



Universal Minimum Advertised Price (UMAP) Policy

For more than 55 years, Equipment Development Company, Inc. (EDCO) has been a leader in Surface Preparation, Repair, Restoration and Professional Sawing Equipment. Through a significant investment in design, technology and personnel, EDCO has established a premium brand and a strong reputation for providing quality products and services to our customers with superior sales and marketing support.

In recognition of the investment in time and resources required for our authorized retailers, resellers and distributors, including resellers associated with rental centers, (herein Resellers) to provide the level of customer service and product knowledge expected by our customers, EDCO has established a Universal Minimum Advertised Price (UMAP) Policy (hereinafter Policy) that will maintain the proper positioning of EDCO products in the marketplace and allow our Resellers to maintain high profit margins through the sale of EDCO products. The Policy will also define guidelines for the use of EDCO trademarked and copyrighted material.

EDCO believes that the Policy will protect EDCO's brand image, goodwill, and establish a sustainable platform for profitable growth for all authorized Resellers across our supply chain. It is important to EDCO that our Resellers experience sufficient profits from the sale of EDCO products, thereby allowing them to provide important value added services throughout the supply chain including adequate product inventory, encouragement for the stocking of new EDCO products, and customer services and support. This Policy has been unilaterally adopted by EDCO and will be enforced strictly and uniformly. Therefore, all sales of EDCO products will be subject to this Policy regardless of the mode of sale including internet, traditional retail, and exhibitions or shows. EDCO does and will continue to sell EDCO products directly to consumers at MAP pricing, consistent with this Policy. EDCO may change or cancel this Policy at any time and such changes will apply equally to all Resellers. No sales representative has authority to discuss, modify or grant exceptions to this Policy.

General Policy Terms and Conditions

Effective July 1, 2018, the following terms apply to all sales of EDCO products by Resellers.

- A. UMAP Policy:** EDCO has established a Minimum Advertised Price (MAP) for all EDCO products that shall not be less than ten percent (10%) below the current Manufacturer's Suggested Retail Price (MSRP) as published on EDCO's current price list, available online at EDCO's website. MAP pricing is established by EDCO and may be adjusted or changed by EDCO at its sole discretion.
- B.** This Policy applies to any and all advertisements in all media, including advertisements and marketing by affiliates. Such advertisements include, but are not limited to, print media (inserts, newspapers, magazines, publications, catalogs, coupons, mail order catalogs, and any other print media); public signage (flyers, posters, billboards); direct mail (coupons, brochures); faxes; broadcast (television and radio), email (broadcast e-mail newsletters, e-mail solicitations, automated response pricing e-mails, SMS or other phone/electronic text messages); search engine optimization; banners, pop-ups or pop-up under ads; digital media cross-promotion such as Facebook, Instagram, Pinterest,

and the like; internet websites or other e-commerce, including any use of hypertext transfer protocol or internal links to a web based shopping cart and any other electronic media; internet placements on Reseller's own website; auction functions or websites; shopping websites; shopping feed and portal sites. Additionally:

1. Any price information relating to EDCO products in an internet website which can be accessed directly through any hypertext link or by any other method which uses the hypertext transfer protocol (http) is considered to be advertising for purposes of this Policy. Electronic mail sent in a direct response to a customer inquiry is not considered to be advertising.
 2. All advertisements of EDCO products must include the EDCO name or logo, model number or description of the product and a price at or above the MAP.
 3. At no time may a Reseller make any statements or other indications on its website in connection with any EDCO product that indicates or implies that a lower price may be found at the online checkout stage, including, but not limited to, the following or similar examples:
 - "Click here for lower price", "Click on" or "Click through" buttons
 - "See price in cart"
 - "Click 'Buy' for price", "Click 'Add to Cart' for Price", "Click for Quote", "Log in for price"
 - "Add to cart for lower price"
 - "Check cart for lower price"
 - "Click here for lower price"
 - "Mouse over for price"
 - "Email for a better price"
 4. EDCO products may not be advertised to include any discount codes or rebates, regardless of the mode of sale (including internet, traditional retail, exhibitions or shows), except for EDCO authorized promotions.
 5. Bundling of multiple EDCO products or bundling of EDCO products and products from other manufacturers will be subject to the terms of this Policy. The total price to the customer may not be less than the MAP of the individual EDCO products. Furthermore, it must be clearly stated to the customer that the EDCO product is being sold at or above the MAP and the bundled item is either discounted or free.
 6. This Policy applies to EDCO Resellers in the U.S. and Canada.
- C. This Policy 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 Reseller's retail location, including in-store advertisements and displays, or over the telephone. Moreover, this Policy does not apply to brick and mortar in-store advertising that is displayed only in the store and not distributed to any customers.
- D. Monitoring and Reporting:** EDCO may engage in monitoring of advertised prices of EDCO product sales in all channels, either directly or via the use of third parties. Third parties retained by EDCO may engage in the monitoring of EDCO product sales by Resellers to verify that the terms of this Policy are being enforced.

- E. Penalties:** It is EDCO's unilateral policy that if a Reseller's advertisements for EDCO products contain a price lower than the MAP as set forth in the current EDCO price list (as announced by EDCO from time to time), the following penalties will be strictly enforced:
- **First Violation:** EDCO will issue a warning to the Reseller, and EDCO may, at its own discretion and without any liability under any existing contracts or agreements, cease supplying the Reseller with EDCO products for a period not less than sixty (60) days.
 - **Second Violation:** EDCO may, at its own discretion and without liability under any existing contracts or agreements, initiate the process to terminate the Reseller's authorization to sell EDCO products.
- F. Ownership/Control of Website:** Any website on which EDCO products are advertised for sale must be owned or directly controlled by the Reseller. A Reseller may not advertise on the internet by purchasing space on any other web page such as a search engine or commercial website and any arrangement whereby a third party will conduct internet sales for a Reseller are prohibited without the prior written consent of EDCO, which shall be granted or denied at the sole discretion of EDCO.
- G. Auction Sales:** No EDCO products, including manufacturer close-outs (i.e., discounted styles, opportunity buys) and those with factory defects (i.e., blemishes, factory seconds), may be offered for sale via an auction process by a Reseller on any internet site including, but not limited to, eBay, Yahoo, Amazon, and similar websites. "Buy it Now" options must be listed at a price equal to or greater than the MAP. For auctions, the reserve and/or opening bids must start at a price equal to or greater than the MAP. Best Offer Auctions are not allowed.
- H. Intellectual Property:** A Reseller may not use any EDCO's name(s), trademark(s), logo(s) or product name(s), in a way that is not in accordance with this Policy or violates EDCO's use policy. EDCO's Intellectual property will not be altered by Resellers in any way. This includes product images, product names, brand logos and other general copyrighted materials. Furthermore, EDCO's intellectual property may not be utilized in a way to suggest an unauthorized endorsement from EDCO for a product or service not manufactured or offered by EDCO. Additionally, EDCO names, trademarks or product names may not be used in the Reseller's URL address or domain name.
- I. Website Content:** A Reseller's website may not give to any users of the website the impression or any reason to believe that they have reached EDCO's website or a site that is endorsed or sponsored by EDCO. A Reseller's website must state clearly and conspicuously that it is owned and operated by an independent entity. A Reseller's website must accurately display any applicable trademarks owned by EDCO. Resellers are responsible to make all changes to reflect the latest use of EDCO names, logos, and trademarks. Framing of any part of EDCO's website is strictly prohibited and a Reseller's website must present a look and feel distinctly unique from that of EDCO's website.
- J. Reservation of Rights:** EDCO reserves the right to at any time restrict certain EDCO products from being sold on the internet at EDCO's sole discretion or to prohibit the advertising and marketing of any or all of its Products on the internet.