



## **Wiseco Performance Products Reseller Minimum Advertised Price Policy** **Effective July 9th 2018**

Wiseco Performance Products (WPP) Minimum Advertised Price Policy (MAP Policy) Introduction: As the leading producer and innovator in the field of performance pistons, crankshafts, clutches and other engine related components, WPP is very proud of its role in introducing quality product solutions to the performance industry around the world. WPP also values its reputation for building high quality engineered, manufactured and innovative products in the marketplace.

WPP recognizes that our quality Distributors/Dealers invest a lot of time and resources in educating the public about WPP products, their value, training knowledgeable staff, and providing customer support services. WPP is committed to supporting the efforts of our Distributors/Dealers and maintaining WPP's reputation for providing innovative products of excellent quality.

To maintain the high level of customer confidence in the WPP products and the WPP brand, and to protect the investment of our quality Distributors/Dealers, WPP has unilaterally adopted a WPP Minimum Advertised Price Policy (MAP). The MAP Policy was chiefly adopted because Reseller advertising practices, which promote WPP products primarily on the basis of price, would be detrimental to WPP's reputation, Distributors/Dealers' educational training and customer support efforts, as well as WPP's competitive position. Such activities can be harmful to the WPP brand; and allow some Resellers to take advantage of the educational training, and customer support efforts of others. WPP believes that such practices are unfair and strongly discourages such practices.

WPP, in its unilateral discretion, will not do business with any Reseller that intentionally advertises any WPP product below its MAP price. WPP believes that enforcement of the MAP Policy will make WPP products more competitive and benefit all of its Distributors/Dealers. (Please see Retail/MAP Price List <http://www.wiseco.com/Dealers>).

### **Section 1: Policy**

**THIS POLICY IS NOT INTENDED TO CONTROL, INFLUENCE, DETERMINE, RESTRICT OR LIMIT IN ANY WAY THE PRICE AT WHICH ANY RESELLER MAY SELL WPP PRODUCTS. THIS POLICY IS STRICTLY LIMITED TO RESTRICTIONS ON ADVERTISING. EACH RESELLER REMAINS ENTIRELY FREE TO DETERMINE ITS OWN RESALE PRICE FOR ALL WPP PRODUCTS.**

1. WPP recognizes that any **Distributor/Dealer/Reseller, herein referred to as Reseller** (Reseller defined as any entity reselling product for financial gain) can make its own independent decisions to advertise and sell any WPP product at any price it chooses without consulting or advising WPP. However, WPP similarly has the right to make its own independent decisions regarding product allocations and participation of a Reseller.

2. WPP reserves the right, in its unilateral discretion, to take any action with respect to any Reseller that violates this MAP Policy. This includes without limitation the right not to sell WPP products to any reseller that violates this MAP Policy. Any Reseller determined by WPP to have violated this MAP Policy agrees to cease using WPP intellectual property (Trademarks and Patents) on any online or physical store or in any advertisement.
3. WPP, at its sole discretion, may hire a third party to monitor or enforce the MAP Policy.
4. WPP shall maintain an updated WPP Price List (see Retail/MAP Price List published on [www.wiseco.com/Dealers](http://www.wiseco.com/Dealers)) for selected WPP products that will fall under this MAP Policy. WPP reserves the right to update or modify this list at any time without prior notice.
5. All products listed will have a MAP price (see Retail/MAP Price List [www.wiseco.com/Dealers](http://www.wiseco.com/Dealers)). Resellers listing a price which is lower than the MAP price next to the featured MAP product in any advertising will be viewed as a violation of this MAP Policy. This MAP Policy applies to all advertisement of WPP products in any and all print and digital media. Many websites include features such as “Click for Price,” automated “bounce – back” pricing e-mails, preformatted e-mail responses, forms, automatic price display for any items prior to being placed in a customer’s shopping cart, or other similar features which are all considered “advertising” under this MAP Policy. This MAP Policy also applies to any activity which WPP, in its sole discretion, determines to be designed or intended to circumvent the intent of this MAP Policy including solicitations for “group purchase” and the like.
6. Where WPP products are bundled with or sold as part of a package that includes other products, it shall be a violation of the MAP Policy to advertise the bundle at a price that: (a) is lower than the total MAP of WPP products in the bundle or (b) violates the letter or spirit of the MAP Policy. (c) breaks down WPP kit packages or assemblies and advertises items individually or bundled with other items below the MAP Policy. It shall also be a violation of the MAP Policy if products are bundled with, or display as part of a package, that includes products not pre-approved by WPP. Pre-approved products must be approved by WPP to ensure the product is up to WPP standards.
7. It shall be a violation of this MAP Policy for Reseller, (excluding WPP authorized promotional programs) to include in any advertising for WPP products any additional discount, coupon, gift card, or other incentive that translates into an immediate price reduction, where the cumulative effect would be to reduce the advertised price of any WPP product below MAP. Any such advertising will also be considered in light of the requirements of Section 6 above. For example, a gift card redeemable on a future purchase would be considered an “other product” under Section 6 and would be a violation of this MAP Policy.
8. If a reseller has multiple stores and violates this MAP Policy with any store, WPP will consider this to be a violation by all of the Reseller’s locations.
9. Resellers remain free to establish their own resale prices, but WPP reserves the right to cancel all orders, indefinitely refuse to accept any new orders, according to published **Do Not Sell List** (DNS List) to Authorized or Unauthorized Resellers [www.wiseco.com/Dealers](http://www.wiseco.com/Dealers)) and terminate the Account status of any Reseller following WPP’s verification that such Reseller has advertised any WPP product at a net sales price less than the current MAP price established by WPP, or if the Reseller has violated this policy in any other way.

Furthermore, Distributors/Dealers/Resellers are responsible for monitoring to whom they and their customers sell to, Distributors/Dealers/Resellers are required to maintain and request their customers ship to address information be published for traceability should a violation occur. Distributors/Dealers/Resellers are responsible to ensure no comingling of inventory occurs by third party fulfillment entities, which ship to their customers. If the Reseller, or their customer is violating the MAP pricing, and they are placed on the Do Not Sell List, (DNS); DNS shall be comprised of any individual, or business entity that has lost the right to sell, or promote WPP products based on the terms of this MAP Policy. The Distributor/Dealer/Reseller is responsible for not selling that customer. If the Distributors/Dealers/Reseller is determined, to be selling the customer listed on the DNS list, the Distributors/Dealers/Reseller will also be in violation, and subject to enforcement penalties

## **Section 2: Response to MAP Policy Violations**

Sanctions for violation of WPP Map policy, at minimum, are set out below.

### **1st Violation**

**For the first violation during the Policy Period:** The offending Reseller, after receiving **notification warning** from WPP of such violation, will remove or stop the violation, or cause the violation to be removed or stopped (if WPP determines that it or they can be) within the Allotted Period (for purposes of this Policy, the "Allotted Period" means the time period specified in the notice of violation provided by WPP to such Reseller, which typically will be one of the following : [1] no later than one (1) business day (usually for a violation involving the Internet); [2] no later than three (3) business days (generally for all other cases); or [3] by the conclusion of the period otherwise specified by WPP) .

### **2nd Violation**

**For the second violation during the Policy Period:** In the event that the violation that caused the first violation is or are not (A) removed or stopped (if WPP determines that it or they can be) within the Allotted Period or (B) such Reseller otherwise violates this Policy a second time, effective as of the date specified in notice from WPP to such Reseller and continuing for the next (30) days, the authorization of such Reseller to purchase each stock-keeping unit ("SKU") in the product family involved in the second violation (as determined by WPP) will be immediately revoked by WPP, so that all pending orders (even if accepted) from such Reseller will be cancelled and no new orders will be accepted from such Reseller for each such SKU in violation.

### **3rd Violation**

**For the third violation during the Policy Period:** In the event that (A) the offending reference(s), conduct that caused the second violation is or are not removed or stopped (if WPP determines that it or they can be) within the Allotted Period after receiving notice of the second violation from WPP or (B) such Reseller otherwise violates this Policy a third time, effective as of the date specified in notice from WPP to such Reseller and continuing until WPP provides notice to such Reseller otherwise, if ever, the authorization of such Reseller to purchase **any or all** of the WPP products designated by WPP (the "Designated Products") will be immediately revoked by WPP for (90) days or indefinitely, so that all pending orders (even if accepted) from such Reseller will be cancelled and no new orders will be accepted from such Reseller for any or all of the Designated Products.

#### **4th Final Violation**

**For the final violation during the Policy Period:** In the event that (A) the offending reference(s), conduct that caused the third violation is or are not removed or stopped (if WPP determines that it or they can be) within the Allotted Period after receiving notice of the third violation from WPP or (B) such Reseller otherwise violates this Policy a fourth time, effective as of the date specified in notice from WPP to such Reseller and continuing until WPP provides notice to such Reseller otherwise, if ever, the authorization of such Reseller to purchase will be terminated, WPP products designated by WPP (the "Designated Products"). If Reseller has no subsequent violation for period of 12 months from final violation, the violation is removed and Reseller will have rights reinstated to purchase products from WPP or other Resellers.

WPP reserves the right to impose more severe sanctions at its sole discretion if the MAP Administrator believes that is justified and necessary to enforce the policy. WPP need not provide prior notice or issue warnings before taking any action under this MAP Policy. Intentional and/or repeated failure to abide by this MAP Policy will result in sanctions unilaterally imposed by WPP and may include termination.

#### **Section 3: General Terms**

**The MAP Policy applies to Resellers only in the United States and Canada, and the terms of the MAP Policy do not apply to the extent any state or United States territory by statute or other applicable law expressly prohibits policies on minimum advertised prices.**

Wiseco Performance Products (WPP) is not limited by the terms of the MAP Policy and has the right to exercise its own judgement in determining the Resellers with which WPP will do business, subject to the terms of any agreement with a Reseller.

Notwithstanding anything to the contrary contained herein, the MAP Policy is a unilateral policy of WPP and is not a contract or agreement with or by any Reseller. WPP, in its sole discretion, is responsible for interpreting and enforcing the MAP Policy and may modify, suspend, or terminate the MAP Policy at any time. In the future WPP may also, in its sole discretion, announce MAP "Holidays." Which refer to a period of time during which the MAP Policy will be temporarily modified by WPP in a defined manner.

Dealers should email questions regarding the MAP Policy to [MapPolicy@Wiseco.com](mailto:MapPolicy@Wiseco.com), which is overseen by WPP's Vice President of Sales and supported by WPP's internal and third party teams. All interpretations and representations in respect of WPP Map Policy shall be made by WPP CEO, Vice President of Sales, or Legal Counsel. No other representative of WPP is authorized to make any representations of interpretations in respect of the MAP Policy, and any such attempted representation or interpretations is unauthorized and invalid.

**The MAP Policy is confidential and Resellers should not disclose the MAP Policy communications regarding the MAP Policy or Violations to any other person or entity or Section 2 will apply.**

Questions about this policy should be directed to: [MapPolicy@Wiseco.com](mailto:MapPolicy@Wiseco.com)

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