



November 15, 2019

CAMBRO MINIMUM ADVERTISED PRICE (MAP) POLICY

Cambro Manufacturing (“Cambro”) has built a strong reputation and following among the end-user consumers of our products. To promote advertising practices that preserve and enhance our reputation for providing high quality products, Cambro has unilaterally adopted a minimum advertised price policy (the “MAP Policy”) applicable to all Cambro distributors, dealers and resellers (collectively, “Reseller(s)”) for the products designated by Cambro from time to time (the “Products” or “Product”). The MAP Policy is being implemented to help ensure the integrity of the Cambro brand, the innovation, value and quality of Cambro’s Products, and to encourage the long-term success of Cambro and its distribution network. This MAP Policy will become effective on November 15, 2019, and its terms supersede and replace any and all prior advertising policies or statements distributed by or on behalf of Cambro, including Cambro’s MAP Policy effective December 1, 2018. Resellers are free to decide whether to follow this MAP Policy. This MAP Policy does not constitute an agreement between any Reseller and Cambro, and Cambro is not seeking a response from any Reseller.

The MAP Policy shall work under the following guidelines:

1. This is a unilateral MAP Policy and will be administered and enforced by Cambro in its sole discretion. This means that there is no agreement, side agreement or any mutual decision between a Reseller and Cambro to resell, market and/or advertise at any price. Each Reseller must independently and unilaterally set its own pricing.
2. Cambro shall from time to time unilaterally establish a minimum advertised price (“MAP”) for the Products. Pursuant to the MAP Policy, Resellers may not advertise or otherwise promote Products at a net price less than MAP and may not sell Products to any other person or entity which advertises or promotes Products at a net price less than MAP.
3. For purposes of the MAP Policy, the “net price” shall mean the published or advertised price that the Reseller makes the Product available to its customers taking into account all discounts, deductions, rebates, allowances, credits, charges, trade-ins, the separate price of products bundled with the Products by the Reseller, coupons, premiums, promotions, and any free goods, services and/or gifts offered with the Product. Customer paid taxes shall not be included in the determination of the “net price.”
4. This MAP Policy applies to all advertisements of Cambro Products in any and all media including, but not limited to, the Internet, television, radio, telephone, and print media, and in any form including, for purposes of example only, flyers, posters, coupons, mailers, brochures, inserts, handbills, billboards, circulars, newspapers, magazines, catalogs, email, text message or facsimile transmissions, television or radio commercials, all forms of Internet advertising including website display ads (for example, banner ads, pop-ups, pop-unders, floating ads, expanding ads, trick banners, interstitial ads, etc.), text-based hyperlinks, social media advertising (for example, advertising on Internet forums or social media sites such as Facebook, Twitter, Instagram or LinkedIn, etc.), online auctions and public signage other than signage posted within a Reseller’s physical (brick-and-mortar) retail store location(s) and which is not visible from the outside such as through a window or other means. Any reference to “website” advertising includes advertising on any electronic or internet-based platform, including the social media sites identified in this paragraph.

5. This MAP Policy applies strictly to advertised prices. This MAP Policy does not create minimum resale prices or in any way restrict the Reseller's ability to determine its own resale prices.
6. This MAP Policy is not intended to prohibit any Reseller from providing below MAP quotations on an individual basis in response to a specific request for quotation by an individual customer, provided such response is not automated and is given by person-to-person communication. "Person-to-person communication" means verbal and non-automated communications with a customer by telephone, in a person-to-person email or message, or in the Reseller's store. Resellers may indicate on their websites that customers may contact the Reseller directly for a price quotation. However, it is a violation of this MAP Policy to advertise or offer inducements stating or suggesting that prices below MAP are or may be available.
7. Resellers are not required to list prices in advertising. Statements like "call for price," "call for quote," "click for price" or "add to cart for price" or phrases of similar import are acceptable as long as the advertised price is not less than the MAP. However, any communications stating, suggesting or implying that a price below the advertised MAP may be found elsewhere on the website or by contacting the Reseller would constitute advertising and would be deemed a violation of this MAP Policy. This MAP Policy applies to any activity which Cambro determines, in its sole and absolute discretion, is designed or intended to sidestep or evade the intent of this MAP Policy, which are unfair to Resellers who comply with the letter and spirit of this MAP Policy. Disallowed activities intended to evade this MAP Policy include (but are not limited to) advertising at or slightly above the MAP, but implying a below-MAP price is available after the customer calls for the price, clicks for the price, or adds the product to the virtual shopping cart.
8. The MAP Policy does not establish maximum advertised prices. All Resellers may offer Cambro Products at any price in excess of the MAP established for such Product.
9. The MAP for any Cambro Product will be determined by Cambro and communicated to Resellers on the Cambro price list. A hard copy may be obtained by contacting the Cambro MAP Administrator below.
10. Not all Cambro Products are subject to this MAP Policy. This MAP Policy does not apply to Products that are not listed on the Cambro price list. Cambro reserves the right to unilaterally modify or suspend the MAP with respect to all or certain Products at its sole discretion upon seven (7) days' notice from the MAP Administrator.
11. Under the MAP Policy, Cambro prohibits the use of split-screen, side-by-side advertising, or pop-ups to advertise a similar product of any other brand, including private label product. Cambro prohibits any Reseller from directing (automatically, inadvertently or otherwise) a Cambro customer who is in search of a Cambro product or item number to any other brand or private label product.
12. Although Resellers remain free to resell and advertise Products at the price of their choosing, if Cambro verifies to its reasonable satisfaction that the Reseller has advertised or otherwise promoted a Product at a net price less than MAP or the Reseller has sold a Product to a person or entity which advertised or otherwise promoted a Product(s) at a net price less than MAP, Cambro will enforce the following violations (over a 12-month period):

1st Violation: Cambro will immediately notify the Reseller and will allow 2 business days (48 hours) upon first violation to correct product pricing less than MAP. Failure to comply within 2 business days will be considered a 2nd violation.

2nd Violation: Cambro will immediately notify the Reseller and will allow 1 business day (24 hours) upon second violation to correct product pricing less than MAP. If pricing below MAP is not corrected within said time frame, Cambro will immediately cancel all product(s) orders in violation of Cambro MAP policy and will refuse to accept any new orders on product(s) in violation from the Reseller for a period of 90 days. Cambro will cease selling the Product(s) to the Reseller while the MAP Policy remains in effect. Cambro will resume shipments to the reseller 90 days after pricing has been corrected.

3rd Violation: Cambro will immediately notify the Reseller that Cambro will immediately cancel all product(s) orders in violation of Cambro MAP policy and will refuse to accept any new orders on product(s) in violation from the Reseller for a period of one year. Cambro will cease selling the Product(s) to the Reseller while the MAP Policy remains in effect.

4th and Final Violation: Cambro will immediately notify Reseller that Cambro will indefinitely suspend all shipments of their account.

13. Cambro may monitor the prices advertised by Resellers either directly or via the use of third party agencies. This MAP Policy is non-negotiable. Probationary or suspension periods will not be permitted.
14. The only person authorized to answer questions regarding the MAP Policy and to comment on the MAP Policy, and to whom all questions regarding the MAP Policy must be addressed, is the Cambro MAP Administrator. Therefore, all questions or comments regarding this MAP Policy shall be directed to:

E-mail Address: mocallahan@cambro.com

or

Molly O'Callahan
MAP Administrator
Cambro Manufacturing
5801 Skylab Road
Huntington Beach, CA 92647

CAMBRO SALES PERSONNEL OR OTHER EMPLOYEES HAVE NO AUTHORITY TO MODIFY OR GRANT EXCEPTIONS TO THIS MAP POLICY. No external complaints or reports concerning this MAP Policy are solicited by Cambro, nor will any such external complaints or reports be used by Cambro as a basis for enforcement of the MAP Policy.

Cambro reserves the right at any time to modify, amend, suspend or discontinue this MAP Policy in whole or in part or designate certain periods during which the terms of the MAP Policy change or the MAP Policy is inapplicable. Resellers are responsible for observing the current version of this MAP Policy as well as the current MAP pricing.