



Policy effective September 1, 2021

Moroso Performance Products Minimum Advertising Pricing Policy

Moroso Performance Products, Competition Engineering and Moroso Wire Technologies d/b/a Moroso (“Moroso”) is committed to offering the highest quality product that end-users demand. In an effort to retain brand value and a healthy distribution channel, Moroso is unilaterally implementing a Minimum Advertising Pricing (MAP) policy (“Policy”). This Policy will become effective September 1, 2021 and applies to all distributors and retailers; including but not limited to catalogs, Internet retailers, auction sellers, auction sites, and ecommerce platforms (collectively, “Resellers”) who sell Moroso product to end-users. A Reseller is also considered to be anyone that uses Moroso’s trademarks and intellectual property in connection with the advertisement, offering for sale, or sale of Moroso’s goods, whether such use is with or without Moroso’s consent.

Moroso values the efforts and contributions of all Resellers to distribute Moroso products and support our mutual customers. This Policy is unilaterally adopted by Moroso for the benefit of all Resellers and will be uniformly enforced.

Moroso may use 3rd party services to administer and enforce this Policy. Violations or refusal to participate could result in loss of:

- Ability to purchase Moroso products
- Rights to use Moroso intellectual properties, including trademarks
- Loss of Co-Op Advertising Funds, Rebates, or any other promotional pricing/terms

MAP List

Moroso will, from time to time, publish a Minimum Advertising Price list (“Price List”), which may be amended and adjusted by Moroso at any time in its sole discretion.

Each Price List will identify the effective date, the Moroso products and the minimum advertising price (MAP) for those products. Each advertisement by a Reseller of a Moroso product below the minimum advertised price specified in the current Price List will be a violation of this Policy. The current listing of our MAP Policy is published on the Moroso website at.

www.moroso.com/pub/media/files/MAP-policy.pdf

Specifically:

1. Resellers shall not publish a price that is less than the Moroso minimum advertised price specified in the current Price List in any media, including but not limited to flyers, posters, coupons, mailers, inserts, newspapers, magazines, catalogs, mail order catalogs, e-mail newsletters, e-mail solicitations, e-commerce, Internet or similar electronic media, social media, text messaging, instant messaging, television, radio, and public signage.

MOROSO PERFORMANCE PRODUCTS • 80 CARTER DRIVE • GUILFORD, CT 06437-2116

Main Telephone: (203) 453-6571
Tech Line: (203) 458-0542

Sales Dept. Fax: (203) 458-3581

Customer Service Fax: (203) 453-6906
Purchasing Fax: (203) 458-9198



2. A visible strikeout, deletion, or alteration of any price in any Internet and e-commerce advertising is strictly prohibited. It is a violation of this policy to advertise that a customer may "See price in cart", "Make offer", "Bid", "Instant message me for pricing", "instant rebate", or other discount implied terminology and/or tactics to circumvent this Policy.

This Policy applies only to advertised prices and does not apply to the price at which Moroso products are actually sold or offered for sale to an individual purchaser within Resellers' retail location or over the telephone. Each Reseller is free to independently set its resale prices at its own discretion. This Policy is not applicable to any in-store advertising that is displayed only in the store and not distributed to any customer(s).

Promotions

Moroso reserves the right to run promotions of their products through warehouse distributors or independently. Moroso encourages Resellers to utilize the promotions to their advantage while providing a high level of customer service to the end user.

Moroso encourages retail brand awareness and value-added promotions of our products. Any promotional incentives should be applied to future store-wide purchases and designed not to discount Moroso product below the minimum advertised price specified in the current Price List. If promotions do not meet the requirements of this Policy, they will be in violation, subject to enforcement and penalties.

Policy Violations

Policy compliance by all Resellers will be monitored by Moroso and/or its agents. Once a violation is discovered, the Reseller will be notified of the violation. The Reseller will have (2) business days from the date of notification to correct an Internet or e-commerce violation; and (7) business days to correct all other media violations. If a violation is not corrected within this time period allotted, the Reseller will receive the subsequent violation notification(s) each of which shall count as a separate violation of the Policy. Moroso will determine, in its sole discretion, whether any violation has been corrected.

Consequences of Policy Violations

A Level 1 violation is any violation of the Policy that is not corrected within two (2) business days from the date of notification to correct an Internet or e-commerce violation; and (7) business days to correct all other media violations.

1. Direct accounts may:
 - a. Lose the privilege to purchase all Moroso product for (15) business days.
2. Non-Direct accounts may:
 - a. Be added to warehouse distributor Do Not Sell list and lose the privilege to purchase all Moroso product for (15) business days.



A Level 2 violation is any violation of the Policy within 90 days of issuance of Level 1 violation notice. Upon occurrence of a Level 2 violation:

1. Direct accounts will:
 - a. Lose the privilege to purchase all Moroso product for (90) days.
 - b. All rights to use Moroso intellectual property for (90) days and will have (5) business days to remove them off their website and e-commerce channels.
2. Non-Direct accounts will:
 - a. Be added to warehouse distributor Do Not Sell list and lose the privilege to purchase all Moroso product for (90) days.
 - b. All rights to use Moroso intellectual property for (90) days and will have (5) business days to remove them off their website and e-commerce channels.

A Level 3 violation is any violation of the Policy within 180 days of Level 2 violation notice. Upon occurrence of a Level 3 violation:

1. Direct accounts:
 - a. Immediate action must be taken to remove all Moroso product from all sales channels.
 - b. The following will be revoked immediately and remain in effect indefinitely until reinstated.
 - i. All Moroso intellectual property rights.
 - ii. Privilege to purchase any and all Moroso product.
2. Non-Direct accounts will:
 - a. Be added to warehouse distributor Do Not Sell list indefinitely until reinstated.
 - b. All Moroso intellectual property rights are immediately revoked indefinitely until reinstated.

Moroso will not accept product returns or stock exchanges from a Reseller that (i) has been notified of a violation that remains uncorrected, or (ii) is not eligible to purchase Moroso products due to a Level 1, Level 2 or Level 3 violation.

Resellers are responsible for adhering to the Do No Sell list. If a Reseller is determined to be selling to another Reseller under violation of this Policy and on the Do Not Sell list, such primary Reseller will be notified and placed on Level 1 violation.

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Notwithstanding the above, based on the sole discretion of Moroso and/or its authorized agent, a Reseller who demonstrates multiple Level 1 violations of this policy may be subject to a permanent prohibition from purchasing Moroso and the Reseller's rights to use Moroso intellectual property will be forfeited.

Reinstatement of Terminated Dealer or WD

A Dealer or WD in level 3 violation may be offered reinstatement to purchase Products ("Reinstatement"), at Moroso's sole and absolute discretion. Moroso's determination whether to issue a Reinstatement of a Dealer or WD is solely a unilateral decision of Moroso and will not be based on any agreements, representations or promises of Dealer or WD to comply with Policy.

Contact

Moroso and/or assigned agent shall determine violations of this Policy at its sole discretion. Only Moroso's designated Policy administrator and/or assigned agent are authorized to communicate Policy updates, changes, or decisions. No other Moroso representative or agent is authorized to confirm compliance with, discuss, or amend the Policy.

For inquires contact in writing:

Moroso Performance Products, Inc.
80 Carter Drive
Guilford, CT 06437
Telephone: 203-453-6571
Fax: 203-458-3581
E-Mail: sales@moroso.com

The foregoing is a statement of Moroso's unilateral policy and expresses the terms upon which we will deal with all Resellers. This Policy applies equally to all Resellers. This Policy may be modified by Moroso from time to time. Moroso does not seek, nor will it accept, any agreement or understanding with respect to the prices any Reseller may advertise or charge at any time.

PLEASE REVIEW THIS DOCUMENT CAREFULLY AND COMMUNICATE IT TO ALL INDIVIDUALS AND ENTITIES WITHIN YOUR ORGANIZATION AND ALL RESELLERS WITH WHICH YOU CONDUCT BUSINESS. THIS POLICY GOVERNS CONDITIONS OF SALE FOR ALL FUTURE ORDERS.