

**McKeon Products, Inc.**  
**Minimum Advertised Pricing Policy**

Effective July 1<sup>st</sup> 2018, a new Minimum Advertised Price (MAP) Policy on certain products (as noted on McKeon products price lists) is in effect.

McKeon Products, Inc. (McKeon) has been building a brand of strong recognition and high-quality products since 1962. McKeon's marketing strategy and distribution policy requires the highest level of discipline in order to support its brand image. McKeon believes its brand can be adversely affected through the proliferation of advertising of these branded products at less than McKeon's minimum advertised prices.

We recognize that our success is tied to the success of our network of team dealers. We also know that many of our dealers invest significant time and resources to deliver an extraordinary customer experience. We want to protect their ability to do so, while at the same time discourage discount-based advertising that would not permit margins that would allow such services and support efforts. As a result, McKeon has unilaterally established this Minimum Advertised Price ("MAP") Policy, as follows:

- 1) The Minimum Advertised Price for any applicable Mack's® item shall not be less than the current MAP price as published on McKeon Products, Inc. price sheets (available by contacting McKeon Products at 25460 Guenther, Warren, MI 48091 • Phone: 586-427-7560 • Email: info@macksearplugs.com). MAP pricing is established by McKeon and may be adjusted by McKeon at its sole discretion.
- 2) The MAP policy applies to all advertisements of any applicable Mack's® item(s) in any and all media, including, but not limited to, flyers, posters, coupons, mailers, inserts, newspapers, magazines, catalogs, mail order catalogs, Internet or similar electronic media, television, radio, and public signage.
- 3) The MAP policy is not applicable to: 1) Any in-store advertising that is displayed only in the store and not distributed to any customer(s) outside of their store. 2) Any email newsletters sent to your customer database.
- 4) The inclusion in advertising of free or discounted MAP item(s) would be contrary to the policy if it has the effect of discounting the advertised price of the covered product below the MAP.
- 5) 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.
- 6) 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. McKeon dealers and sales representatives remain free to sell these products at any price they choose.
- 7) MAP does not establish maximum advertised prices. All dealers and sales representatives may offer any Mack's® MAP item(s) at any price in excess of the MAP.
- 8) McKeon's MAP policy does not in any way limit the ability of any dealer to advertise that "they have the lowest prices" or, they "will meet or beat any competitors price", that consumers should "call for a price" or phrases of similar import as long as the price advertised or listed for the products is not less than MAP.
- 9) E-Bay and Other Auction Web Sites Policy:
  - "Buy it Now" options must be listed at a price equal to MAP or greater.
  - For auctions the reserve and/or opening bids must start at MAP without a "Buy it Now" option.
  - Best Offer Auctions Are Not Allowed
- 10) McKeon resellers must apprise all their customers who are resellers of McKeon products of the terms of this policy. All McKeon resellers are required to not sell McKeon products to firms who are in violation of this policy. Any such sales to unauthorized internet resellers are themselves in violation of this policy.

- 11) McKeon reserves the right to terminate all sales of these products to any firms in violation of any part of this policy, and to take any other steps that it deems appropriate.
- 12) McKeon has adopted this policy unilaterally in furtherance of its independent business strategy. No McKeon employee or representative has been or will be authorized to modify or change this policy for any particular retailer. McKeon alone will implement, interpret and enforce this policy in its own independent judgment.
- 13) McKeon cannot and will not discuss its MAP policy with any party, and all actions taken consistent with this policy are at the sole discretion of McKeon.