

Race Winning Brands Reseller Minimum Advertised Price Policy

Revised July 1st, 2023, Rev 4.0

Race Winning Brands, and its portfolio of brands (BoostLine Products, Corsa Performance, Dart Machinery, Diamond Racing, Haltech, JE Pistons, K1 Technologies, Manley Performance, MGP, PAC Racing Springs, ProX Racing Parts, Rekluse, RevMax, TransGo, Transmission Specialties, Trend Performance, Volant and Wiseco Performance Products) herein referred to as "RWB".

Minimum Advertised Price Policy (MAP Policy) Introduction: As the leading producer and innovator in the field of performance components, RWB is very proud of its role in introducing quality product solutions for the Performance Industry around the world. RWB also values its reputation for building high quality engineered, manufactured and innovative products in the marketplace.

RWB recognizes that our quality Distributors/Dealers herein (Resellers) invest a lot of time and resources into educating the public about RWB products, training knowledgeable staff and providing customer support services. RWB is committed to supporting these efforts of our Resellers and maintaining the reputation of RWB products for quality and innovation.

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

RWB, in its unilateral discretion, will not do business with any Reseller that intentionally advertises any RWB product below its MAP price. RWB believes that enforcement of the MAP Policy will make RWB products more competitive and benefit all of its Resellers. (Please see RWB Brands MAP Price Sheet).

Section 1: Policy

1. RWB recognizes that any **Distributor/Dealer and 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 RWB product at any price it chooses without consulting or advising RWB. However, RWB similarly has the right to make its own independent decisions regarding product allocations and participation of a Reseller.

2. RWB 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 RWB products to any reseller that violates this MAP Policy. Any Reseller determined by RWB to have violated this MAP Policy agrees to cease using RWB intellectual property (Copyrights, Trademarks and Patents) on any online or physical store or in any advertisement.

3. RWB, at its sole discretion, may hire a third party to monitor or enforce the MAP Policy.

4. RWB shall maintain an updated RWB Price List (contact your sales representative for the respected RWB Brands MAP Price Sheet or MapPolicy@RWBteam.com) for the selected RWB products that will fall under this MAP Policy. RWB reserves the right to update or modify this list at any time.

5. All products listed will have a MAP price (contact your sales representative for the respected RWB Brands MAP Price Sheet or MapPolicy@RWBteam.com) 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 RWB 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 RWB, 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 RWB 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 sell or advertise the bundle at a price that: (a) is lower than the total MAP of RWB products in the bundle or (b) violates the letter or spirit of the MAP Policy. It shall also be a violation of the MAP Policy if products are bundled with or sold as part of a package that includes products not pre-approved by RWB. Pre-approved products have been approved by RWB to ensure the product is up to RWB standards.

7. It shall be a violation of this MAP Policy to include in any advertising for RWB 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 RWB 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, RWB 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 RWB 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) and terminate the Account status of any Reseller following RWB's verification that such Reseller has advertised any RWB product at a net sales price less than the current MAP price established by RWB, or if the Reseller has violated this policy in any other way.

Furthermore, Resellers are responsible for monitoring to whom they sell to. If the Reseller, or customer is violating the MAP pricing, and are placed on the Do Not Sell List. Do Not Sell List (DNS); DNS shall be comprised of any individual, or business entity that has lost the right to sell, or promote RWB products based on the terms of this MAP Policy. The Reseller is responsible for not selling that customer. If the Reseller is determined, to be selling the customer listed on the DNS list, the Reseller will also be in violation, and subject to enforcement penalties.

Section 2: Response to MAP Policy Violations

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

1st Violation

For the first violation during the Policy Period: The offending Reseller, after receiving notification from RWB of such violation, will remove or stop the violation, or cause the violation to be removed or stopped (if RWB 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 RWB 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 RWB).

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 RWB 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 RWB 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 RWB) will be immediately revoked by RWB, 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.

3rd Final 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 RWB determines that it or they can be) within the Allotted Period after receiving notice of the second violation from RWB or (B) such Reseller otherwise violates this Policy a third time, effective as of the date specified in notice from RWB to such Reseller and continuing until RWB provides notice to such Reseller otherwise, if ever, the authorization of such Reseller to purchase **any or all** of the RWB products designated by RWB (the "Designated Products") will be immediately revoked by RWB, 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.

RWB reserves the right to impose more severe sanctions at its sole discretion if the MAP Administrator believe that is justified and necessary to enforce the policy. RWB 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 RWB and may include termination.

Section 3: General Terms

RWB 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 RWB 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 RWB and is not a contract or agreement with or by any Reseller. RWB, 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 RWB 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 RWB in a defined manner.

Promotions: RWB reserves the right to run Promotions of their products. RWB will provide to resellers the promotional information for nationwide programs, with advanced notice, to ensure continued compliance with the MAP policy. RWB encourages resellers to utilize the promotions to their advantage while providing a high level of customer service to the end user.

RWB encourages retail promotions and sales of its brands and products. All retail promotions must be approved by RWB, Vice President of Sales, in writing 90 days prior. If the retail promotions do not meet the requirements of the MAP, they will be in violation, subject to enforcement and penalties.

Resellers should email questions regarding the MAP Policy to <u>MapPolicy@RWBteam.com</u>, which is overseen by RWB's Vice President of Sales and supported by RWB's internal and third-party teams. All interpretations and representations in respect of RWB Map Policy shall be made by RWB CEO, Vice President of Sales, or Legal Counsel. No other representative of RWB 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 applies to Resellers only in the United States and its territories, and the terms of the MAP Policy do not apply to the extent any state or United States territory by statue or other applicable law expressly prohibits policies on minimum advertised prices.

The MAP Policy is confidential, and Resellers should not disclose the MAP Policy or communications on the MAP Policy to any other person or entity.

Questions about this policy should be directed to: <u>MapPolicy@RWBteam.com</u>

