

CWD LLC
UNILATERAL MINIMUM ADVERTISED PRICE POLICY
FOR
STOPTECH® BRAKE SYSTEMS

Effective Date: December 1, 2017

CWD LLC is North America's leading manufacturer and supplier of aftermarket brake and chassis components for passenger vehicles, medium duty trucks, fleet vehicles, high performance vehicles and race cars. Backed by award winning cataloging, in-house engineering and testing facilities, a nationwide distribution network, and unparalleled technical support, CWD LLC sets the standard in the automotive aftermarket. We are proud to associate with resellers who dedicate the time and effort to ensure their customers' satisfaction with our products.

We have unilaterally established this minimum advertised price ("MAP") Policy in order to maintain a fair marketplace for our StopTech® brand products and to discourage price-based advertising of these products that is detrimental to customer service and support efforts. This MAP Policy applies to all customers that buy StopTech® brand products either from us or from our direct customers. This bulletin explains the terms and conditions of our MAP Policy.

1. DEFINITIONS

- **"Advertising"** refers to any digital, electronic, visual, audio or printed communication intended to solicit sales of Covered Products that appears in any form of public media including, without limitation, flyers, posters, coupons, mailers, inserts, newspapers, magazines, catalogs, television, radio, and public signage, as well as Internet sites, social media sites, "apps," or any other digital or electronic media.
- **"Covered Products"** mean any or all of the products that we now or in the future make available for sale that are identified on the CWD Website as StopTech® brand products.
- **"CWD Notice"** means any notice that we give in written or electronic form or post to the CWD Website.
- **"CWD Website"** refers to <http://www.centricparts.com>, www.stoptech.com and to any other Internet site that we designate where we, among other things, identify Covered Products, provide general information about our company and product lines, communicate information to purchasers of Covered Products regarding our policies and programs, and provide a portal for Direct Customers to order Covered Products and where Direct Customers can find information relevant to this MAP Policy.
- **"Direct Customer"** means a person or business entity that purchases Covered Products directly from us whether for their own use or resale to a Downstream Reseller.

- **“Downstream Reseller”** means a person or business entity that purchases Covered Products for resale from a Direct Customer and not for their own use.
- **“Do-Not-Sell List”** means a CWD Notice that designates the name of a Direct Customer or Downstream Reseller whose authority to sell Covered Products has been revoked by us.
- **“Effective Date”** means the effective date of this Map Policy, which is December 1, 2017.
- **“Internet”** means the global system of interconnected computer networks that utilize standard communication protocols, and any successor technology, whether now existing or developed after the Effective Date, accessible by the general public that enables the general public, among other things, to obtain information and purchase goods or services from commercial, merchant-controlled sites.
- **“Limited Time Promotions”** refer to promotional initiatives that we authorize featuring one or more Covered Products at less than the then-prevailing MAP for either a specific period of time or a maximum period of time that we designate on the CWD Website or in a CWD Notice.
- **“MAP”** means the minimum advertised price of a Covered Product that we alone determine from time to time and identify on the CWD Website or in a CWD Notice.
- **“MAP Policy”** means collectively the then-current version of this bulletin that we post on the CWD Website or in a CWD Notice.
- **“SKU”** refers to the stock keeping number that we assign to each Covered Product.

2. POLICY STATEMENT

2.1 We are highly discerning in establishing accounts and selecting the Direct Customers with which we will do business. We retain the right to deal or decline to deal with any Direct Customer at any time and for any reason in our sole discretion.

2.2 We may discontinue doing business with any Direct Customer that advertises any Covered Products at a price lower than the MAP or that violates this MAP Policy in some other way. As we explain in this MAP Policy, we alone make all decisions pertaining to the enforcement of this MAP Policy.

3. EFFECTIVE DATE; AMENDMENTS

3.1 This MAP Policy applies to all Advertising that a Direct Customer or Downstream Reseller conducts on and after the Effective Date.

3.2 We may (i) modify or repeal this MAP Policy in our sole discretion at any time; and (ii) modify our MAP, in each case by posting a CWD Notice on the CWD Website or by giving a CWD Notice to a Direct Customer stating the effective date of the modification.

4. GENERAL GUIDELINES

4.1 We identify Covered Products on the CWD Website and may modify the list of Covered Products at any time in our sole discretion by adding or deleting Covered Products or by changing parts or other identifying information. We may, without prior notice, make changes in materials, specifications, product design, part numbers, packaging, and labels without incurring any obligation to any Direct Customer for any previously offered or sold Covered Products. We unilaterally determine which Covered Products to offer to a specific Direct Customer and may change availability authorizations at any time.

4.2 We identify the MAP for Covered Products on the CWD Website by SKU and may modify the MAP at any time in our sole discretion. We consider the MAP only as the price of the SKU itself.

4.3 We will communicate all changes to Covered Products and MAPs by posting a CWD Notice on the CWD Website or in a CWD Notice to a Direct Customer, in each case stating the effective date of the modification.

4.4 It is the responsibility of every Direct Customer to monitor the CWD Website for changes in the list of Covered Products, MAPs and this MAP Policy and to review all aspects of their business practices to ensure compliance with this MAP Policy.

4.5 The manner or means by which a Direct Customer places an order for Covered Products (whether by communicating their order by email, fax, through one of our independent sales representatives or internal sales personnel or by placing an order through a portal on the CWD Website) has no bearing whatsoever on whether this MAP Policy applies to the Direct Customer.

4.6 We recognize that Direct Customers and Downstream Resellers are free to make their own decisions to advertise and sell Covered Products at any price they choose, without consulting or advising us. Similarly, we will exercise our right to make decisions regarding the terms on which we will do business with Direct Customers and the allocation of Covered Products, availability of new Covered Products, or future promotional, joint marketing, or sponsorship programs.

4.7 This MAP Policy only applies to *advertised* prices. By *advertised* prices, we refer specifically to Advertising that a Direct Customer or Downstream Reseller conducts that mentions or displays specific prices for Covered Products according to the Covered Product's SKU. We do not require Direct Customers or Downstream Resellers to display advertised prices in Advertising. However, if a Direct Customer or Downstream Reseller chooses to do so, the Advertising must comply with this MAP Policy and applicable law.

4.8 This MAP Policy does not address, restrict or limit the actual prices at which a Direct Customer or Downstream Reseller chooses to sell Covered Products to its customers. This MAP Policy is not a solicitation or request on our part for any form of agreement from a Direct Customer or Downstream Reseller pertaining to the price of Covered Products. We have not in the past, and will not now or in the future, ask a Direct Customer or Downstream Reseller to enter into any mutual agreement or understanding with us, formal or informal, oral or written, which

asks the Direct Customer or Downstream Reseller to give up its right to set its own prices for Covered Products or any other goods or services independently. In the same way, we will not give up our right to carry on our business according to our best judgment.

4.9 This MAP Policy does not apply to Advertising that is displayed in a Direct Customer's or Downstream Reseller's physical place of business. In other words, this MAP Policy does not apply to a Direct Customer's or Downstream Reseller's prices that are posted inside the Direct Customer's or Downstream Reseller's retail store or place of business and are observable only by customers who physically enter the place of business. On the other hand, this MAP Policy applies when posted prices are visible from the outside of the Direct Customer's or Downstream Reseller's place of business.

4.10 It is the responsibility of all Direct Customers to ask their customer if the customer is purchasing Covered Products for the customer's own use or for resale in order to identify if their customer is a Downstream Reseller. Direct Customers that purchase Covered Products and sell them to a Downstream Reseller must (i) provide the Downstream Reseller with a copy of our MAP Policy or alert the Downstream Reseller to the existence of this MAP Policy by providing them with a link to the CWD Website where this MAP Policy is posted; and (ii) notify us of the name of the Downstream Reseller so that we may communicate directly with the Downstream Reseller including, among other things, informing the Downstream Reseller of changes in our MAP Policy. When a Direct Customer sells Covered Products to a Downstream Reseller, the Direct Customer must inform the Downstream Reseller that it is the Downstream Reseller's responsibility to monitor the CWD Website for changes in the list of Covered Products, MAPs and this MAP Policy and to review all aspects of their business practices to ensure compliance with this MAP Policy.

5. MAP POLICY

5.1 On and after the Effective Date, a Direct Customer's MAP appearing in Advertising of Covered Products may not be at less than the then-current corresponding MAP appearing on the CWD Website.

5.2 In determining compliance with this MAP Policy, we consider all price discounts, coupons, gifts and other free merchandise, and other type of incentives or promotional offerings (including, without limitation, any "gift with purchase" or "purchase with purchase") that a Direct Customer chooses to offer in promoting Covered Products in Advertising.

5.2.1 If Advertising features free merchandise, "gift with purchase," "purchase with purchase" or similar types of incentives, we will disregard the retail value of the free gift and not add the retail value to the MAP calculation only when the free merchandise is neither a Covered Product nor an aftermarket product whether or not the aftermarket product involves braking systems or chassis components.

5.2.2 We forbid any type of "buy one get one free," "gift with purchase," "purchase with purchase" or similar types of incentives that bundle two or more of the same or different Covered Products.

5.2.3 We forbid any type of "buy one get one free," "gift with purchase," "purchase with purchase" or similar types of incentives that bundle a Covered Product with any

product sold by one of our competitors whether or not the product involves brake or chassis components. If you unsure if we consider a particular company to be a competitor, you must contact the MAP Policy administrator at MAP@StopTech.com.

5.2.4 In all other cases. If you wish to advertise any type of “buy one get one free,” “gift with purchase,” “purchase with purchase” or similar types of incentives that bundle a Covered Product with some other product, we define the effective advertised price to be equal to the price shown in the Advertising of the Covered Product less the retail value of the gift, freebee or promotion.

5.2.5 Use of terminology such as “entire stock (or department) 15% off” is subject to this MAP Policy if the Advertising refers to or displays a picture of any Covered Products.

5.3 If Advertising features free shipping, free handling or 0% tax, we define the effective advertised price to be equal to the price shown in the Advertising of the Covered Product by SKU and do not reduce that price by the actual value of the cost savings to the customer. Therefore:

5.3.1 If the MAP for a Covered Product is \$250 and Advertising features the Covered Product for sale at the MAP and 0% tax and free shipping, the effective advertised price is the MAP and therefore complies with the MAP Policy.

5.3.2 If Advertising features the Covered Product at \$250 without sales tax, but with a flat fee of \$2.50 fee for shipping and handling, the effective advertised price is \$250. We do not adjust the MAP by the difference between the \$2.50 shipping and handling charge and the actual shipping and handling costs plus the difference between \$0 sales tax and the actual sales tax.

5.4 This MAP Policy does not apply to Advertising featuring Covered Products that we identify on the CWD Website as discontinued and no longer in production.

5.5 This MAP Policy does not apply to Advertising featuring Limited Time Promotions that we periodically announce on the CWD Website as long as the advertised price is not more than the allowed discount or price in the Limited Time Promotion. Direct Customers are not required to participate in Limited Time Promotions, but, if a Direct Customer or Downstream Reseller elects to do so, the Direct Customer and Downstream Reseller may only do so by adopting the special conditions in a CWD Notice and confining the Limited Time Promotions to the specific period or maximum period of time specified in the CWD Notice. For example (and without limitation), a CWD Notice may permit Limited Time Promotions during the 3 days before and after the annual “Black Friday,” i.e., the Friday after Thanksgiving.

5.6 This MAP Policy also applies to any activity that we determine, in our sole discretion, is designed or intended to circumvent the intent of this MAP Policy, such as solicitations for “group purchases” and the like.

6. MAP POLICY VIOLATIONS

6.1 If we determine that there has been a violation of the MAP Policy, we may take the action that we believe is appropriate, which may include, without limitation:

6.1.1 For a first violation: we will issue a written notice of violation to the offending Direct Customer.

6.1.2 For a second violation: we will refuse to extend price discounts to the offending Direct Customer on new orders of Covered Products for a specific, or indefinite, duration at our election. Alternatively or in addition to this consequence, we may revoke any promotional or cooperative advertising support and the offending Direct Customer may forfeit any earned, but yet unpaid, incentive or promotional funds.

6.1.3 For a third violation: we may take any or all of the following actions as we deem appropriate: (i) we may reject future orders placed by an offending Direct Customer or Downstream Reseller (or both) for a specific, or indefinite, duration; (ii) we may terminate a distribution agreement with a Direct Customer; and (iii) we may place a Direct Customer or Downstream Reseller on the “Do-Not-Sell” list.

6.2 We, alone, will determine if a violation is a first, second or third violation and if a violation has been corrected. We may treat a violation as a second or third violation if a violation continues for longer than 72 hours after we give written notice of violation or impose other consequences. We may treat a violation as a second or third violation even if the violation involves different below-MAP advertising practices or different Covered Products than the first violation.

6.3 We do not represent that we will impose a penalty for every violation or impose identical penalties for the same violation by different Direct Customers: these matters are in our sole discretion. We will not entertain external complaints from Direct Customers about enforcement decisions that we make about them or other Direct Customers or Downstream Resellers. We do not have to give an offending Direct Customer or Downstream Reseller prior notice of our enforcement decision before taking the enforcement action.

6.4 Direct Customers are responsible for the actions of their immediate Downstream Resellers that buy Covered Products from them and should advise their Downstream Resellers of the consequences that we may impose on the Direct Customer and Downstream Reseller due to a Downstream Reseller’s violation of the MAP Policy.

7. INTERNET ADVERTISING STANDARDS

7.1 Pricing that appears on any Internet site is considered Advertising and must adhere to this MAP Policy.

7.2 We treat prices that are displayed on an Internet shopping cart page as Advertising. Consequently, prices that appear on a shopping cart page may not be lower than the then-current corresponding MAP appearing on the CWD Website. “Add to Cart” is considered a violation if the Covered Product price displayed after adding it to the shopping cart violates the MAP.

7.3 Because this MAP Policy does not restrict the actual price that a reseller charges for Covered Products, a Direct Customer or Downstream Reseller may communicate actual prices to customers by email response or on a product purchase confirmation webpage or comparable private means of communications that cannot be seen by web crawlers or any other person besides the purchaser. A representative of a Direct Customer or Downstream Reseller may also communicate actual prices by a live private phone call with a customer. However, providing actual prices that are below the then-current corresponding MAP through an automated or pre-recorded phone message or comparable means that does not involve a live, actual private conversation is a violation of this MAP. If a Direct Customer or Downstream Reseller wishes to communicate a price below the MAP, the Direct Customer or Downstream Reseller must do so in a manner that is private and does not display the price to anyone other than to the purchaser.

7.4 Once a customer enters its personally identifiable information during the check-out process on a page that encrypts the customer's information in order to protect the customer's privacy, a Direct Customer or Downstream Reseller may display a price to the customer that is below the then-current corresponding MAP appearing on the CWD Website. It is only at this point in the check-out process that we consider the display of a price below the MAP to fall outside the scope of this MAP Policy. Each Direct Customer or Downstream Reseller is responsible for ensuring that any business conducted on its website complies with applicable privacy laws.

7.5 Who owns the Internet site is immaterial. The MAP Policy applies to all Covered Products sold on the Internet regardless of whether a Direct Customer or Downstream Reseller owns or controls the Internet site.

7.6 This MAP Policy applies to all types of Internet sites including, without limitation, to third party marketplace sites (for example and without limitation: amazon.com, sears.com, bestbuy.com, newegg.com, rakuten.com, overstock.com, walmart.com, banggood.com, alibaba.com); auction sites (for example and without limitation: ebay.com, craigslistauction.com, buy.com, Yahoo auctions, quibids.com); bartering or swapping sites; and to "buy it now" sites. It is not acceptable to begin or end an Internet auction or "buy it now" offer at a price that is below the MAP because these types of Internet sites allow others besides the purchaser to see the below-MAP price.

7.7 Direct Customers and Downstream Resellers must comply with all laws applicable to the sale and shipment of Covered Products that are purchased on or from Internet sites.

7.8 Direct Customers and Downstream Resellers are solely responsible for ensuring that all search engines with which they affiliate comply with the requirements of this MAP Policy.

8. GENERAL ADVERTISING STANDARDS

8.1 Use of "call for best price," "price too low to print," or similar phrases or automated price quotation features in Advertising is strictly prohibited. The use of "e-mail for lower price," "click on" or "click through" buttons, or any similar buttons or automated price quotation features in Advertising on an Internet site is also strictly prohibited. It is not a violation of this MAP Policy to advertise that a customer may "call for price" or "email for price", or to use similar language so long as no price is listed.

8.2 It is not a violation of this MAP Policy for a Direct Customer or Downstream Reseller to advertise generally that the Direct Customer or Downstream Reseller has “the lowest prices” or will match or beat its competitors’ prices, or to use similar phrases; so long as the Direct Customer or Downstream Reseller does not advertise prices below the then-current MAP and otherwise complies with this MAP Policy

8.3 Website features such automated “bounce-back” pricing e-mails, pre-formatted e-mail responses, forms, and automatic price display for any Covered Products and other similar features are considered to be communications initiated by the Direct Customer or Downstream Reseller (rather than by the customer) and constitute Advertising under this MAP Policy.

8.4 Advertising may not contain any misleading, improper, inappropriate or unauthorized statements, photographs, artwork, descriptions or other material or information about Covered Products. Advertising must appropriately use our trademarks in the exact format that we require including displaying any registration symbols that we direct and must identify “Registration owned by CWD, LLC” to identify us as the owner of the registration. Direct Customers or Downstream Resellers must clearly identify themselves in all Advertising as the seller and not do anything that suggests or implies that they acting as our agent.

8.5 Direct Customers or Downstream Resellers must conduct Advertising and the sale of Covered Products in a dignified and professional manner and in compliance with all applicable laws. Furthermore, the Advertising must represent Covered Products in a positive manner and fairly represent the qualities, features and warranty conditions of Covered Products as we present them on the CWD Website.

9. “DO-NOT-SELL” LIST

9.1 We monitor the advertised prices of Direct Customers and Downstream Resellers either directly or via the use of third parties like mystery shoppers and other independent contractors or surveillance tools. Direct Customers are expected to cooperate fully with any investigations that we conduct regarding possible MAP Policy violations. Hindering, obstructing, delaying, or otherwise failing to cooperate with a MAP Policy investigation is a violation of this MAP Policy.

9.2 When we identify or learn about a Direct Customer or Downstream Reseller or other company, individual or website address that is selling Covered Products in violation of this MAP Policy, we may add them to a “Do-Not-Sell” list that we will maintain and post on the CWD Website.

9.3 It is a violation of this MAP Policy for any Direct Customer knowingly to sell or distribute Covered Products to any Downstream Reseller or other company, individual or website address identified on the Do-Not-Sell list. It is the responsibility of every Direct Customer to monitor the CWD Website for changes in the Do-Not-Sell list and to review all aspects of their business practices to ensure compliance with the “Do-Not-Sell” restrictions. Direct Customers must cease accepting any new orders from a Downstream Reseller or other company, individual or website address on the Do-Not-Sell List.

9.4 A Direct Customer or Downstream Reseller on the Do-Not-Sell List is prohibited from using our imagery and other intellectual property and may be guilty of trademark infringement by continuing to use our intellectual property.

10. INTERNET SALES

10.1 For one year, from December 1, 2017 through and including November 30, 2018, no Direct Customer or Downstream Reseller may sell on or from any Internet site any products that we include in the following two StopTech® brand product lines: StopTech® Tactical Brake Pads and StopTech® GCX Rotors.

10.2 We may extend the duration of this restriction or apply it to other StopTech® product lines by revising this MAP Policy. Each Direct Customer must monitor the CWD Website for changes that pertain to the restrictions against Internet sales.

10.3 We will treat a violation of the restrictions against Internet sales in the same way as any other MAP Policy violation.

11. ADMINISTRATION

11.1 This MAP Policy is an internal Policy that we will unilaterally enforce.

11.2 We will not discuss our decisions relating to the enforcement of this MAP Policy or negotiate the terms of our decisions with any Direct Customer or Downstream Customer and will not seek or accept assurances of any kind from any Direct Customer or Downstream Customer as to the Direct Customer's future conduct. No external complaints or reports are desired nor will they be used by us as a basis for enforcing this MAP Policy.

11.3 This MAP Policy is in addition to, and does not supersede or limit in any respect any other terms or conditions of sale of Covered Products to Direct Customers.

11.4 If a Direct Customer or Downstream Reseller has any questions about this MAP Policy, the questions should be sent by email to the attention of the MAP Policy administrator at MAP@StopTech.com.