does not create an item for production
 in NetSuite and the factory floor. Failure to enter the items correctly will cause production delays.
 Refer to page 19 of the price book to see what is included in the "Custom Handpainted Design"
 SKU.