



**FLORIDA PNEUMATIC MANUFACTURING CORPORATION UNITED STATES OF AMERICA
MINIMUM ADVERTISED PRICE POLICY**

Effective Date: October 1, 2021

1. Purpose

There are certain advertising practices that undermine the reputation, brands, goodwill, and premium image of Florida Pneumatic Manufacturing Corporation (“Florida Pneumatic”) products with our target consumer retail population and discourage our sellers from investing in our products and providing the best possible service and support to customers. To protect the integrity of our AirCat® and NitroCat® brands, we are implementing this unilateral United States of America Minimum Advertised Price Policy (“Policy”), which applies to all authorized sellers (“Sellers”) of our products selling to end user consumers in the United States. This Policy is effective October 1, 2021 and supersedes all of our prior policies or representations regarding minimum advertised prices or minimum resale prices for the Covered Products (as defined below) applicable to Sellers.

2. Covered Products

This Policy applies to advertisements of our products listed on the Florida Pneumatic MAP Schedule (“Covered Products”), the current version of which is attached <https://aircat.com/map-pricing>. The MAP Schedule will be made available to all Sellers and may be changed by us at any time in our discretion. Sellers are responsible for reviewing the current MAP Schedule, but we will work to promptly notify Sellers when updates are made to it.

3. The Minimum Advertised Price

The “minimum advertised price” (“MAP”) is the lowest price at which the Covered Product may be advertised. We are solely responsible for (1) establishing the MAP for each Covered Product and (2) communicating the MAP to all Sellers. **While Sellers remain free to advertise and sell all of our products (including the Covered Products) at any price, it is a violation of this Policy for a Seller to advertise any Covered Product at a price lower than the MAP.**

4. Advertising and Advertisements

For purposes of this Policy, the terms “advertising” and “advertisement” include all promotional or pricing information of Covered Products displayed in any type of media, including, but not limited to:

- newspapers
- catalogs
- magazines
- flyers
- brochures
- television
- radio ads
- billboards
- outdoor signage
- websites
- blogs
- social media
- affiliate marketing networks/comparison shopping engines
- seller-initiated text messages or emails to customers or prospective customers
- mobile/smart phone applications
- banner ads
- online product ads
- paid search ads
- pay-per-click ads
- display ads
- mobile ads
- product listing ads
- sponsored links
- ads in any other media in a digital format that is conveyed via the Internet
- any other marketing or promotional materials, whether displayed online, through broadcast, or other media

The terms “advertise” and “advertisement” do not include:

- Signage displayed within a brick-and-mortar selling location; and
- Pricing information displayed at the Final Online Checkout Stage (which is when the Covered Product is put into a shopping cart that contains the customer’s name, shipping address, email address, and payment information of a transaction). Please note that pricing information in the “shopping cart” or the Final Online Checkout Stage must be obscured technically so that it is not retrievable by shopping and pricing engines and not displayed on search page results within the Seller’s own website.

5. Policy Violations

Advertisements that violate this Policy include, but are not limited to:

- A. Offering coupons, discounts, rebates, or other inducements that, when applied, result in a price lower than the MAP, including through use of a storewide sale, a department-wide sale, category-wide sale, website-wide sale, promotional code, or other similar provision that can be applied to the Covered Products;
- B. Bundling Covered Products with other products or services (whether made by or provided by Florida Pneumatic or another entity) in a manner that implies below-MAP pricing for the bundled Covered Product(s);
- C. Creating multipacks using Covered Products in a manner that implies below-MAP pricing for the individual Covered Product used in the multipack;
- D. Strikeouts or strikethroughs of advertised pricing information, “see price in cart,” or other statements that suggest a lower price for a Covered Product may be found at the Final Online Checkout Stage;
- E. Permitting any third-party to alter the advertised price for any Covered Product; and
- F. Direct or indirect attempts to circumvent this Policy.

It is **not** a violation to advertise the following, notwithstanding the prior prohibitions in Section 5:

- A. That a customer may “call for price,” “text for price,” or “email for price,” as long as no price is listed and no automated call, text message, or “bounce-back” email is used in response;
- B. A free or reduced-price shipping advertisement as long as such offer applies to all or almost all other products offered by the Seller in the same product category; and
- C. Consumer loyalty programs that reward purchasers with a rebate or other form of consideration (e.g. gift card), so long as the rebate or other form of consideration does not occur during the sale process, such as an instant rebate.

6. This Policy Is Not an Agreement and Is Non-Negotiable

This Policy is not an agreement between Florida Pneumatic and any other entity. We do not seek and will not accept any promise of compliance with this Policy from any Seller or other party, and each Seller must independently choose whether to comply with this Policy. **This Policy is not negotiable and will not be altered for any individual Seller.**

7. MAP Holidays

We may announce MAP holidays or promotions that are applicable to all Sellers, during which periods a Seller that advertises a Covered Product in compliance with the terms of the MAP holiday will not be considered to have violated this Policy.

8. Noncompliance

We will take the following actions against any Seller that does not comply with this Policy:

First Violation: Written warning.

Second Violation: Written warning and a 30-day shipping hold. We will revoke our acceptance of any pending orders, cancel any pending shipments to you, and not accept any new orders from you during this 30-day period.

Third Violation: Termination of business relationship and revocation of “authorized” status. We will revoke our acceptance of any pending orders and cancel any pending shipments to you. You will no longer be an “authorized” Seller of our products.

We will enforce this Policy in our sole discretion and without notice. Sellers have no right to enforce this Policy.

9. Policy Administration

We may update, revise, suspend, or otherwise modify this Policy at any time in our discretion, and any modifications will be made available to all Sellers.

Please note that our employees or agents cannot modify, interpret, or grant any exceptions to this Policy; cannot solicit or obtain the agreement of any person or entity to comply with this Policy; and cannot otherwise discuss any aspect of this Policy with any Seller, including any Seller’s compliance with the terms.

Any questions about this Policy should be sent in writing to our MAP Policy Administrator at aircatmap@florida-pneumatic.com. We will not accept any other form of communication from Sellers regarding this Policy.