



Minimum Advertised Price Policy (MAP)
Update Effective May 15, 2017

Introduction

SOTA OFFROAD has determined that their interests and those of their loyal resellers are best served through the adoption of a unilateral minimum advertised price (MAP) policy. This MAP policy is designed to support and facilitate our continuous and substantial investment in the development and introduction of innovative new products and protect our loyal resellers from those that would seek to take unfair advantage by promoting their sale of SOTA OFFROAD products primarily on the basis of price. Such practices are harmful to our brand's reputation and competitiveness and detrimental to our efforts and those of our loyal resellers to service and support consumers of our products. This MAP policy has been unilaterally adopted by SOTA OFFROAD to discourage such activities.

This unilateral MAP policy covers all resellers of SOTA OFFROAD products located in the United States and Internationally.

Retail Price

SOTA OFFROAD has established a suggested retail price ("SRP") for each of its products. Resellers remain free to establish the actual prices at which they will sell SOTA OFFROAD products. Value-added resellers may find that they can command prices above SRP.

Minimum Advertised Price

SOTA OFFROAD has established a unilateral minimum advertised (MAP) price for each of its products. SOTA OFFROAD will reward those resellers that advertise SOTA OFFROAD products at (or above) MAP. Conversely, resellers who advertise SOTA OFFROAD products at below-MAP prices will lose privileges or benefits offered by SOTA OFFROAD to its loyal resellers.

MAP applies only to the advertised retail prices and does not apply to the retail price at which SOTA OFFROAD products are actually sold, nor does it prohibit advertised prices that are higher than SOTA OFFROAD's MAP prices.

This MAP policy applies to all advertisements of any SOTA OFFROAD products in all media including, without limitation, online catalogs, mail order catalogs, television, radio, public

signage, flyers, posters, coupons, mailers, inserts, newspapers, magazines, and all internet or similar electronic media, including websites, email newsletters, forums, and auction sites.

Resellers must not include statements or options related to the Brand which may lead consumers to perceive the offer of prices below MAP. Website features such as "click for price", automated "bounce-back" pricing emails, special "in-cart" pricing, strike-out pricing, and "See price in Cart" are strictly prohibited.

Where any SOTA OFFROAD product is bundled with or sold as part of a package that includes other products (whether or not manufactured by a SOTA OFFROAD company), it shall be a violation of this MAP policy to sell or advertise the bundle (or package) at a price that (a) is lower than the total MAP of the SOTA OFFROAD product(s) in the bundle/package or (b) violates the letter or spirit of the MAP policy.

It shall be a violation of this MAP policy to include in any advertising for a SOTA OFFROAD product any additional discount, coupon, gift card, or incentive that translates into an immediate price reduction, where the cumulative effect would be to reduce the advertised price of the SOTA OFFROAD product below such product's MAP. SOTA OFFROAD-sponsored "manufacturer's rebates" or other, similar SOTA OFFROAD sponsored promotions shall be exempt from this provision.

Each advertisement of any SOTA OFFROAD product below its MAP will be a violation of this MAP Policy.

Selling to a reseller that is on SOTA OFFROAD's Do Not Sell list constitutes a violation of this MAP policy.

Selling any or all of the SOTA OFFROAD product lines to or through any internet reseller who is in non-compliance with this MAP policy constitutes a violation of this policy.

What's NOT a violation of this MAP policy?

It shall not be a violation of this MAP policy to advertise in general that the reseller has "the lowest prices" or will match or beat its competitors' prices or to use similar phrases so long as the reseller does not include any advertised price below MAP, does not include a specific reference to any SOTA OFFROAD product in connection with such general advertising, and otherwise complies with this MAP policy.

It shall not be a violation of this MAP policy for a reseller to advertise that a consumer may "call for price" or "email for price," so long as no price below MAP is listed.

Free or reduced-priced shipping may be offered by a reseller and will not be considered a violation of this policy if it is offered in connection with the purchase of all brands of product in a product category and not just in connection with SOTA OFFROAD products.

Discount certificates or coupons that may be used toward future purchases may be advertised so long as no price below MAP is listed.

Current Product Listing. SRP and MAP

The current listing of SOTA OFFROAD products, along with their SRP and MAP, will be circulated to resellers. The products, SRP and MAP may be changed from time to time at SOTA OFFROAD's sole discretion.

Policy Violations

Failure to comply with this MAP policy may result in one or more of the following:

- Discounts and other purchasing privileges or benefits may be reduced or revoked.
- Orders may be refused or cancelled for any or all products.
- Reseller's status as an Authorized Reseller may be revoked.
- Reseller's name may be included on SOTA OFFROAD's Unauthorized Reseller list.
- Reseller's name may be included on SOTA OFFROAD's Do Not Sell list.
- Reseller's authorization to use trademarked/copyrighted images or text, including marketing material, product descriptions, and SOTA OFFROAD company information may be revoked

Violations of the MAP Policy shall be determined by SOTA OFFROAD in its sole discretion.

Policy Modifications

SOTA OFFROAD reserves the right at any time to modify this MAP policy in whole or in part, to designate promotional periods during which the terms of this policy change, or to designate periods of time during which this policy is not applicable.

Covered Products

Products sold under the following brands are covered by this MAP policy:

- SOTA OFFROAD
- WELD XT

Exempt Products

Discontinued products and promotional items, such as decals, apparel, posters, and banners, are exempted from this policy. Impaired products (i.e. products that are used, rebuilt, refurbished, or damaged) are exempt from this policy so long as any advertising of such products clearly and prominently states the nature of the impairment.

Unilateral Action

SOTA OFFROAD is not seeking agreement from any reseller to adhere to this MAP policy. This MAP policy does not constitute an agreement or contract between any company in the SOTA OFFROAD and any of its resellers.