

Specialty Products Company

Unilateral Minimum Advertised Price Policy

Effective November 15, 2015

In order to successfully compete in the marketplace and to maintain its brand image, Specialty Products Company ("SPC") is implementing a Unilateral Minimum Advertised Price Policy ("U-MAPP"). Effective November 15, 2015 any internet advertised price by Authorized Distributors, Dealers, and Resellers ("Sellers") to any internet buyer shall be subject to U-MAPP. SPC has created a Minimum Internet Advertised Price ("MIAP") for many of its products, and these MIAP prices are set forth in the MIAP Price Grid.

This policy has been unilaterally adopted by SPC. SPC neither solicits nor will it accept assurances by a Seller for compliance with this policy. Nothing in this policy shall constitute an agreement between SPC and any Seller of compliance with this policy. The Seller within its own discretion can choose to act or not act in accord with this policy. SPC will not discuss conditions of acceptance related to this policy. This policy is non-negotiable and will not be altered, modified, or amended for any Seller.

Although this policy does not restrict a Seller's right to establish independent advertised or resale prices, SPC reserves the right to determine whether a Seller has advertised SPC's products at a net price less than MIAP as established in this U-MAPP. Upon such determination SPC may, without assuming any liability, cancel all orders and indefinitely refuse to accept new orders from the Seller. For Sellers purchasing parts from distribution, this U-MAPP will be administered through a Do-Not-Sell List ("DNS List").

SPC will use an independent third party to monitor Seller's internet pricing and to generate violation notices. Violations of U-MAPP will include:

- An advertised price on the internet below MIAP
- The issuance of a non-SPC generated rebate, promotion or discount (in any form) on a product(s) for a net price below MIAP.
- Advertising that requests the End User "call for best price," "add to cart for best price," strike-through pricing, or similar wording, or signed-in customer pricing.
- The sale of any SPC product to any Seller that is on the DNS List.

Each violation of this U-MAPP is cumulative. Notices and consequences will be as follows:

- **1st Violation:** A warning letter will be emailed to the violating Seller. *The Seller will have five (5) business days to correct the violation.*
- **2nd Violation:** A violation letter will be emailed to the violating Seller, and the party will be put on the DNS List for a specified number of days.
- **3rd Violation:** A violation letter will be emailed to the violating Seller, and the Seller will be put on the DNS List indefinitely.

SPC will implement and take action respecting its U-MAPP unilaterally based upon information received from independent outside service, and all determinations are final. We reserve the right to alter, modify, suspend, or cancel this U-MAPP, the products covered, and/or the MIAP set forth at any time. If there is any disagreement regarding the interpretation of SPC's U-MAPP, SPC's determination will control SPC's decision.

All inquiries and requests for additional information regarding U-MAPP must be submitted in writing to the U-MAPP Administrator at U-MAPP@specprod.com or faxed to 303-772-1918 Attn: U-MAPP Administrator. No person other than the U-MAPP Administrator or CEO of SPC is authorized to answer questions about, to comment on, or to accept violation information.