

## **Hawg Halters, Inc.**

### **Minimum Advertised Price Policy (MAPP) 2019**

Hawg Halters, Inc. (HHI), a premier manufacturer/distributor of high quality performance parts for American V-Twin Motorcycles and select Imported Cruiser Motorcycles appreciates and supports their network of qualified resellers.

Recognizing an evolving retail / wholesale distribution environment, HHI continues to refine and develop their Internet Reseller Policy for online sales by establishing a Minimum Advertised Price Policy (MAPP). These policies will allow all our resellers to participate in the many e-commerce opportunities with clearly established Fair Market Value Pricing.

To protect the pricing integrity of HHI branded motorcycle products all retail price advertising must be at or within 10% of the current HHI established MSRP price list. Below are the detailed conditions of the HHI Minimum Advertised Price Policy (MAPP). HHI believes that these stated policies will benefit all our resellers by enabling them to develop and expand sales of HHI products while maintaining Fair Market Pricing for all our retail customers.

- A. HHI will issue printed price lists indicating Manufacturer's Suggested Retail Pricing (MSRP) and maintain a current listing with effective date of the MSRP price list. HHI will maintain on their website current pricing and copies of MSRP Price lists for reference. It should be noted that HHI reserves the right to change, update or otherwise modify at any time these active price lists at its sole discretion.
  
- B. Any priced advertisement, in any form of media such as, but not limited to, internet or similar electronic media, radio, television, flyers, posters, catalogs, mail order catalogs, magazines, e-mail newsletters, e-mail solicitations, coupons, mailers, inserts, newspapers, and public signage must not be more than 10% below the current MSRP as indicated on the printed price list or HHI website. Any pricing advertised that exceeds 10% below MSRP shown on the current printed price list or MSRP list on the HHI website will be a violation of this MAPP policy and subject to enforcement procedures as identified in this document.

- C. This MAPP Policy applies only to advertised prices and does not apply to the actual price that HHI products are sold or offered for sale to an individual consumer within the Reseller's location. Resellers are free to sell HHI products at a price they determine will allow them to successfully conclude their sales transaction at in any given opportunity.**
- D. The inclusion in advertising of any free or discounted products with a product covered by this MAPP Policy would be contrary to this MAPP Policy if it has the effect of discounting the advertised price of the included HHI product below current MSRP as indicated on the HHI website or current printed price list.
- E. This MAPP Policy does not establish maximum advertised prices. Resellers may offer HHI products at any price greater than the current MSRP.

The HHI MAPP policy does not prevent the establishment by a reseller of the following types of events, promotions or incentives as long as they are universally applied to all products on the reseller's website and not just to HHI products.

- Free Shipping or a Discounted Shipping Rates for the Order.
  - Specific Promotion or Event Coupon Codes which are applied on the checkout page.
  - Site wide discounts, specifically targeting establishing a limited time offer like Black Friday, Cyber Monday, Reseller Anniversary Sale, etc.
- F. Internet auctions may not display or have a reserved bid or other acceptable prices exceeding more than 10% below the current MSRP.

G. Pricing listed on an internet site is considered an "advertised price" and must adhere to this MAPP Policy. Once the pricing is associated with an intent to purchase (adding to shopping cart or order), the price becomes the selling price and is bound by this MAPP Policy.

Statements such as, but not limited to the following that indicate or imply a lower price is available at the online check out stage are prohibited.

- " Add to Basket to see Price" • "We will Match any Price",
- "Call for Price" • "See Price in Cart" • "Log in for Price "
- "Check Shopping Cart for Lower Price"
- " E-Mail for better Price • " Call for Lower Price
- " Check here for Lower Price • " Mouse over for Price

These or similar phrases that are intended to circumvent MAPP policies are prohibited. Any special web site features, or software intended to deliver off book pricing or alternative discounts in the view of Hawg Halters Inc. are also prohibited.

H. HHI reserves the right to offer promotions on certain products. In such an event, we reserve the right to modify or suspend this MAPP Policy in whole or in part by notifying all Resellers of the nature and duration of the change. HHI further reserves the right to adjust the MSRP with respect to all or certain products at its sole discretion. Such changes shall apply equally to all resellers.

### **Enforcement Procedures**

- HHI has included its MAPP Policy Enforcement Procedures in the Dealer Agreement to ensure all dealers signing the "acknowledgement" page are aware of the severity in which HHI will deal with violators of this policy. Any determinations by HHI under these enforcement procedures shall be binding upon the violator.

#### **A. First Offense**

1. A member of the HHI Enforcement Team will contact the violator via e-mail, telephone or letter to remind them of the MAPP Policy and identify the nature of the violation.

2. A copy of the MAPP Policy will be resent to the violator and they will be required to sign and return the signature page acknowledging the violation and their willingness to conform.
3. The violator will be given 5 working days to conform to the MAPP Policy and cure the violation.
4. A permanent record of this process will be documented in an HHI internal file for future reference. Noncompliance within the 5-working day cure period will result in 6-month suspension period with HHI and its Distributors in which no HHI product may be sold to the violator by HHI or its Distributors. **(Distributors are required by their Distributor Agreement to follow the enforcement procedure of this Policy.)** Anyone found to be supplying a violator during their probationary period will be subject to the same suspension as the original offender.

#### B. Second Offense

1. Anyone found to be violating the MAPP Policy a second time may be permanently banned from purchasing HHI products from HHI and its Distributor network.
2. This permanent suspension will apply to the entity violating the MAPP Policy as well as to the owners and /or operators of the violator, and to any organization owned by the owners and/or operators of the violator. (For example, closing and reopening the operation under a new name would not lift the ban).
3. Anyone found to be supplying a violator after a permanent ban is in place under these Enforcement Procedures may be subject to a permanent ban.

The administration of this MAPP Policy and any determinations made under it are solely within HHI's discretion and authority. All questions about this MAPP Policy should be in writing and directed via U.S. Mail to the Director of Business Development and Corporate Affairs, Hawg Halters, Inc., 389 Lumpkin County Parkway, Dahlonega, GA 30533. The Director and the members of the HHI Executive Team have the sole authority to discuss, make determinations under, and undertake enforcement of this MAPP Policy. No modifications to or exceptions from this MAPP Policy shall be valid unless made in writing and authorized by the Director of Business Development and Corporate Affairs or by the HHI's President or Board of Directors.