

NEW: GEN-Y Hitch Minimum Advertised Price Policy for all Direct and Non-Direct Customers

Dear Valued Customer:

Effective December 1, 2019 all GEN-Y Hitch branded parts will be subject to a Minimum Advertised Price (MAP). This policy sets forth the minimum price at which GEN-Y Hitch products can be advertised. Any company and/or individual including, but not limited to: installers, retailers, jobbers, dealers, internet retailers, and wholesale distributors ("resellers") are subject to this policy. GEN-Y Hitch is very proud of its strong brand and will continue to be the leading manufacturer with high quality standards, exceptional performance, and the best customer service in the industry. The GEN-Y Hitch MAP is designed to maintain the integrity and profitability of the brand across all channels and to continue providing consumers the highest level of value with quality parts and service.

GEN-Y Hitch appreciates the value that our partners bring to the brand's success and the market exposure needed for their partners to achieve success. MAP is being implemented with the goal of supporting GEN-Y Hitch partners by maintaining distribution channel health, without partners having to reduce the services that they provide their customers to compete. By implementing this MAP, GEN-Y Hitch enables its partners to maintain the highest level of service that customers deserve. This policy will be strictly and uniformly enforced.

MAP Outline:

Any customer engaging in any of the following actions shall be considered in violation of the policy:

Advertising any or all of the GEN-Y Hitch product line at prices below the GEN-Y Hitch retail price in effect at the time the advertising is placed.

Reselling any or all of the GEN-Y Hitch product line to any reseller who is in noncompliance with the terms of this policy.

The following are examples of non-compliance:

- Any strike through or modification of GEN-Y Hitch price in advertising.
- Any public instant rebates or coupons listed on an advertising page that shall bring the price of the product below MAP.
- Any advertised listing or other price list that specifically states a price below MAP.

Examples of Advertising:

MAP policy applies to all forms of pricing and advertising whether in print or otherwise including, but not limited to:

- Direct mailers, including e-mail
- List prices
- Print ads (inserts, magazines, catalogs, newspaper, etc.)
- Broadcast (radio and TV)
- Fax submissions
- Internet (banner ads, broadcast emails, destination pages, third party sites)
- Billboards
- Forum sites, blog sites, Private Messaging (PM) or search engine listings showing prices
- Resellers' websites or web banners
- Listings on shopper sites that accumulate and display pricing from unrelated websites
- Any auction and mass listing sites including, but not limited to: eBay and Amazon
- "Instant Rebates" or any other form of rebating

GEN-Y Hitch will monitor independent and auction sites to identify sites which are non-compliant and will routinely notify customers of these sites. It is the responsibility of the customer once notified to refrain from selling to these resellers. GEN-Y Hitch will use its sole discretion when determining any other means not listed above for a reseller to discount pricing on products.

Non-compliance:

Failure to comply with the GEN-Y Hitch MAP policy will result in the following penalties:

- Removal from the GEN-Y Hitch Dealer Locator
- Removal of authorization to use any and all trademarked or copyrighted GEN-Y Hitch logos, images, and or text.
- Being listed on the "Do Not Sell" email distributed to distributors
- Refusal by GEN-Y Hitch to sell its products or support the reseller in any way

Those to be found in non-compliance will be notified and provided forty-eight (48) hours to bring their pricing up to GEN-Y Hitch MAP standards. Failure to bring pricing to MAP standards and compliance will result in the customer being at risk of losing dealer status.

If the dealer/distributor does not change their pricing within 3 business days, they will be contacted one more time requesting that it be done within 24 business hours. This time if pricing is not brought up to MAP, the dealer will lose their dealer status for 30 days.

Upon a second MAP violation, a dealer/distributor will be given 24 hours to bring their pricing to MAP. If pricing is not brought to MAP, the dealer/distributor will lose their dealer status for a period of 90 days. If a dealer/distributor is found violating MAP for the third time in a calendar year they will immediately be terminated from dealer status. The only way to be approved for dealer/distribution status again will be through a meeting with GEN-Y Hitch staff, legal team,

and the owner/general manager of the violating business where a legally binding contract will be put into place.

If a dealer/distributor in a 3 month period violates MAP twice but brings their pricing back up to MAP within the allotted time, they will lose their dealer/distributor status for a period of 30 days.

GEN-Y Hitch reserves the right to immediately and indefinitely discontinue selling its products to specific customers who are in violation of the policy. Although each dealer/distributor is free to choose whether or not to comply with the GEN-Y Hitch MAP, violation of the GEN-Y Hitch MAP will result in all pending orders being canceled, and no future orders will be accepted from the violating company. GEN-Y Hitch will actively and uniformly enforce this policy, and any reseller actions deemed to be in violation of the policy will result in loss of dealer/distributor status with GEN-Y Hitch. Loss of status will include loss of permission to use any GEN-Y Hitch copyrighted material including, but not limited to, marketing material, images, product descriptions, and GEN-Y Hitch company information.

A monthly "Do Not Sell" email will be distributed to all direct GEN-Y Hitch customers. This email will be a notification of those that have been added to the Do Not Sell list due to non-compliance with the GEN-Y Hitch MAP. Once listed on the Do Not Sell list all distribution to the reseller must end, thus being cut off until further notice.

This policy is non-negotiable. The GEN-Y Hitch MAP price is listed on its current Price sheet.

Exceptions to MAP:

- GEN-Y Hitch reserves the right to occasionally permit limited time sales of its products in connection with promotions for limited periods of time that might otherwise violate the terms of the policy and consider them to be exceptions to the policy. This will only be approved in writing upon approval of a marketing plan approved by GEN-Y Hitch.
- Promotional items, including decals, apparel, banners, etc. are exempted from this policy.
- Following pricing changes made by GEN-Y Hitch, GEN-Y will allow 30 days after price changes for those changes to be made by resellers before being considered as a violation and in conflict with this policy.

While each customer ultimately remains free to advertise or resell the GEN-Y Hitch product line at any price it chooses, GEN-Y Hitch will be enforcing this Policy uniformly and strictly.

In the event that a GEN-Y Hitch product is used, but still functional, it is not a violation of MAP policy to sell at a lower price than MAP.

Additional Policy Terms:

GEN-Y Hitch will give at least 30 days advance notice of any changes to the policy.

This Policy may be modified, extended, suspended, discontinued or rescinded in whole or in part by Notice from GEN-Y Hitch at any time. Any such Notice will describe the duration and nature of any such modification, extension, suspension, discontinuation or rescission of the Policy by GEN-Y Hitch. If there is any disagreement over the interpretation or enforcement of this Policy, GEN-Y Hitch's ruling will control. Any change or modification by GEN-Y Hitch to any part of this policy shall not affect the remainder of this policy.

Questions:

All questions or requests for additional information regarding this Policy or information regarding potential violations of this Policy must be addressed to the Program Administrator, Aaron Alfano.