

PUTCO® UNILATERAL MINIMUM ADVERTISED PRICING (UMAP®) PROGRAM
Revision Effective November 20TH, 2019

As an industry leader, Putco®, Inc. has earned and appreciates the support of its authorized resellers by providing innovative, American-made quality LED lighting products and unique styling accessories. The resulting brand awareness and value drives repeat customers and helps keep Putco® products grow your bottom line month after month.

Putco® remains committed to protecting the value of our inventions and premium brand by unilaterally limiting distribution to qualified, authorized Putco® resellers committed to meaningfully promoting our brand consistent with all Putco® policies and programs; including the revised Unilateral Minimum Advertised Price Program or “UMAP®” program outlined here. Material breach of the UMAP® program will, in Putco’s discretion, result in loss of resale rights and intellectual property use, revoking co-op and other allowances, reduced warranty support and legal action.

We are committed to improvement in addressing the challenges and frustrations our two-stage resellers face from Internet auction sites, ghost resellers and imports of unknown origin and quality. **Effective November 20, 2019**, Putco® renews its commitment to actively support customer choice and fair inter-brand competition by and between all channels of authorized Putco® resellers by rejoining with Colvos Law, PLLC to actively monitor and enforce this revised UMAP® program.¹ PLEASE TAKE A MOMENT TO REVIEW AND UPLOAD THE REVISED UMAP® PRICE SHEET focused on fair and consistent advertising of our best selling SKU’s.

UMAP® COMPLIANCE GUIDELINES

Putco’s UMAP® is intended to promote and preserve the premium reputation of Putco® products increase responsible advertised pricing across distribution channels, and prevent “free-riders” on our shared brand investment by reducing unauthorized resellers on Amazon.com, eBay, Walmart.com, NewEgg.com, Jet.com, BestBuy.com, Alibaba, Rakuten.com, Buy.com, Sears, ChaHub, and a myriad of other Internet host sites and pop-ups. By promoting fair inter-brand competition UMAP® discipline establishes advertised price stability while encouraging authorized resellers to actively promote our brand and provide the levels of technical expertise, customer service and warranty support required to keep Putco® your customers’ go-to brand for repeat, high-valued purchases.

Putco® products identified in the attached UMAP® Price Sheet are covered by our UMAP® Program terms and will only be available to qualified Putco® resellers who maintain physical storefronts, actively promote, provide customer support and responsibly advertise Putco® as a premium brand consistent with the current UMAP® Price Sheet. Putco® reserves unilateral rights

¹ UMAP® and the terms of this UMAP® Program are original works subject to U.S. copyright protection and licensed to Putco® by Colvos Law, PLLC.

to refuse to deal, limit supply, refuse use of copyrighted images, SKU data, participation in co-op or other programs as well reduce Limited Warranty coverage to: (A) authorized resellers supplying UMAP®-covered product to unauthorized resellers (including Amazon) where advertisements occur at less than UMAP® price; (B) resellers who materially breach UMAP® or *other* PUTCO® policies with or without prior Putco® warning; and (C) resellers who unreasonably refuse to cooperate with Putco® requests regarding physical address, inventory levels, advertising history, source of Putco® products or other information related to the terms and competitive goals of this Program. Putco® prohibits the use and redistribution of its SKUs, data, images and/or marketing materials by unauthorized resellers without express written consent from Putco®.

This Program applies only to consumer advertised prices by any means of electronic or physical publication. UMAP® does not apply to the price at which Putco® products are actually sold. Independent distributors and resellers remain free to negotiate the ultimate transaction/sales price (as opposed to *advertised* price) they see fit for their market. Likewise, Putco Inc. remains free to determine, in its sole discretion, which retailers and sellers to appoint or continue business with as authorized Putco® resellers eligible to use intellectual property, receive co-op and promotional assistance, special product offerings, incentives, complete Limited Warranty coverage, technical support and the like.

Putco's UMAP© Program neither solicits nor requires either express or implied agreement or joint action by resellers. Putco® will not discuss any conditions of acceptance related to this Program as it reflects unilateral choice in organizing its distribution, not negotiation or acceptance. Putco® does not solicit and will not accept any assurance of compliance with this Program. Nothing in this Program or in any other contract or agreement constitutes an understanding between Putco® and reseller(s) regarding resale pricing.

WHAT IS "ADVERTISING" UNDER THIS UMAP© PROGRAM?

Putco's UMAP© Price Sheet applies to all storefronts and to all forms of advertisements, in any and all media, including without limitation: letters, flyers, posters, coupons, mailers, inserts, newspapers, magazines and other periodicals, catalogs, mail order catalogs, any and all digital advertising media (including without limitation the Internet, enthusiasts' special forums, social media posts, podcasts, electronic mail (e-mail), websites, search engine advertising, online auction sites, host sites (including but not limited to those hosted by private proxy servers), and other online storefronts), television, radio broadcasts, displays at consumer exhibitions and trade shows, other print advertising, and public signage. Website features such as "Click for price," automated pricing e-mail advertisements, automatic price display for any items prior to being placed in a customer's shopping cart, and other similar website "click-through" features are considered to be communications initiated by the reseller and thereby constitute "advertising" for purposes of this UMAP©. Products covered by the Program and minimum advertised prices may be updated from time to time to include without limitation new products, market conditions, and special promotions/rebates.

COMMUNICATION OF POLICY

All authorized Putco® resellers at the WD level are responsible for delivering a copy of this Program along with the UMAP© Price Sheet to each authorized reseller it supplies with Putco® product. WD's are also responsible to stay informed of any updates to the UMAP© Price Sheet and to provide those updates to each authorized reseller they supply with Putco® product.

Putco® reserves the unilateral rights to treat a WD-supplied reseller's violation of this Program as the WD's violation.

PUTCO® UMAP® ADVERTISING GUIDANCE

Examples of advertisements Putco® currently considers contrary to the competitive goals of our UMAP® Program, our superior brand image and desired distribution limited to qualified Putco® resellers include:

- (1) Bundling for Lower Than UMAP® Bundling or combining product(s) covered on Putco's UMAP® Price Sheet with any other product (whether or not a Putco® SKU or a product from another manufacturer) for a sales price lower than the combined price of what the two or more products could be purchased independent of each other. Example: 15% on light bars, fender trim, Boss grilles.
- (2) Click-Through Innuendos. Advertising that, in any manner, requests the customer to "Click Through" to "See Price In Cart," "Click To See Price," "Add To Cart For Best Price," "Why we do not show a price?" "Call/E-mail for Best Price", or any comparable command, or any language or graphic representation that implies, or from which the customer or end-user can infer, that the customer or end-user is being led to click through to the cart to see a price lower than that set forth in our UMAP® Price Sheet. This specifically includes "In Cart" pricing.
- (3) Alterations to Minimum Advertised Price. Applying a blacked-out price (e.g. \$██████), struck-through price (e.g... ~~\$1,000.00~~), leaving out the price altogether, or any other alteration to the price advertised.
- (4) SKU Modifications. Altering, phishing, omitting SKUS or SKU hyphens or other punctuation, or any other modifications to product SKUS, product names, images or descriptions.
- (5) Lowest-Price Guarantees. Advertising claiming or suggesting "the lowest prices," having any form of low-price guarantee, or offering to match the lowest advertised price on Hawk® products listed in the UMAP® Price Sheet.
- (6) Across-the-Board Discounts. Catalog or inventory-wide discounts (e.g. "10% off everything in catalog"), unless "Putco® products excluded" is clearly stated in direct connection with such advertisements.
- (7) Rebates or Other Incentives Prior to Payment. Issuing rebates or providing incentives (other than those pre-authorized by Putco®) in any form prior to customer payment where the net effect is to reduce the advertised price to less than the price suggested in the current UMAP® Price Sheet in effect at the time of the ad posting.
- (8) Tie-Ins. Offering a gift card or other form of product or service redeemable for value on a future purchase with the purchase of any product listed on Putco's UMAP® Price Sheet or any other product tie-in (including those made by other manufacturers) or promotion where the net effect is to reduce the advertised price to less than the price suggested in the Table in effect at the time of the ad posting.
- (9) Deceptive Listing: New Products as "Used" or "Like New". Advertising in any manner which infers a new product purchased from a qualified a Putco® distributor/reseller is, absent resale or actual use by an end user, in any condition other than new, never-been-opened, undamaged condition with original packaging intact. *Note:* Putco® may not provide technical support or warranty coverage for products advertised as other than new.
- (10) Deceptive Listing: Unauthorized Distributors/Resellers offering Products with Reduced Warranties as "New.": The Limited Warranty supplied by Putco® may not apply to products purchased from unauthorized resellers or suppliers on Amazon, eBay, Walmart,

Alibaba, Rakuten, Jet.com, Buy.com and other outlets. Advertising such products as “New”, “Like New”, “Out of Box” or similar without reference to reduced warranties is considered a deceptive practice and a violation of this UMAP© Program.

- (11) Reseller Claims of “Authorized Distributor/Dealer” Status. Advertising or otherwise holding storefront out to be an “Authorized Distributor” of Putco® brand products when Putco® has not approved or otherwise consented to such status.
- (12) Storefront Concealment. Advertising or storefront image intended to conceal or mask the true identity of the distributor or reseller (e.g. generic storefront name like "Auto Parts Store" without transparency as to contact information and/or reseller refusal to provide meaningful contact information).

Examples of actions which Putco® generally considers in compliance with its UMAP© Program are:

- (1) Offering free or discounted shipping or installation on products listed in the Putco® UMAP© Price Sheet.
- (2) Putco® distributors or resellers offering promotional or incentive programs, such as customer loyalty rebates, advertising promotional prices, or bundling of products listed in the Putco® UMAP© Price Sheet that are an officially announced promotion by Putco®.

**PUTCO® RIGHTS RESERVED FOR ENFORCEMENT OF UMAP© NON-COMPLIANT
RESELLER/DISTRIBUTOR**

At all times, Putco® distributors and resellers have the choice to voluntarily comply with and receive the benefits of Putco’s UMAP© Program. Advertisements of Putco® products in all forms of media are routinely monitored.

Putco® reserves the right to interpret any non-compliance with this Program at any one store location or associated website by a distributor or reseller as non-compliance by that distributor/reseller with respect to all its store locations or websites. Putco® further reserves all rights to unilaterally interpret and enforce its UMAP© Program through various actions. If we determine an advertisement is a UMAP© violation, Putco® may, without assuming any liability, take such unilateral action as it deems appropriate. Such unilateral actions may include without limitation: adding or terminating Putco® resellers; cancelling, refusing or limiting purchase orders and indefinitely refusing to accept new orders from that violator *as well as from any Putco® wholesale distributor who is supplying the violator*; restricting or conditioning warranty support, technical assistance and promotional allowances, auditing distributor, reseller and WD sales, revoking discounts, advertising or other distributor/reseller program allowances; revoking all rights to use Putco® trademarks (registered and common law), service marks, copyrighted or other promotional materials (for example, Putco® product images & videos, product descriptions, manuals, product listings, SKU’s, ordering codes, or other intellectual property); publishing non-compliant distributors and resellers on “Do Not Sell/Resell Lists”; and pursuing all other contractual, legal and equitable remedies available, including without limitation, obtaining permanent or temporary injunction, termination, notification of intellectual property rights violations to Internet hosts, proxy servers or other methods of taking down advertisements and/or Internet offerings.

Putco® may provide courtesy notice of UMAP© violations, where the violation reflects an isolated instance, there is a lack of deceptive intent, the storefront demonstrates transparency, and Putco® unilaterally believes the overall competitive goals of the Program are retained or maybe restored. While Putco® may provide such courtesy notice of UMAP© violations, Putco®

also reserves the right to enforce this Program by initial or follow-up unilateral action(s) with or without prior notice to any non-compliant reseller, whether written or verbal. Such unilateral actions are cumulative and neither action or deferral shall operate to waive any of Putco's future unilateral rights to action or inaction.

Putco® resellers are considered compliant with this Program when 100% of all UMAP© covered SKUs (as set forth on the current Putco® UMAP© Price Sheet) are advertised *at or above UMAP©*. *This Program applies 24 hours a day, 7 days a week, 365 days a year, absent Putco® providing prior written notice or approval of reseller-requested targeted marketing campaigns or special promotions.*

NO NEGOTIATED UMAP® MODIFICATIONS

PUTCO INC.'S EMPLOYEES, AGENTS, INDEPENDENT SUBSIDIARIES' SALES PERSONNEL, AND/OR OTHER REPRESENTATIVES DO NOT HAVE AUTHORITY TO GRANT EXCEPTIONS, MAKE OR DISCUSS ACCEPTANCE, NEGOTIATE WITH, OR ACCEPT MODIFIED TERMS TO THIS PROGRAM.

Putco Inc. reserves all further unilateral, legal and equitable rights with respect to its UMAP© Program and at its sole discretion, at any time, to alter, modify, suspend, or discontinue this Program, with or without notice, in whole or in part, or designate promotional periods during which the terms of the Program change or designate periods of time during which the Program is not applicable. This includes the right(s) to ascertain whether an advertisement with or without associated clicks and click-throughs, links, or coupons reflects a *net advertised* price that is less than the minimum advertised prices established by the Putco® UMAP© Price Sheet.

CONTACT INFORMATION

All questions or comments regarding this UMAP© Program should be directed to the UMAP© Coordinator, Brian Schmidt, at bschmidt@putco.com or (800) 247-3974. The UMAP© Coordinator shall be solely responsible for determining whether a violation of the Policy has occurred, communicating to retailers and sellers any issues regarding the Program, (including without limitation violations and any unilateral actions by Putco®), and receiving any communication regarding unilateral actions imposed by Putco® under this Program.