

# SUNWARRIOR UNILATERAL MINIMUM ADVERTISED PRICE (UMAP) POLICY

(Including Internet Offers)

Sunwarrior has implemented this UMAP Policy in order to protect consumers, prevent abuses, provide proper support and warranty coverage on its Products, provide a level playing field for its network of Retailers, and to maintain its reputation and brand image. Please read the policy and attached schedules carefully. This policy supersedes all previous policies.

The list of Products to which this policy pertains, and the minimum advertised prices that belong to each, are published online in the Product List and UMAP Schedule at <a href="https://www.sunwarrior.com/umap">https://www.sunwarrior.com/umap</a>. Sunwarrior reserves the right to add to or adjust its Product List and UMAP Schedule at any time and solely at its discretion.

You may contact Sunwarrior's eCommerce Department with any questions regarding the Product List and UMAP Schedule, this UMAP policy, or the status of your policy compliance or any enforcement against you. Email map@sunwarrior.com or write to:

Sunwarrior Compliance Team 2250 N. Coral Canyon Blvd. Ste. 100, Washington, UT 84780

Phone: 1-888-540-3667 Email: map@sunwarrior.com

Sunwarrior's sales and support representatives are **not** authorized or permitted to discuss, or answer questions about, the state of UMAP compliance of any Retailer, or policy enforcement actions taken against any Retailer.)

Sunwarrior's eCommerce Department will evaluate and address any submitted reports of violations but will not respond to any questions or comments from one Retailer about the activities or advertising of any other Retailer as they involve compliance with this policy. Additionally, no Retailer has any right to rely on an understanding of this policy obtained from an oral discussion. All interpretations of this policy will be based on the UMAP Policy itself and any written clarification or guidance issued by Sunwarrior's eCommerce Department.

This policy will be enforced as set forth below in **Schedule B**.

Each Retailer must appoint a person who will be the main contact for Sunwarrior regarding the UMAP Policy. Your contact person should make sure that everyone involved with creating and implementing advertising or pricing at your store(s) for any Sunwarrior Product is fully aware of this policy.

Compliance with Sunwarrior's policies is the responsibility of each individual Retailer of Sunwarrior' Products.

#### Scope:

- Compliance with this policy is nonnegotiable and that participation is mandatory for every Retailer. The consequences for failure to comply can include loss of accumulated benefits, rewards, credits, rebates or the like, and loss of the Retailer's ability to purchase Sunwarrior Products at prices not available to the public.
- This policy applies to any advertising for any Sunwarrior' Product (defined below), on online sites, pages, venues, and marketplaces. It applies to such online sites, pages, venues, and marketplaces irrespective of whether these are administered directly by the Retailer or by a third party.

#### **Definitions:**

- As used herein, a "Retailer" is any person, business, or other entity offering for sale any Sunwarrior Product.
- As used herein, a "Product" is defined as any item manufactured or marketed by Sunwarrior that is intended for sale. All Products are subject to this UMAP Policy, and all Products—and the minimum advertised prices that pertain to each—are listed in the Product List and UMAP Schedule furnished by Sunwarrior at\_https://www.sunwarrior.com/umap.
- As used herein, "Price" means net price for a consumer to receive ownership of the goods, i.e. the amount
  actually paid before any applicable taxes, adjusted for any discounts, rebates, coupons, credits, premiums,
  freemiums, loyalty rewards, combinations, shipping costs, or the like.
- As used herein, "Advertising" means any act of communication intended to induce people to buy or use a Product and includes but is not limited to communication in print or via any electronic means other than "In Store". Such communication includes all internet communications, including but not limited to communication on Amazon (and other online open marketplaces, stores, or shops), on eBay (and other auction sites), in search-related ads or links (e.g. on Google, Yahoo, Bing), in graphic or textual ads (banners, links, etc.), on social media (including Facebook, Pinterest, Snap Chat, Instagram, LinkedIn or other sites), on television, radio, or via telephone (including SMS or related text messages), and in any communications in any digital media or form of any kind (e.g. digitized forms of newspapers, magazines, newsletters, flyers, print ads, coupons, direct mail, or posters ). An "Advertisement" means any digital posting or communication in any form that includes Advertising as defined herein.

#### **Participants:**

• This UMAP Policy applies to all Retailers of Products, whether they obtain the Products directly from Sunwarrior, through a distributor, or through any othermeans.

#### **Enforcement:**

IF ANY RETAILER FAILS TO COMPLY WITH THIS POLICY, SUNWARRIOR RESERVES THE RIGHT TO TERMINATE THAT
RETAILER FROM ANY RETAILER PROGRAM, RETAILER PRICING, AND/OR TO REVOKE ANY, AND ALL, PAST,
CURRENT, OR FUTURE RETAILER REWARDS, DISCOUNTS, REBATES, PROMOTIONAL ALLOWANCES, OR THE LIKE
OFFERED BY SUNWARRIOR TO ITS RETAILERS, PLUS RESTRICT FUTURE PRODUCT SHIPMENTS AND THE ABILITY TO
SELL SUNWARRIOR PRODUCTS.

RETAILER UNDERSTANDS AND AGREES TO COOPERATE AND COMPLY WITH SUNWARRIOR ENFORCEMENT POLICY.
 SEE THE ATTACHED SCHEDULE B FOR DETAILS OF THE POLICY.

#### **Effective Date:**

• This UMAP Policy is effective January 1, 2021.

#### Miscellaneous:

- Sunwarrior reserves the right to change, amend, or discontinue this policy at any time.
- Sunwarrior reserves the right to modify the rules, conditions, benefits, or awards pertaining to this policy and any promotional, or discount program at its sole discretion without notice.
- Sunwarrior and its affiliates are not responsible for requests or correspondence relating to any promotional, or discount program statements, which are lost or delayed in the mail or otherwise in transit.
- Sunwarrior reserves the right to refuse an applicant's participation in any promotional, rebate, or discount program for any reason and at any time.
- Sunwarrior reserves the right to terminate participant's participation in any promotional, rebate, ordiscount program, with or without cause, at any time, upon giving five (5) days' notice to the participant.

#### Sunwarrior UMAP Policy does NOT apply to the following:

- In-store advertising including but not limited to in-store displays, banners or price markings for Sunwarrior Products;
- Signage on the interior or the exterior of the Retailer's store (*including the retail facility and surrounding parking lot*);
- Advertising on the physical location of a local event or local trade show; or
- Personal communications to an individual customer in connection with that customer's inquiries, specific
  expressions of interest, or business with the retailer including e-mail, text messages, letters, and quotes from the
  Retailer to that customer.

#### **UMAP Rules**

- **Rule 1**: Advertisements for Products **MUST** state the final Price of the Product offered before taxes and/or additional fees.
- Rule 2: The Price is determined net of all discounts and rebates ( see the definition of "Price" above) and MUST
   NOT be below the UMAP price.
- Rule 3: Advertising of any Product must NOT be at a Price below the MINIMUM price (UMAP) established for that Product.
  - **A: Discounts:** The value of any discount, rebate, credit, free item, loyalty reward or the like must be calculated at retail (MSRP) value in determining final price of a Product.
  - **B: Rebates:** Advertising of rebates MUST include the final price of the Product after the rebate, AND the rebate combined with any other form of discount or credit must not net the Price below the UMAP.

**C: Shipping:** Advertising "Free Shipping" or providing a credit for shipping is <u>NOT</u> a violation of UMAP Policy <u>UNLESS</u> there is a dollar value mentioned that nets a Product below the UMAP.

**D: Bundling:** Where a Product is bundled with or sold as part of a package that includes another Product, it shall be a violation of this UMAP policy to sell or advertise the bundle or package at a price that is lower than the combined UMAP of the bundled Products. NOTE: All product bundles, when the se are not already expressly identified as Products, must be pre-approved by Sunwarrior. It shall be a violation of this UMAP policy if Products are bundled with or sold as part of a package that includes items not expressly approved for such a bundle by Sunwarrior. Any promotions involving such bundles also need to be approved by Sunwarrior. Sunwarrior at times, may create bundles with a MAP price for such bundling — only bundled with other Sunwarrior products and neither products are bundled to circumvent this UMAP policy.

• Schedule B provides Sunwarrior's enforcementpolicy.

## **Sunwarrior' Proprietary Rights**

- No Association with Sunwarrior Products: Except as otherwise authorized, Advertisements MUST NOT state, suggest, or lead a consumer to conclude that the sale is from Sunwarrior, or imply any false association with or endorsement from Sunwarrior.
- **No Infringement:** Print ads, online ads, and auction listings may not use any copyrighted materials including photographs, or trademarks of Sunwarrior except as authorized for Retailer use.

### Schedule A

# **Examples of Advertising and Analysis Under the UMAP Policy**

(not intended to be comprehensive)

**Rule 1 states**: "Advertisements for listed products MUST state the final price of the listed product offered before taxes and/or additional fees."

### The following violate Rule 1:

- Advertisements that claim, "The Lowest Prices" "Too Low to Publish" "Call for Pricing" "Email/Click for Pricing" "Special In-Cart Pricing" and the like for any listed product are ALL violations because they do not state the Price of the listed productoffered.
- Advertisements stating or suggesting that a Retailer will "beat any competitor's advertised price' on a listed product is a violation because it does not state the Price of the product.

**Rule 2 states**: "The final price is determined net of all discounts and rebates (see the definition of "price") and MUST NOT be below the UMAP price."

# The following violate Rule 2:

- Advertisements that use "preferred" customer, "loyalty' programs, retailer or store "rewards", club or member
  discounts or credits, or other discount language, cards or programs that net a listed product below the UMAP
  are violations because the determinative factor is the net price, i.e. the Price after any discount, credit, or rebate
  in any form is applied.
- Advertisements that offer a free product, giveaway, product credit, or discount the retail value of which would
  make the net price for a listed product below the UMAP or lead a consumer to believe that the net price is
  below the UMAP are violations.
- Stating a percentage off a product or a grouping or bundling of products is permissible provided that no price of a listed product is mentioned. Stating a percentage off that will net the product below UMAP <u>IS</u> a violation.
   NOTE: As stated above, it shall be a violation of this UMAP policy if Products are bundled with or sold as part of a package that includes items not expressly approved for such a bundle by Sunwarrior. Any promotions involving such bundles also need to be approved by Sunwarrior.

# **Schedule B**

# **Sunwarrior UMAP Enforcement Policy**

The following enforcement procedures apply to this UMAP Policy.

Upon discovery by Sunwarrior, violations of this policy will be handled as follows:

- 1. Sunwarrior will make a reasonable inquiry to verify an alleged violation for any Advertisement or Product listing before taking any enforcementaction.
- 2. Sunwarrior will send a notice of violation to the Retailer whom it believes is violating the policy and/or the distributor(s). The violation will be reasonably specified. Sunwarrior will direct Retailer to immediately correct/remove/withdraw/cease the relevant Advertisement(s) or Productlisting(s).
- 3. Retailer <u>MUST</u> acknowledge the notice, specify the corrective actions taken, and reaffirm their intention to comply with this policy. Retailer may also contact Sunwarrior's eCommerce Department (<u>map@sunwarrior.com</u>) for resolution or clarification if they believe the Advertisement(s) or Product listing(s) in question was <u>NOT</u> in violation of this policy. Sunwarrior' eCommerce Department will make the final determination of whether any violation(s) of this policy occurred.
- 4. In the case of a violation of the MAP Policy, Manufacturer holds the right to withhold or cancel any future orders to Retailer. The first MAP violation will result in a written warning with a 48-hour window within which Retailer must correct the violation and comply with MAP. Until such correction and compliance, Retailer's account will be placed on a temporary hold. If Retailer fails to comply or there is a subsequent MAP violation, a written warning will be issued to Retailer and Retailer's account will be placed on an indefinite hold and will be blocked from placing new orders.
- 5. Retailer will have no recourse against Sunwarrior with respect to any loss or damages allegedly incurred as a result of such termination of Retailer's rights resulting from violation of this policy.