



Corporate Headquarters – 1020 Albany Place S.E. – P.O. Box 80 – Orange City, Iowa 51041 – Phone 1.866.637.8418 – Fax 712.7374997

MAP POLICY

Applicable Territory: United States

Minimum Advertised Price Policy

Introduction:

As a leading innovator in automotive coatings, Vogel Paint & Wax Company, Incorporated dba Vogel Automotive Coatings (“VAC”) remains committed to Delivering Quality Coatings Distinctively through the continued development of new and existing products that provide quality and value to our customers in the automotive refinish coatings industry.

We recognize that our Jobbers invest time and resources to develop relationships with customers that use our products in their select jobber territories. To support these efforts, VAC wishes to establish policies that allow jobbers to earn the profits necessary to maintain the high level of customer excellence expected from VAC jobbers and also maintain the high level of perceived quality for VAC products in the marketplace.

In order to provide protection of the VAC jobber programs, VAC has determined it is in the best interest of VAC, our distributors, and our jobbers to establish and adopt the use of a MINIMUM ADVERTISED PRICE POLICY (“MAP Policy”). The MAP Policy is aimed at assuring the perceived value of VAC products and VAC select jobbers remains high, which also supports the perception of VAC brands, reputation, and competitiveness in the automotive refinishing market.

The MAP Policy is effective as of March 1, 2017 and will apply to all distributors, jobbers, and retailers, including catalog and internet retailers, (collectively, “Reseller”), who sell VAC products to end users in the United States.

Policy Guidelines

1. VAC reserves the right, in its unilateral and sole discretion, to take any action, including termination, with respect to any Reseller that violates this MAP Policy.
2. VAC will enforce the MAP Policy in its sole and unilateral discretion. VAC is not under any circumstances seeking agreement from any Reseller to adhere to this MAP Policy.
3. VAC recognizes that any Reseller can make its own decisions to advertise and sell any VAC product at any price it chooses without consulting or advising VAC. VAC similarly has the right to make its own independent decision regarding Resellers it chooses to continue selling products.
4. VAC will maintain an updated MAP Price list of those products that will fall under this MAP Policy. VAC will publish the MAP Price list on its internet website. The MAP Policy includes, but is not limited to, products in the following VAC brands: Axis, Diamond Fleet, and Ag Specialty. VAC reserves the right to update or modify the MAP Price list at any time in its sole discretion. Each advertisement of a product identified in the MAP Price list less than the price shown will be a violation of the MAP Policy. VAC products not specifically identified in the MAP Price list are not subject to this MAP Policy.



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5. Where VAC products are bundled with or sold as part of a package that includes other products, it shall be a violation of this MAP Policy to sell or advertise the bundle (or package) at a price that in the exercise of VAC's reasonable discretion would be lower than the MAP Policy price for the VAC Products covered by the MAP Policy when a fair allocation of costs of the (non-MAP) products of the bundled package are considered.
6. It shall be a violation of this MAP Policy to include in any advertising for VAC Products any additional discount, coupon, gift card, or incentive (whether in the form of a special event, promotion, term of doing business or otherwise) that translates into an immediate price reduction, where the cumulative effect would be to reduce the advertised price of any MAP product below the MAP Price.
7. This MAP Policy applies only to advertised prices and does not apply to the price at which VAC products are actually sold or offered for sale to an individual customer within Resellers' retail location, over the telephone, or within Resellers' Select Jobber territory (if such territory has been assigned). Resellers remain free to sell these products at any price they choose under these circumstances. This MAP Policy does not establish maximum advertised prices. All Resellers may offer VAC products at any price in excess of the MAP Price.
8. From time to time, VAC may permit Resellers to advertise MAP Products at prices lower than the MAP retail price. In such events, VAC reserves the right to modify or suspend the MAP retail price with respect to the affected products for a specified period of time by providing advance notice to all of its customers of such changes.
9. From time to time, VAC may offer a direct manufacturer's rebate to customers. In such event, it shall not be a violation of this MAP Policy to advertise the availability of the manufacturer's rebate, provided that (a) advertisement include a MAP compliant price, the rebate amount, and the net price after the manufacturer's rebate in the same type size and style; (b) an asterisk is placed next to the net price after manufacturer's rebate; (c) the "After manufacturer's rebate" appears in the same area of the advertisement as the advertised product.
10. VAC Sales' representatives are NOT permitted to discuss the MAP Policy or make any agreements or assurances with respect to VAC's MAP Policy regarding reseller advertising or pricing. This also includes any consumer program or promotion that affects the MAP Products.

Intentional and/or repeated failure to abide by this MAP Policy will result in sanctions unilaterally imposed by VAC. The level of sanctions will be determined by VAC in its sole discretion and may include permanent termination of Reseller. VAC does not intend to do business with Resellers who degrade the image of VAC, the brands it represents, or its products. If a Reseller with multiple store locations violates this MAP Policy at any particular store location, then VAC may consider this to be a violation by all of the Reseller's locations.