

**Effective December 1, 2020, a Minimum Advertised Price (MAP) on all TecNiq, Inc. products will be in effect.** TecNiq has been building a brand of quality products and high value since 2004. By not adhering to the established Minimum Advertised Price (MAP) a reseller can have a dramatic effect of diminishing or detracting from the perceived value of the TecNiq brand and its products. The internet, with its worldwide impact, has the possibility to cause great harm to any companies' products, if they are advertised at prices that will eliminate any legitimate retail competition. Our MAP pricing policy is intended for consumers to purchase from other resellers based on loyalty and customer care expectations. Therefore, if TecNiq agrees to allow your company to sell its products, the following requirements and restrictions will apply.

### **MAP Policy**

As the world's leading DOT, Marine, Work Truck, Fleet, and Emergency vehicle LED Lighting Solutions provider, TecNiq, Inc. is focused on maintaining high margins for our distributors, dealers, and resellers network. TecNiq is committed to policies that recognize the investment in time and resources required of its resellers to appropriately provide the level of customer service and product knowledge expected by our customers. TecNiq has established the following **Minimum Advertised Price (MAP) Policy** that it expects its Authorized Resellers/Dealers/Distributors to follow for the advertising and marketing of TecNiq products.

### **TecNiq's MAP Policy Guidelines for TecNiq Products**

MAP pricing for all TecNiq products can be found on your current price list. All advertised prices must be at or above MAP for all TecNiq products if a price has been established by TecNiq. Resellers are not required to list prices in advertising. If a price is listed in an advertisement it must be at or above MAP. Other statements such as "call for price" or "call for quote" are acceptable and permitted.

TecNiq also expects its resellers to ensure that their TecNiq SEO pricing is at or above MAP on internet search engines. Resellers are free to set (the actual) resale price of any product but may only advertise at or above MAP price reflected in the most recent publication of the price list. TecNiq's MAP policy for all TecNiq products apply to advertising

placements, including but not limited to: print ads (inserts, magazines, newspapers, catalogs, mail order catalogs, etc.), broadcast (radio and TV), direct mail, faxes, internet placement with third parties (banner ads, broadcast emails, destination pages, third-party sites), internet placements on resellers own website, and any flyers, posters or coupons.

From time to time, TecNiq may permit resellers to advertise products at prices lower than the MAP price. In such events, TecNiq reserves the right to modify or suspend the MAP price with respect to the affected products for a specified period of time by providing advance notice to all resellers of such changes.

### **Pricing Statements**

TecNiq's MAP Policy does allow resellers to omit pricing entirely from advertisements and/or advertisement statements such as "Call for Price" or "Call for Quote."

### **Free Offers Associated with TecNiq Product**

Free shipping and/or handling, 0% sales tax, or free financing promotions do not violate the MAP Policy.

### **E-Bay and Other Auction Web Sites Policy:**

- "Buy it Now" options must be listed at a price equal to MAP or greater.
- For auctions, the reserve and/or opening bids must start at MAP without a "Buy it Now" option.
- Best Offer Auctions Are Not Allowed

### **Negotiated Contracts**

From time to time it may be explicitly approved by TecNiq in writing to authorize the advertising of certain TecNiq products at prices below MAP pricing. The discount amount and products approved will be determined at the time of approved contract by TecNiq Inc.

TecNiq requires its Distributors/Dealers/Resellers to hold all trademarks and copyrights of TecNiq as the property of TecNiq and to use advertising materials provided by TecNiq in an authorized manner only.

## **All TecNiq Products Price Matching Policies**

Price matching policies are acceptable. Price matching cannot be used as a valid reason for violations of TecNiq's MAP Policy. Advertised price must always be at MAP or higher.

## **Failure to Comply with the MAP Policy**

At the sole discretion of TecNiq, failure to comply with MAP, whether such noncompliance is intentional or negligent but repeated, may result in the immediate loss of Authorized Reseller status and your ability to purchase all TecNiq products both direct as well as through distribution.

## **TecNiq will utilize the following steps to resolve MAP violations:**

1. Any and all dealers selling TecNiq products which fail to comply with this MAP Policy are classified as Unauthorized Resellers.
2. Distributors of TecNiq are required to ensure that any dealer selling TecNiq products complies with the MAP Policy. Dealers who fail to comply with the MAP Policy should not be sold to or provided a feed from any distributor whatsoever.
3. Violations from Authorized Resellers will need to be corrected within 24 hours of notification.
  1. First Violation: Authorized Reseller's account will be put on hold temporarily and a written warning will be provided. MAP violations must be corrected within 24 hours. Upon correction and following 30 days of compliance, violation will then be cleared.
  2. Second Violation: Authorized Reseller's account will be put on hold for 30 days.
  3. Third Violation: Authorized Reseller's account will be put on hold for 180 days. After this duration, TecNiq will review and determine if account is to be reinstated.
  4. Fourth Violation: Should TecNiq decide to reinstate an Authorized Reseller who has previously demonstrated a third violation, yet violates a fourth time, the account will be deauthorized and remain so indefinitely.

\*\*\*TecNiq will issue a new price list upon the first day of each quarter, based on a calendar year. Advertised pricing must be updated immediately upon receipt.\*\*\*