



CutterPillar Minimum Advertised Pricing Policy/Agreement

Effective January 1, 2016, a Minimum Advertised Price (MAP) on all CutterPillar products is in effect. International accounts must reflect pricing as translated into their local currency.

CutterPillar is a recognized brand with a high perceived value since 2011. Adhering to the established Minimum Advertised Price (MAP) a reseller supports and enhances the perceived value of the CutterPillar brand and its products. The internet has a worldwide impact and low prices that are advertised to eliminate any legitimate retail competition can cause real harm to the company's products. Our MAP pricing policy is intended to encourage consumers to purchase from resellers based on loyalty and customer care expectations. CutterPillar requires all resellers to agree and abide by the following MAP requirements and restrictions.

- 1) The Minimum Advertised Price for any retail sale of CutterPillar product shall not be less than **23%** below the current Manufacturer's Suggested Retail Price. MAP pricing is established by CutterPillar and may be adjusted by CutterPillar at its sole discretion.
Example: CutterPillar Pro MSRP is \$139.99, then MAP is \$107.99
- 2) The MAP policy applies to all advertisements of CutterPillar products in any and all media, including, but not limited to, fliers, posters, coupons, mailers, inserts, newspapers, magazines, catalogs, mail order catalogs, Internet or similar electronic media, television, radio, and public signage.
- 3) The MAP policy is not applicable to: 1) In-store advertising that is displayed only in the store and not distributed to any customer(s) outside of their store. 2) Email newsletters sent to your customer database.
- 4) MAP applies only to advertised prices and does not apply to the price at which the products are actually sold or offered for sale to an individual consumer. CutterPillar dealers and sales representatives may sell products at any price they choose.
- 5) MAP does not establish maximum advertised prices. All dealers and sales representatives may offer CutterPillar products at any price in excess of the MAP.
- 6) CutterPillar's MAP policy does not in any way limit the ability of any dealer to advertise that "they have the lowest prices" or, they "will meet or beat any competitors price", that consumers should "call for a price" or phrases of similar import as long as the price advertised or listed for the products is not less than MAP.
- 7) Dealer agrees to hold all trademarks and copyrights of CutterPillar as the property of CutterPillar and use advertising materials provided by CutterPillar in an authorized manner only.
- 8) Intentional or repeated failure to abide by this policy will result in termination of dealership or sales representatives. CutterPillar does not intend to do business with dealers or sales representatives who degrade the image of CutterPillar and its products. It is CutterPillar's sole discretion whether or not to provide prior notice or issue warnings before taking any action under this policy.
- 9) E-Bay and other auction web sites policy: "Buy it Now" options must be listed at a price equal to MAP or greater. For auctions the reserve and/or opening bids must start at MAP if a "Buy it Now" option exists. Best Offer Auctions Are Not Allowed.
- 10) Negotiated Contracts: From time to time it may be approved by CutterPillar in writing to sell certain CutterPillar products at below MAP pricing. The discount amount and length of time will be determined at the time of this approved promotion by CutterPillar.
- 11) ~~Amazon.com exclusion: All sellers/resellers agree to not list, sell or post CutterPillar products on Amazon.com. Any sellers who knowingly list CutterPillar on Amazon.com will no longer be sold CutterPillar Products at wholesale prices and immediately lose any privilege of using CutterPillar trademarks, logos and/or images.~~
- 12) CutterPillar may run a sale from time to time and in such case the MAP will be the same as the sale price on those particular items and on those particular dates. CutterPillar will send out a notice in advance with details of the special.
- 13) Sales representatives and/or wholesalers of CutterPillar products will supply a copy of the CutterPillar MAP policy to any new or existing reseller.
- 14) Website features such as "click for price", automated "bounce-back" pricing e-mails, pre-formatted e-mail responses, forms, and automatic price display for any items prior to being placed in a customer's shopping cart, and other similar features are considered to be communications initiated by the dealer (rather than by the customer) and thereby constitute "advertising" under this MAP Policy.
- 15) This MAP Policy also applies to any activity which CutterPillar determines, in its sole discretion, is designed or intended to circumvent the intent of this MAP Policy, such as solicitations for 'group purchases' and the like.
- 16) All sellers who elect[s] to sell or market CutterPillar products after January 1, 2016 tacitly and implicitly agrees to all the terms of this MAP agreement. If the reseller does not agree to all the terms of the MAP agreement, the seller must notify, in writing, CutterPillar and/or its master distributor Simple Products Corp within 14 days of receiving notice of said agreement. If a reseller disagrees with the terms of the MAP agreement, the reseller may forfeit its privilege to sell/resell CutterPillar products anywhere.