



MINIMUM ADVERTISED PRICE POLICY

Effective - March 16, 2020

1. OVERVIEW.

SPECTRUM BRANDS PET LLC (hereinafter "SPECTRUM") and its authorized distributors and retailers (collectively, "Resellers") work to develop, market, and distribute products that represent excellent value for customers.

SPECTRUM has developed and offers products that it distributes under its own brand names, trade names, patents and trademarks (collectively, the "IP"). SPECTRUM also holds copyrights to the material in its catalogs and advertisements ("Copyrighted Material").

In order to monitor the use and maintain the value of its IP and Copyrighted Material, SPECTRUM has adopted this unilateral Minimum Advertised Price ("MAP") policy for Covered Products (as defined below) applicable to Resellers. The MAP policy applies to all Advertisements (as defined below), including advertisements online and in physical store locations for Covered Products in any and all print, hard copy, internet and electronic media. For ease of reference, it is referred to throughout the document as the "Policy." The Policy is applicable to certain of SPECTRUM's products, as listed below on Attachment A ("Covered Products"). The Policy helps to maintain the value of SPECTRUM's Covered Products, including preserving the goodwill, market value, reputation, and image of SPECTRUM, its Covered Products, and IP.

THIS POLICY IN NO WAY AFFECTS THE ABILITY OF RESELLERS TO DETERMINE THE ACTUAL RETAIL PRICE FOR COVERED PRODUCTS THEY SELL.

2. ADVERTISED PRICE POLICY.

- a. The Policy only applies to advertised prices and Resellers remain free to establish their own resale prices; therefore, Resellers may sell Covered Products at any price they choose in their sole discretion.
- b. This Policy is being adopted unilaterally and implemented unilaterally, and does not constitute an agreement with the Reseller. Moreover, SPECTRUM neither solicits nor accepts any commitment that the Reseller will comply with the Policy.
- c. SPECTRUM believes that marketing the Covered Products at a price lower than what is set forth in the Policy undermines the brand recognition, reputation and market value of the Covered Products. Therefore, Resellers may use the trademarks, including FURMINATOR®, or any similar marks or derivatives thereof, or any Copyrighted Material, in connection with any online Product advertising, publication, web page, or other electronic material, as long as they adhere to the following requirement:

No IP or Copyrighted Material may be used in any online advertisement, catalog, or publication, unless the listed advertised price of the Covered Product complies with the Policy, as published by SPECTRUM.

- d. The minimum advertised price for the Covered Products is attached to the Policy as Attachment A ("MAP List"). SPECTRUM reserves the right to amend or suspend the Policy or the MAP List, in whole or in part, at any time.
- e. Any Advertisement, promotion, loyalty program or marketing that has the effect of lowering the advertised price below MAP, except as described below, is prohibited and is a violation of the Policy.
- f. SPECTRUM will not communicate with Resellers about compliance or enforcement of the Policy, and SPECTRUM will unilaterally investigate and determine if the Policy has been violated.
- g. This Policy applies to all Resellers in the United States.
- h. In order to support this Policy, SPECTRUM will make available, from time to time, marketing allowances or funds to Resellers for use, among other things, to advertise and promote SPECTRUM's Covered Products.

3. ADVERTISEMENT LOCATION.

- a. "Advertisement" is defined as any advertisement, announcement, information, publication, or notice given or made by a Reseller, whether in an online Location (as defined below) or in print or other hard copy form, in connection with the solicitation of business or sale of any Covered Products in electronic media. This includes any advertisements for any Covered Products in any and all print, hard copy, virtual/online media, including, but not limited to websites, product pages, shopping carts, newspapers, magazines, catalogs, flyers, coupons, mailers (including eBlasts, etc.), email, and like electronic media. The Policy also applies to statements made on a Reseller's website or other internet site (collectively, "Website") or other internet communications generally.
- b. Notwithstanding the foregoing, pricing information displayed at the final online checkout stage of a transaction is not considered "advertising" under this Policy. The "final online checkout stage" is the stage when the Covered Product is put into a shopping cart that contains the customer's name, shipping address, email address, and payment information. Thus, a Reseller may advertise a Covered Product on a Website with the statement "Price Available at CheckOut," and then disclose that price on such Website's check-out page for the specific transaction without violating the Policy. Moreover, the MAP Policy also does not apply to the actual sales price "at the register" of a physical location after coupons, discounts, rebates, including through the use of loyalty discounts or reward backs applied at the register. Pricing information in the "shopping cart" or "checkout" stages must be obscured technically so that it is not retrievable by shopping and pricing engines, and not displayed on search page results within the reseller's own website.
- c. Moreover, advertisements covered under this Policy do not include those displayed within a brick-and-mortar selling location. The MAP Policy also does not apply to the actual sales price "at the

register" of a physical location after coupons, discounts, rebates, including through the use of loyalty discounts or reward backs applied at the register.

4. POLICY VIOLATIONS. Violations of the Policy include, but are not limited to, the following conduct:

Displaying advertised prices below the current MAP, except as discussed above.

5. CONSEQUENCES OF VIOLATING THIS POLICY. One of the following will occur following verification by SPECTRUM to its satisfaction that a Reseller has violated this Policy:

<u>Violation</u>	<u>Consequences</u>
First Violation	Reseller will receive a documented notice of violation ("Notice") and will have no more than seven (7) days to remove offending print advertisements from publication and distribution, and one (1) business day to remove any offending internet-based advertisements from web pages, internet sales sites or other electronic media;
Second Violation	Reseller will receive a documented notice of violation ("Notice") and will have no more than three (3) days to remove offending print advertisements from publication and distribution, and one (1) business day to remove any offending internet-based advertisements from web pages, internet sales sites or other electronic media;
Third Violation	Effective as of the date specified in the Notice, Reseller will be placed on a non-ship basis for a period of thirty (30) days with regard to the Covered Product SKU(s) included in the offending advertisement. Reseller will not be reinstated until offending advertisements have been removed.
Fourth Violation	Effective as of the date specified in the Notice, Reseller will be placed on a non-ship basis for a period of ninety (90) days with regard to the Covered Product SKU(s) included in the offending advertisement. Reseller will not be reinstated until offending advertisements have been removed.
Fifth Violation	Reseller will receive a Notice and will be placed on a non-ship basis indefinitely with regard to all Covered Products and will not have access to any Copyrighted Material and Trademarks.

*** At any time, if a Reseller cures a violation by removing offending advertisement, serves out the applicable violation consequence and maintains a violation-free MAP Policy record for a period of six (6) continuous months from the end of the violation period, the Reseller's status will be changed to a pre-violation status such that any subsequent violations will begin at the 1st Violation level.

6. SPECTRUM HAS SOLE AUTHORITY REGARDING POLICY. SPECTRUM, acting through the Policy Administrator, retains sole authority regarding the Policy.

- a. From time to time, SPECTRUM may offer a direct manufacturer's rebate to customers. When this occurs, it shall not be a violation of the Policy to advertise the availability of the manufacturer's rebate, provided that: (i) the advertisement includes an advertised price that is compliant with this Policy, the rebate amount, and the net price after the manufacturer's rebate in the same type size and style; (ii) an asterisk is placed next to the net price after the manufacturer's rebate; and (iii) "after manufacturer's rebate" appears.

- b. No SPECTRUM employee or sales representative has any authority to discuss, modify, or grant exceptions to the Policy. Any representation or action relating to the Policy by any unauthorized employee, sales representative, or other person is invalid.
 - c. All other questions regarding the Policy should be submitted directly to the Policy Administrator via email at mapadminGPC@spectrumbrands.com . SPECTRUM will respond to these requests within fourteen (14) days.
7. CONFIDENTIALITY. The terms of the Policy are confidential and shall not be disclosed to other parties; provided that, Reseller shall provide a copy of the Policy to any distributor or retailer who purchases Covered Products from Reseller.

**ATTACHMENT A
SPECTRUM MAP LIST**

UPC #	SKU #	Description	Color	MSRP	MAP
811794929275	P-92927	FURminator Long Hair deShedding Tool for Cats (small)	Blue	\$34.99	\$29.95
811794929848	P-92984	FURminator Long Hair deShedding Tool for Cats (small) - Online Only	Purple	\$34.99	\$29.95
811794929244	P-92924	FURminator Long Hair deShedding Tool for Dogs (small)	Green	\$34.99	\$29.95
811794929794	P-92979	FURminator Long Hair deShedding Tool for Dogs (small) - Online Only	Red	\$34.99	\$29.95
811794929176	P-92917	FURminator Short Hair deShedding Tool for Cats (small)	Blue	\$34.99	\$29.95
811794929824	P-92982	FURminator Short Hair deShedding Tool for Cats (small) - Online Only	Purple	\$34.99	\$29.95
811794929152	P-92915	FURminator Short Hair deShedding Tool for Dogs (small)	Green	\$34.99	\$29.95
811794929763	P-92976	FURminator Short Hair deShedding Tool for Dogs (small) - Online Only	Red	\$34.99	\$29.95
811794929282	P-92928	FURminator Long Hair deShedding Tool for Cats (large)	Purple	\$36.99	\$31.95
811794929855	P-92985	FURminator Long Hair deShedding Tool for Cats (large) - Online Only	Yellow	\$36.99	\$31.95
811794929145	P-92914	FURminator Long Hair deShedding Tool for Dogs (medium)	Orange	\$36.99	\$31.95
811794929800	P-92980	FURminator Long Hair deShedding Tool for Dogs (medium) - Online Only	Blue	\$36.99	\$31.95
811794929169	P-92916	FURminator Short Hair deShedding Tool for Cats (large)	Purple	\$36.99	\$31.95
811794929831	P-92983	FURminator Short Hair deShedding Tool for Cats (large) - Online Only	Yellow	\$36.99	\$31.95
811794929251	P-92925	FURminator Short Hair deShedding Tool for Dogs (medium)	Orange	\$36.99	\$31.95
811794929770	P-92977	FURminator Short Hair deShedding Tool for Dogs (medium) - Online Only	Blue	\$36.99	\$31.95
811794929268	P-92926	FURminator Long Hair deShedding Tool for Dogs (large)	Blue	\$38.99	\$33.95
811794929817	P-92981	FURminator Long Hair deShedding Tool for Dogs (large) - Online Only	Green	\$38.99	\$33.95
811794929138	P-92913	FURminator Short Hair deShedding Tool for Dogs (large)	Blue	\$38.99	\$33.95
811794929787	P-92978	FURminator Short Hair deShedding Tool for Dogs (large) - Online Only	Green	\$38.99	\$33.95