



Version Update: 09/2017

To all our Valued Partners of Condor Tool and Knife Inc:

Since our beginning Condor Tool and Knife (CTK) has provided quality edged products at a value that all consumers have come to recognize. CTK is an established brand to be owned and used in everyday life with the knowledge that CTK stands by their products and their partners through warranty programs with a deep commitment to customer service. The reputation of CTK and its products is one of our most important assets. We recognize that Condor's growth and market positioning has been made possible through the ongoing support and trust from our Dealer base.

In an effort to protect our brand and to support you as an authorized Distributor / Reseller of our products, we are rolling out a minimum advertised pricing (MAP) policy, effective Jan 1, 2017.

The goal of the policy is to allow all our stocking Resellers the opportunity to have a fair selling experience with all the channels that are available today.

Sincerely;

The CONDOR TOOL AND KNIFE TEAM



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Condor Tool & Knife Minimum Advertised Pricing Policy

Effective January 1, 2017, Condor Tool and Knife (CTK) has adopted a Minimum Advertised Pricing Policy (“MAP Policy”) **MSRP LESS 15%**, which is applicable to all CTK Distributors, dealers, sales representatives, and other authorized resellers in the United States (Authorized Partners). The MAP is intended to protect the CTK brand as a premium offering, preserve the opportunity for competitive reseller margins, and avoid channel conflict between Authorized Partners.

The MAP Policy will be adhered to under the following guidelines, which are subject to change in CTK’s sole discretion at any time, without notice:

- 1) The products covered by this Policy are indicated on official CTK price lists. Initially MAP will be the entire Catalog as published on official CTK price lists. CTK may in its sole discretion modify the list of MAP Products from time to time. CTK, in its sole discretion, reserves the right to discontinue doing business with any reseller that advertises any product(s) covered by this MAP Policy as a price lower than the MAP.
- 2) The MAP Policy applies to all advertisements of MAP Products in any and all media, including, but not limited to, flyers, posters, coupons, mailers, inserts, newspapers, magazines, catalogs, mail order catalogs, television, radio, and public signage as well as internet sites, social media sites, apps, or any other electronic media (“Advertisements”).
- 3) Features such as “click for price”, automated “bounce-back” pricing e-mails, pre-formatted e-mail responses, forms and automatic price display for any items prior to being placed in a customer’s shopping card, and other similar features are considered to be communications initiated by the dealer (rather than by the customer) and thereby constitute Advertisements under this MAP Policy.
- 4) Any in-store advertising that is displayed only in a physical brick-and-mortar location and not distributed to any customer(s) outside of that brick-and-mortar location will not fall under the MAP Policy. MAP applies only to advertised prices and does not apply to the price at which the products are actually sold or offered for sale to an individual consumer within the dealer’s retail location or over the telephone. Authorized Partners remain free to sell these products at any price they choose.
- 5) The inclusion of advertising of free or discounted products (whether made by CTK or another manufacturer) with a MAP Product would be contrary to this MAP Policy if it has the effect of discounting the advertised price of the MAP Product below the MAP.
- 6) If pricing is displayed in other than a brick-and-mortar retail store, any strike-through or other alteration of the Minimum Advertised Price is prohibited. CTK prohibits the technique of indirectly advertising a price lower than the MAP price through displaying pricing information for potential customers who follow links such as “click here for your price”, automated “bounce back” pricing emails, pre-formatted email responses, “click for lower price”, “price too low to print”, “click for our price”, “click for special



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pricing,” and automatic price display for any items prior to being placed in a customer’s shopping cart and are considered Advertisements under this Policy.

However, pricing information displayed for potential customers who have affirmatively proceeded toward making a purchase such as by placing a MAP Product into an electronic “shopping cart” or by following links such as “click here to order”, “add to cart” or “click to buy” or during the purchase payment process are not considered Advertisements for purposes of this MAP Policy.

7) CTK’s MAP Policy is not intended to control, influence, determine, restrict or limit in any way the price at which CTK products may be sold. It is strictly limited to the conduct of advertising, and each reseller remains entirely free to determine its own resale price for CTK products. MAP does not establish maximum advertised prices. Authorized Partners may advertise MAP Products at any price in excess of the MAP.

8) It shall not be a violation of this MAP Policy to advertise in general that the reseller has “the lowest prices” or will meet or beat any competitor’s price or to use similar phrases so long as the Authorized Partner does not include any advertised price below MAP and otherwise complies with this MAP Policy.

9) Authorized Partners agree to hold all trademarks and copyrights of CTK as the property of CTK and use advertising materials provided by CTK in an authorized manner only.

10) From time to time, CTK may permit Authorized Partners to advertise products at prices lower than the MAP retail price. In such events, CTK 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 Authorized Partners of such changes.

11) Authorized Distributor Partners will supply a copy of the CTK MAP Policy as well as a copy of the Authorized Reseller Requirements to any new or existing reseller (“Reseller”). Authorized distributor Partners are obligated to monitor compliance with this MAP Policy by each Reseller and are expected to act on and request immediate corrective action of any known violation of the MAP Policy by a Reseller. A list of Violating Resellers will be issued on a regular basis.

12) CTK will be active in establishing an Authorized Dealer List (resellers and distributors) for the purpose of the following scenarios:

- For protection against the sale of counterfeit and/or used CTK product;
- So that the CTK warranty program may be implemented in a more consistent and effective manner;
and
- To avoid widespread market distortions and harm to Condor’s brand in general.

CTK encourages all CTK Distributors to submit the names of any Resellers they wish to be an Authorized CTK Dealer and all Current Resellers to submit to Condor Tool and Knife a request to be an Authorized CTK Dealer.



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13) In an effort to make sure there is no misunderstanding as to where MAP pricing is and that ALL CTK product is displayed and described correctly, CTK has published on its website (www.condortk.com) complete product and pricing information. All authorized Distributors and Resellers will be able to download images and correct item information, including MAP prices, from the CTK website for their use. In addition, when a promotion and/or other discounts are planned, all CTK customers will be informed in an appropriate time frame so they can plan and participate to their desired level.

14) No employee or sales representative of CTK has any authority to discuss, modify or grant exceptions to this MAP Policy.

15) CTK will be solely responsible for determining whether an Authorized Distributor or Reseller has or has not complied with this MAP Policy and for imposing consequences. The level of sanctions, if any, will be determined by CTK in its sole discretion and may include indefinite suspension of authorized reseller or distributorship status and/or the ability to purchase products from CTK or its Authorized Partners. CTK need not provide prior notice or issue warnings before taking any action under this MAP Policy, although it reserves the option to issue warning letters, followed by sanctions including temporary and indefinite suspensions to purchase CTK products.

CTK is not seeking agreement from any Authorized Partner to adhere to this MAP Policy, and no representative of CTK is authorized to solicit or accept any such agreement. It is entirely within the discretion of each Authorized Partner whether to comply or not comply. CTK sales personnel have no authority to modify or grant exceptions to this Policy or to provide interpretations of this Policy. CTK is not bound by any exception or interpretation that an Authorized Partner believes it has received.

Please refer to the Authorized Distributor and Resellers policies for additional information.