

## UNILATERAL PRICING POLICY/MINIMUM ADVERTISED PRICE & VIOLATIONS

### **Definition of Terms**

Under this Unilateral Pricing Policy/Minimum Advertised Price & Violations Policy (“UPP/MAP”), the following terms shall be defined as:

“**Reseller**” refers to, but is not limited to: retailers; jobbers; dealers; online dealers; storefront operators; resellers; mail order distributors; warehouse distributors; and automobile shops and garages who sell, resell or otherwise distribute Company brand products.

“**Company**” refers to Company, its companies’ subsidiaries and affiliates.

“**Confidential**” refers to this UPP/MAP policy, any and all pricing, technical and non-technical information.

*No Reseller may advertise any Company, brand product(s) or services below the price established by Company. The price established by Company is in the (non-discounted) retail price on the Company website or price list. This policy applies to all Company Resellers. It is designed and intended to protect the integrity, branding and profitability of the Company product line over all channels of distribution, as well as to provide Resellers a level competitive playing field. The UPP/MAP policy applies to all current Company brand products and services in addition to Company intellectual property and items that Company has discontinued, no longer carries or no longer has in stock.*

**This UPP/MAP policy is the unilateral policy of the Company and is not a contract or agreement with any Reseller. Company reserves the right to modify or amend this UPP/MAP policy at any time and from time to time in Company’s sole discretion.**

### **UPP/MAP Policy Enforcement**

The UPP/MAP policy will be strictly and uniformly enforced. Should Company verify to its satisfaction that a Reseller has violated the UPP/MAP policy, Company will, without assuming any liability, immediately revoke the Reseller’s authorization to sell or receive for resale Company brand products. A Reseller will be found in **violation** of the UPP/MAP policy under the following circumstances:

- A Reseller (direct or non-direct) advertises or sells one or more Company products below the set UPP/MAP price level.
- A Reseller uses online advertising methods that Company believes are designed to bypass the intent and purpose of the UPP/MAP policy.

### **Auction and Retail Sites**

Any Reseller offering Company products in auction or retail site listings with “make offer”, “bid”, “see price in cart”, “add to cart” or similar types of language or options will be considered in violation of the UPP/MAP policy.

### **Violations**

Failure to comply with Company UPP/MAP policy will result in one or more of the following penalties:

**1<sup>st</sup> Offense** - Reseller will be placed on both the *Violators List* and the *Do Not Sell To* list. This will revoke the Reseller’s right to sell Company products for a period of 30 calendar days. It will also stop Company, along with other direct and non-direct Resellers, from selling Company product(s) to the offending Reseller for a period of 30 calendar days.

**2<sup>nd</sup> Offense** - Reseller will be placed on both the *Violators List* and the *Do Not Sell To* list. Reseller will be cancelled as a Company reseller for 360 days. This will revoke the Reseller’s right to sell Company products for a period of 360 calendar days. It will also stop Company, along with other direct and non-direct Resellers, from selling Company product(s) to the offending Reseller for a period of 360 calendar days. After 360 days, Company will consider allowing the Reseller to sell Company products again.

In addition to being placed on the *Violators* list and/or the *Do Not Sell To* list, all pending Reseller orders may be cancelled and future orders may not be accepted. Under all circumstances, Company reserves the right to immediately and indefinitely discontinue selling its products to Resellers who violate the UPP/MAP policy. In such cases, Company has

the right, without advance notice and without liability, to immediately cancel all orders, prevent other Resellers from selling Company brand products to the violating Reseller, and refuse to accept any new orders from the violating Reseller for any and all Company products.

**Acceptance of Policy**

No written or verbal acceptance of this policy by Resellers is sought or required by Company. The UPP/MAP policy imposes no obligations, guarantees or requirements upon Company. This policy is non-negotiable. Resellers of Company products are required to provide their customers the Company UPP/MAP policy.

**Exceptions**

Company reserves the right to permit sales of its products in connection with limited time promotions even though those promotions might otherwise violate the terms of the UPP/MAP policy. At Company's sole discretion, other exceptions to the UPP/MAP policy may be made. All such exceptions must have specific start and end dates and may not exceed 5 business days unless permission is otherwise granted by Company.

**UPP/MAP Changes**

Company will give at least thirty (30) day notice of any changes to the UPP/MAP policy including price increases.

**Inventory Repurchase**

Company reserves the right to repurchase a violating Reseller's unopened Company inventory in its original packaging. Any purchase offers of this sort will be at Company's sole discretion and at terms of Company's choosing which may include a restocking fee.

**Additional Policy Terms and Conditions**

This policy may be modified, extended, suspended, discontinued or rescinded in whole or in part by Company at any time. The UPP/MAP policy is not open to contest, negotiation or arbitration. If there is any disagreement over the interpretation or enforcement of this policy, Company's view will prevail.

Company neither requires, requests, nor will accept written or other forms of confirmation of acceptance of this policy. Company will not discuss any conditions of acceptance related to this policy.