

The information contained in this document is SIG SAUER's Minimum Advertised Pricing (MAP) Policy and will govern SIG SAUER's MAP enforcement. In order to protect the investment of our resellers and brand integrity, we have a policy of minimum advertised price standards for select products. This MAP Policy applies to distributors and retailers, including catalog and internet retailers (collectively, "Resellers") who resell SIG SAUER products to end users located in the United States. This MAP Policy has been adopted for the benefit of all resellers and will be uniformly enforced. By electing to resell SIG SAUER products, you are agreeing to follow our MAP policy.

SIG SAUER maintains an updated price list indicating products for which this MAP Policy applies ("MAP Products"). SIG SAUER reserves the right to update or modify this at any time.

# To receive a current MAP Price List and MAP Policy, please email sigsauerbrandprotection@sigsauer.com

- Policy Resellers are free to establish resale prices at will, however, Resellers that advertise, publish, or promote in any way, a Select Product at a net adjusted price less than the MAP price established for that product, as defined in this policy, shall have committed a violation of the MAP Policy. A shelf tag in a brick and mortar location, or within a booth at a gun show, does not constitute an advertisement or promotion of said Select Products.
- 2. Minimum Advertised Price (MAP) The policy covers *advertise, publish, or promote in any way.* It does not cover the actual sale of any SIG SAUER products.
- 3. **Select Products** Are those products shown on SIG SAUER's most current MAP Price List(s) that include a MAP price. The MAP policy applies to both in stock and out of stock items. The price lists for Firearms, Ammunition, Suppressors, Accessories, Airguns, and Electro-Optics may include MAP pricing. Some of the products on these price lists may not have a MAP. Throughout the year, SIG SAUER may periodically introduce new product offerings. All new product offerings will have an associated sell sheet, including specifications, as well as MAP pricing. Please note:
  - Items will be governed by the MAP Price List and MAP policy, even if not shown on the current price list.
  - Any SIG SAUER product that is promoted in print must list the exact SIG sku.
  - Any SIG SAUER product that is promoted online, must list the exact SIG SAUER sku and UPC.
  - Used guns must specifically be designated as "Used" or "Pre-owned."
  - Original skus cannot be disassembled and sold as components.
- 4. Retailer Name/Seller Name All retailers selling on auction sites or marketplace platforms must register their name or alias with SIG SAUER Brand Protection if the name being used is different from that of the account name used when purchasing from the authorized supplier. Selling without registering an identity is strictly forbidden and is a violation of SIG SAUER's MAP Policy. Names/Aliases can be registered by contacting: sigsauerbrandprotection@sigsauer.com
- 5. **Sub-distribution is not permitted** All sellers of SIG SAUER product must receive product directly through authorized channels and may not "sub-distribute" or "resell" any SIG SAUER product to any other reseller. Authorized channels include: SIG Direct, Distributor, or Buy Group membership. Sub-distribution is strictly prohibited, and both the "sub-distributor" and purchaser will be placed on the Do Not Sell list immediately if this occurs. Select products violating MAP will be randomly tracked to determine the source.
- 6. **Drop-shipping** Cannot drop-ship without express written permission from SIG SAUER and an approved retailer list, containing all contact information, including any aliases.

- 7. **International Shipments** Resale of any SIG SAUER product to or from the USA or from any other country, including Canada, without SIG SAUER prior approval, is prohibited.
- 8. **Penalties** Resellers can sell products at any price. However, if advertised, published, or promoted prices, on Select Products, are below SIG SAUER MAP, then there are escalating consequences:

Violation	Туре	Penalty
1st Violation	Print or non-immediate format	Violation Warning
1st Violation	Social Media (including forums, chat rooms, etc.)	Immediate removal of post or 30 day placement on Do Not Sell List
1st Violation	Online	1 business day to correct or 2 week placement on Do Not Sell List
2nd Violation	Social Media (including forums, chat rooms, etc.)	Indefinite placement on Do Not Sell List
2nd Violation	Any	30 days on Do Not Sell List
3rd Violation	Any	180 days on Do Not Sell List
4th Violation	Any	Indefinite placement on Do Not Sell List

9. Do Not Sell List – This list will be updated weekly and SIG SAUER will not sell to any resellers on this list. This list will be provided to SIG SAUER distributors, and the SIG SAUER Distribution Agreement does not allow sales to any dealer/reseller listed on the Do Not Sell list, either directly from the distributor to the dealer/reseller, or from a Distributor's dealer/reseller to a secondary dealer/reseller, which constitutes "sub-distributing" – which is strictly prohibited.

## 10. Conveyance of SIG SAUER's MAP policy and Price List and Responsibilities

- a. SIG SAUER's current price list and policy can be obtained by emailing sigsauerbrandprotection@sigsauer.com, and are available to all legitimate distributors and retailers.
- b. It is the responsibility of the distributor to implement, and notify each of its Resellers, of SIG SAUER's MAP Policy and Price List, and inform them that sub-distribution is prohibited. Resellers must adhere to the MAP Policy, regardless of receipt of this from the distributor.
- c. It is the responsibility of the distributor to keep price feeds updated at all times. However, it is the retailers responsibility to be MAP compliant regardless of price feeds.
- d. It is the responsibility of all distributors to request from their Resellers any and all names or aliases that Resellers are doing business under, and provide those names to SIG SAUER.
- 11. **Net Adjusted Price** 11. Net Adjusted Price This Policy refers to a Net Adjusted Price to capture any discounts that may be advertised, published, or promoted in any way. Any discounts (below MAP) for limited, brick and mortar store promotions, require prior SIG approval.
  - a. SIG SAUER Brand sales are permitted to be promoted or advertised, in either, brick and mortar stores, or online, up to a maximum of a 20% discount <u>as long as the net promoted price is at or above MAP. The exact SIG sku and sale price must be shown for any items specifically referenced or visible in an ad or promotion.</u> For example, the following discounts are permitted:
    - 20% off all items storewide
    - 15% off all firearms (or optics, or any item)
    - 10% off all SIG product
    - 20% off all SIG firearms (or SIG optics, or any SIG category)
  - b. "Sale", "SIG SAUER Sale" or "Sale on SIG SAUER Firearms", or similar, can be used, in general terms, as long as no percentages, or discounts are above 20%, and no "deep discounting" tactics or other prohibited terminology is used, as noted in this policy.

- c. Free goods, services, gift cards for future purchases, with a value of up to 10% of MAP of Select SIG SAUER Products are allowed for a limited sale period for in-store promotions within a physical store location. Dates of the discounted pricing must be shown if the discount is promoted in any way. This type of discount is not permitted for online sales, with the exception of any pre-approved promotional dates, and designated product categories, established by SIG. Any items specifically referenced, in any promotion, must show the exact SIG item number.
- d. For combined SIG SAUER promotions, where no MAP applies to the "promotional" item, MTP shall be used to determine the 10% benchmark of the MAP item. (i.e ammo may be combined with a firearm, as a free promotional item, up to 10% of the MAP value of the firearm, using the ammo MTP price to determine the value.) This type of discount is not permitted for online sales, with the exception of any pre-approved promotional dates, and designated product categories, established by SIG.
- e. Other manufacturers' products cannot be combined with SIG SAUER products for any special deals or discounts, either in store or online.
- 12. **MTP** In transferring product from distributor to dealer, a maximum of 10% of MTP applies to any free goods or promotions included with the transfer.
- 13. Internet Auctions, Marketplace Sites, GunBroker, Amazon, Ebay, Slick Guns/Gun Deals, and other Internet Platforms
  - a. All retailers selling on auction sites or marketplace sites, must register their name or alias with SIG SAUER Brand Protection, if the name being used is different from that of the account name used, when purchasing from the authorized supplier. Selling without registering an identity is a violation of SIG SAUER's MAP Policy. Names/Aliases can be registered by contacting: sigsauerbrandprotection@sigsauer.com
  - b. Exact UPC codes and SIG SAUER skus (not retailer variations) must be used in all listings.
  - c. <u>No pricing below MAP may be listed, hidden or visible, for any Select Product, anywhere within</u> <u>the listing, including a starting bid, "Buy it Now" price, "Reserve Price" or "Minimum Bid</u>."
  - d. Seller's may not utilize GunBroker's "Take A Shot" feature, or any feature permitting offers, as this promotes below MAP pricing.
  - e. Marketplace sites such as Slick Guns/Gun Deals must reflect MAP pricing or above, throughout the site for all SIG product.
- 14. **Social Media and other Online Platforms** Any posts referencing below MAP pricing, promotions, or discounts in violation of our MAP Policy, are strictly prohibited on all social media platforms, and some other media/classified platforms, including, but not limited to, FaceBook, Instagram, Twitter, Backpage, chat rooms and forums. All posts must show the exact SIG sku, even if the item does not have MAP. Private messaging below MAP pricing is also a violation of our MAP Policy. Violators who cannot be fully identified or located, will be placed on the Do Not Sell list immediately.
- 15. **Other Notations and Restrictions** It is the intent of the MAP Policy for retailers to provide value to their customers, rather than competing through "price wars." Promoting any type of below MAP pricing online, in any capacity, is not permitted. Therefore:
  - a. Cannot state "lowest price(s)", "low price guarantee", "deep discounting", "blowout prices", "our prices will not be beat" or any similar tactic for any SIG SAUER items, with or without MAP.
  - b. Cannot offer to match or beat a lower price.
  - c. "Price Match Offer", "Price Match Request", "Make Offer", "Submit Offer", "Special Offer", "Best Offer", or similar tactic or similar terminology, cannot be used.
  - d. "Call for Price" can be utilized in a non-automated format, where a consumer must contact the retailer directly and independently of the internet process, and an order is placed via phone, or online with a one-time use promotion code, by that particular individual. If this method is used, the only terminology associated with it may be, "Call for Price" or "Contact for price."

- e. "Email for Price" can be utilized, only in a non-automated format, with a personal response directly from an individual, and it must be independent of the online checkout process. The price response may only be used by the intended, direct recipient of the email, and may not be forwarded to promote below MAP pricing, or price comparisons. If this method is used, the only terminology associated with it may be, "Email for price, or "Contact for price." Any other terminology referencing promotions, discounts, coupon codes, or similar tactics, is prohibited.
- f. If "Call for Price" or "Email for Price" is utilized, any price listed must be at least 10% above MAP, otherwise these methods insinuate and promote below MAP pricing.
- g. Any below MAP pricing must not be displayed anywhere on the internet, including Slick Guns/Gun Deals.
- h. MAP includes online "click for price", "in the cart pricing", checkout pricing, or any automated price features and are prohibited on all SIG SAUER products. No automated pricing requests, responses or counter offers are permitted of any kind, including links to special pricing, automatic coupon codes, or similar tactics, within the immediate e-commerce platform. MAP also includes promo codes and discounts on total cart purchases, and Resellers may need to add SIG SAUER to an "exclusion list" and/or custom code their web sites, to prevent discounts on Sig Sauer items in the checkout cart, if this tactic is used.
- i. For online retailers, "logging in" or any type of "member" or "subscribe for reduced pricing", or similar tactic, to view or purchase at below MAP pricing, is not permitted.
- j. Public disclosure or comments regarding the SIG SAUER MAP policy, or any reference to not being permitted to post pricing, is prohibited. For example: "Our price is lower than the manufacturer's MAP, therefore, we cannot show the price." This, and similar tactics, are prohibited.
- k. For online retailers with brick and mortar stores, you may note, "In-store pricing may vary."

## Exceptions

- a. Free shipping is allowed.
- b. SIG SAUER corporate rebates and promotions are allowed.
- c. SIG SAUER may periodically pre-announce "MAP holidays" when prices may be adjusted below MAP.
- d. SIG approved in-store events or promotions may occur.
- e. Reseller employee purchases are exempt.
- f. Any product on the MAP Price List that does not list a MAP is exempt.
- 16. Military Personnel, Law Enforcement, First Responder IOP Sales Must specifically be designated as such, and must state that credentials are required. MAP SIG Brand rules remain in effect. Details regarding IOP items sold on "Commercial," widely accessible sites, are subject to review and approval by SIG SAUER Brand Protection. IOP Only Retailers, who sell commercially, will be penalized and may lose their IOP purchase privileges.
- 17. Policy Governance There are conditions of acceptance related to this Policy. In addition, SIG neither solicits, nor will accept, any assurance of compliance with this Policy. All questions or requests for additional information regarding this Policy or information regarding potential violations of this Policy (which must be in writing) are to be addressed to the person(s) at SIG responsible for this Policy (the "MAP Policy Administrator"). Only the MAP Policy Administrator, or the Policy Administrator's designated representative(s) are authorized by SIG to answer questions regarding this Policy, to comment on this Policy or to accept information regarding potential violations. The MAP Policy Administrator may be reached at:

SIG SAUER, Inc. Commercial Sales Brand Equity Specialist 72 Pease Blvd. Newington, NH 03801 Fax: 603.610.3005 Email: <u>polly.ditch@sigsauer.com</u> Email: <u>sigsauerbrandprotection@sigsauer.com</u> I have read and understand the SIG SAUER MAP Policy.

Printed Name, Title	
Company	

Signature

Date

#### 2018 MAP POLICY ADDENDUM

For 2018, SIG SAUER is announcing four planned promotional event dates, for electro-optics and air guns only. Free goods, services, gift cards, or one-time immediate online discounts, with a value of up to 10% of MAP, on Select SIG SAUER Products, are allowed for a limited sale period. Dates of the discounted pricing must be shown if the discount is promoted in any way.

#### 2018 Promotional Event Dates

March 30 - April 8 June 29 – July 8 August 31 – September 9 November 17 – November 27

Printed Name, Title	
Company	

Signature

Date