



CAVALOR NORTH AMERICA'S IMAP POLICY

Effective August 1, 2021

1. In a unilateral policy decision concerning the marketing of its products, Cavalor North America has determined that Cavalor-branded products should not be advertised on the internet at a price less than Cavalor North America's retail price (MSRP) per Cavalor North America's price list (the "Designated IMAP Price"). Items which have transitioned to closeout status are not subject to this IMAP Policy.

2. This Policy applies to internet advertised prices ("Internet Advertised Price"). An Internet Advertised Price is the price that a Retailer advertises on the internet for Cavalor North America's products in Retailer-initiated media messages aimed at the public. By way of example, Internet Advertised Prices displayed on the following are covered by the Policy:

- Any website accessible to the public, including traditional retailers, e-tailers, vendors, portals, shopping sites, auction sites, any webpage with a shopping cart prior to sale, or any link to a web-based shopping cart.
- Banner, pop-up, and pop-under advertisements.
- Sponsored links, websites operated by, affiliated with, or linked to a retailer's website(s), including links from within the body of an e-mail advertisement that direct the recipient to a website accessible to the public.
- A "click for price," "view price in cart," "mouse over for price," or "add to cart for lowest price" button, or any other device directing potential customers to place the product in a cart for the lowest price. This Policy also applies to webpages directing potential customers to call or email for best price.

3. This Policy does not apply to "non-internet advertisements," "price quotes," or "sales prices," as those terms are defined below.

- A "non-internet advertisement" is a Retailer-initiated media message and/or message aimed at the public through a medium other than the internet. For example:
 - A. Print advertising, including newspapers, magazines, print inserts, coupons, and brochures.
 - B. Broadcast advertising, including radio and television.

C. Direct advertising, including catalogs, newsletters, direct mail pieces, flyers, and broadcast faxes, whether mailed, hand delivered, or shipped in-box with product.

D. E-mail advertisements sent to individual customers. Note, however, that (i) blast emails and (ii) links from within the body of an e-mail that direct the recipient to a website that is accessible to the public are both covered by the Policy.

- A “price quote” is the price that a Retailer communicates to a particular customer who inquires about Cavalor North America’s products, whether the inquiry or the quote was transmitted orally, by telephone, by email, or by letter.
- A “sales price” is the price that a customer pays a Retailer for Cavalor’s products, netted down to account for any discounts or other consideration from the Retailer. Sales prices may be subject to Cavalor North America’s eMRP policy.

4. This Policy applies to all Cavalor-branded products, regardless of whether they are marketed under Cavalor’s brand name. For clarity, this IMAP Policy applies to any of Cavalor North America products that have been white-labeled by the Retailer.

5. A violation of this IMAP Policy occurs if a Retailer’s Internet Advertised Price is below the Designated IMAP Price for that model of Cavalor North America’s product. A violation of this IMAP Policy also occurs if a Retailer sells or provides Cavalor North America’s products to a reseller or other third party whose Internet Advertised Price is below the Designated IMAP Price for that model of Cavalor North America’s product. Cavalor North America’s has instituted the following “three strike” policy:

- First Violation: A first violation will result in an emailed notice from Cavalor North America identifying the violation and the required remediation. Any identified violations are to be corrected within twenty-four (24) hours. As proof of remediation, Retailer will send Cavalor North America an email with the URL link(s) showing the correction. Failure to correct identified violations may result in the issuance of a second violation notice.
- Second Violation: A second violation will result in an emailed notice from Cavalor North America identifying the violation and the required remediation. Failure to correct identified violations within twenty-four (24) hours will result in Cavalor North America placing a hold on the Retailer’s orders until the violation is corrected. As proof of remediation, Retailer will send Cavalor North America an email with the URL link(s) showing the correction.
- Third Violation: A third violation will result in an emailed notice from Cavalor North America identifying the violation. Cavalor North America will cancel all open orders, refuse to accept new orders, and terminate the relationship with the Retailer.

Cavalor North America will consider each violation based on its own facts, and any decision by Cavalor North America to discontinue the supply of Cavalor product cannot be appealed. Retailers will have 24 hours from transmission of the e-mail notice to correct all identified violations. Cavalor North America may unilaterally decide to review a Retailer’s status—including any suspensions or terminations—after an independently determined period.

6. Cavalor North America may revise this IMAP Policy or its price list at any time and in any respect. When and if it does, best efforts will be made to provide those revisions to You. **However, Cavalor North America takes no responsibility for ensuring that you**

receive updates or revisions to the **IMAP policy and IMAP prices**. The latest versions will be available at www.cavalordealers.com

7. **IMPORTANT:**

Retailers are free to determine on their own the prices at which they will advertise Cavalor North America's products. Nothing in Cavalor North America's IMAP Policy or price list is to be construed as an agreement between Cavalor North America and any Retailer on the resale price of Cavalor North America's Cavalor North America's products. Cavalor North America does not seek and will not accept any such agreement. To be eligible for uninterrupted supply of Cavalor North America's products, however, a Retailer must be in compliance with Cavalor North America's IMAP Policy. If any Retailer believes that any person associated with Cavalor North America has attempted to depart from this Policy by attempting to agree or agreeing on a price at which the Retailer will advertise, quote, or sell a Cavalor product, then the Retailer should immediately notify Cavalor North America in writing at the address provided below.

Cavalor North America
Attn: Marketing
3529 Corporate Dr.
Dalton, GA 30721

8. Cavalor North America is not asking or requiring Retailers to agree to any aspect of this IMAP Policy . Cavalor North America is implementing the IMAP Policy as its own policy and advising Retailers that there will be certain consequences if they advertise Cavalor North America's products on the internet at prices less than the applicable Designated IMAP Price. Importantly, Retailers remain free to determine if they wish to follow Cavalor's IMAP Policy or not.

9. Only Cavalor North America can determine if a violation of this Policy has occurred, and Cavalor North America alone is responsible for enforcing its IMAP Policy when it determines that the Policy has been violated. The details of Cavalor North America's enforcement decisions will be strictly between the Retailer that has violated the IMAP Policy and Cavalor North America. Cavalor North America' salespeople are not allowed to discuss these details with other Retailers, and they cannot modify the Policy's provisions.

10. Cavalor North America has unilaterally created certain limited exceptions to this IMAP Policy. Internet Advertised Prices for the following product categories are *not* subject to this Policy:

A. *Sales of products discontinued by the factory.* Factory authorized closeout items and overstock products.

B. Cavalor North America *authorized promotions.* From time to time, Cavalor North America may authorize Retailers to advertise specific products on the internet at a price below the Designated IMAP Price for a specified period.

C. *Private Consumer Listings.* Products that are marketed to a private consumer listing not available to the public.

11. If you are in doubt as to whether your company is in compliance with Cavalor North America's IMAP Policy, we encourage you to contact Cavalor North America's Internet Minimum Advertised Price Policy Administrator by e-mail at orders@cavalor.net

12. Cavalor North America has unilaterally implemented this IMAP Policy in accordance with its right to choose the Clients with whom it wishes to work. Just as a Client may cease purchasing Cavalor products at any time and for any reason, Cavalor North America reserves its right to cease doing business with any Client with or without cause.

13. This IMAP Policy is effective immediately and will remain in effect until further written notice from Cavalor North America's IMAP Administrator. Cavalor North America reserves the right to terminate or amend this Policy in its sole discretion at any time without prior notice. This IMAP Policy supersedes all prior policies established by Cavalor North America on the same subjects.

14. This Policy only concerns the internet advertised prices of Cavalor North America products. All other terms and conditions of sale remain in effect, as do any other Cavalor North America distribution policies provided to you.