

Unilateral Distributor / Dealer Minimum Advertised Price Policy

Effective Date: July 1, 2019

The craftsmanship and high quality of Standard Manufacturing Co. LLC products, and the limited availability of these products, have established Standard Manufacturing Co. LLC as a high-value brand of firearms, accessories, and apparel. For this reason, it is vitally important to Standard Manufacturing Co. LLC to maintain its reputation as a supplier of high value, prestigious products.

Standard Manufacturing Co. LLC (hereinafter "Standard Mfg.") wishes to emphasize that anyone who sells Standard Mfg. firearms, accessories, and/or apparel (hereinafter "products") may do so at whatever price that person or company chooses. The decision concerning how to price any Standard Mfg. product is a decision that is made by the Distributor or Dealer alone and cannot be the subject of any agreement between that account and Standard Mfg., its employees or representatives.

Notwithstanding, and independent of this freedom on the part of Standard Mfg., Distributor and/or Dealer accounts to set pricing for Standard Mfg., effective July 1, 2019 Standard Mfg. is updating the Minimum Advertising Price Policy, for all applicable products, with respect to commercial advertising of Standard Mfg. products. This policy shall apply to all Distributors/Dealers, including internet retailers, or any non-consumer business to whom Standard Mfg. or its designated Distributors sell or otherwise transfers Standard Mfg. products.

Effective July 1, 2019 and until further notice, **Standard Mfg. will only do business with Standard Mfg. Distributor or /Dealer accounts (1) who commercially advertise Standard Mfg. products at or above the established Minimum Advertised Price or ("MAP") and (2) who only resell to Dealers and Retailers who likewise only advertise Standard Mfg. designated products at or above MAP.** The established minimum advertised price for Standard Mfg. products can be found on the current price list for Standard Mfg. products. Standard Mfg. has adopted this policy to prevent advertising that tends to cheapen or degrade the image of Standard Mfg. products in the marketplace and thus erode its goodwill and brand reputation.

If a particular Standard Mfg. product does not appear on the current MAP listing, there is no minimum advertised price for that specific product. Upon introduction of any new product by Standard Mfg., Standard Mfg. will notify the Distributor and/Dealer of the applicable MAP for the product and it shall be the sole responsibility of the Distributor to provide such notification and information to its Dealers.

IMPORTANT NOTICE

Effective July 1, 2019 and thereafter Standard Mfg. policy defines a MAP violation as advertising the giving of anything of value, even another product, gift, coupon or discount would , in turn, bring the value of the Standard Mfg. product below MAP if the items are considered in the aggregate.

MEDIA

MAP Policy applies to all advertisements of Standard Mfg. products in any and all media, including but not be limited to the following:

Flyers, Poster, Mailers, Coupons, Inserts, Banner Ads, Newspaper Ads, Magazines, Catalogs, Radio, Television, Public Signage, Billboard, Displays at Industry/Consumer Shows, Websites, Internet or Similar Electronic Media, Social Media, Email Solicitations, Email Newsletters, or Faxes.

NOTICE REGARDING ON-LINE/INTERNET SALES

This MAP policy also applies to designated products priced for sale to consumers online.

Any online sales solicitation price will be subject to the terms of this policy. Prices shown online will be subject to this policy up to the point that a financial transaction is completed. In addition, online selling procedures (i.e. "add to cart") cannot advertise or imply that doing so will reduce the price advertised online below MAP. Should any Distributor and/or Dealer advertise Standard Mfg. products at a price that results in net prices (final price after deducting discounts, free delivery, and other benefits offered to the buyer) below that which is set forth and allowed under MAP pricing, Distributor and/or Dealer will be in violation of the MAP Policy.

There will be no online sales by any Distributor or Dealer of any new or unused Standard Mfg. product on E-Bay®, Amazon®, Gun Broker®, Gunsamerica®, Gunsinternational®, or other internet auctions sight and a Distributor or Dealer will not knowingly sell any new or unused Standard Mfg. product to any individual intending to sell any new or unused Standard Mfg. product on the aforementioned websites or at an auction.

PENALTIES

After July 1, 2019, if Standard Mfg. determines in its sole discretion, that a Distributor and/or Dealer has advertised a Standard Mfg. product at a price below that set in the current MAP price list, **Standard Mfg. will suspend shipments of all products from Standard Mfg. to the Account for a period of 60 days.** If either during the aforementioned 60-day penalty period or at a future time, the same account again violates this policy, **Standard Mfg. will suspend shipment of all products from Standard Mfg. to the Account for a period of 90 days.** If either during the aforementioned 90-day penalty period or at a future time, the same account again violates this policy for a third time, **Standard Mfg. will cancel all existing orders and discontinue doing business with that Account.**

Standard Mfg. reserves the right to modify this policy from time to time at its sole discretion. Standard Mfg. does not seek, nor will accept, any account's agreement to any of the issues raised in this statement of advertising policy. Standard Mfg. employees and sales representatives have been instructed not to discuss any aspect of this policy with any account.

It is the responsibility of all Distributors to ensure that all those Dealers to whom that distributor sells Standard Mfg. products promptly receive a full copy of this MAP Policy.

It is the responsibility of all Distributors/Dealers to contact Standard Mfg. with the identity of any offending part. Please report violations to the following email address: info@stdgun.com and this will be the single point of review for all alleged MAP violations. No other forms of reporting will be evaluated for enforcement.

All questions regarding this policy should be directed in writing only to:

Standard Mfg. General Counsel
P.O. Box 1692
New Britain, CT 06053