



KFI Products  
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## Unilateral Minimum Advertised Pricing Policy (MAP)

Kappers Fabricating, Inc. (KFI Products) actively supports the advertising and promotion of its products by its dealers and resellers.

In order to protect the integrity of our brand, the reputations of our distributors, dealers and resellers, and provide for the highest possible standards of customer service, KFI Products takes MAP guidelines seriously and therefore reviews online dealer websites and auction sites to ensure compliance. If a violation is found, your dealer account may be suspended until the violation is fixed. If your dealer account continues to have MAP violations, KFI Products reserves the right to delay account reactivation until further notice, and in some cases, your account could be suspended indefinitely.

Effective June 1, 2022, a NEW Minimum Advertised Price (MAP) on all KFI Products will be in effect. We have implemented this MAP policy to preserve our distribution and dealer relationships and strong reputation for providing customers with high value products and valued after sales support. We greatly appreciate the efforts of all dealers and resellers to distribute our products and support their customers. All current KFI MAP violations will have until June 15, 2022 to get their advertising within KFI MAP Policy Guidelines.

### **The MAP policy shall work under the following guidelines:**

This policy supersedes all previous policies and must be followed by all distributors, dealers, wholesalers, resellers and those that advertise KFI Products on any website, publication, newspaper or other media.

1. The MAP for all KFI Products shall be no less than the published retail and dealer price provided on KFI Products website [www.kfiproducts.com](http://www.kfiproducts.com) or price sheets. MAP pricing is established by KFI Products and may be adjusted by KFI at its sole discretion.
2. This MAP Policy applies to all advertisement of MAP Products in any and all media, including, without limitation, flyers, posters, coupons, mailers, inserts, newspapers, magazines, catalogs, mail order catalogs, internet or similar electronic media including websites, forums, email newsletters, email solicitations, television, radio and public signage. Such website features as "Click for price", automated "bounce – back" pricing e-mails, pre-formatted e-mail responses, forms, automatic price display for any items prior to being placed in a customer's shopping cart and other similar features are considered to be communications initiated by the reseller (rather than by the customer) and this constitutes "advertising" under this MAP Policy. This MAP Policy also applies to any activity which KFI Products determines, in its sole discretion, is designed or intended to circumvent the intent of this MAP Policy, such as solicitations for 'group purchases' and the like.
3. KFI MAP policy does not in any way limit the ability of any dealer to advertise that consumers should "call for a price" as long as the price advertised or listed for the products is not less than MAP.
4. The inclusion in advertising of free or discounted products (whether made by KFI or another manufacturer) with a product covered by this MAP Policy would be contrary to this MAP Policy if it has the effect of discounting the advertised price of the covered KFI product below the Retail price. KFI does not, however, object to the following categories of store-wide promotions or incentives:
  - Free shipping
  - Store-wide discounts on all store or site items or "all on sale" promotions, so long as such promotions are for a limited time (e.g. Black Friday, Cyber Monday, anniversary sale, etc.) and KFI Products are not separately identified.

5. Prices for KFI Products that are below the MAP may not appear in any online search tool (e.g.: Google Shopper, Price Grabber, NextTag, etc.) where your website is linked as the source.

*Note: Certain online sales strategies result in advertised pricing that is below MAP. In the case of “add to cart” or “click here to see our low price” strategies, for example; Google Checkout will advertise the last price paid. Therefore, when products are sold at prices below MAP, an advertising event occurs to the next consumer because they see the product and the “last price sold” without having to “add to cart”. This inadvertent advertising is not permitted and must be monitored by the Reseller or risk jeopardizing their Authorized Reseller status.*

6. From time to time, KFI Products may choose to offer special promotions on certain products. In such an event, we reserve the right to modify or suspend this MAP Policy in whole or in part by notifying all Resellers of the duration and nature of the change. KFI Products further reserves the right to adjust the [MAP pricing] with respect to all or certain products at its sole discretion. Such changes shall apply equally to all Resellers.
7. MAP applies only to advertised prices and does not apply to the price at which the products are actually sold for on a special sale or offered for sale to an individual consumer within the dealer’s retail location or over the telephone. KFI Products dealers remain free to sell these products at any prices they choose.
8. MAP does not establish maximum advertised prices. All distributors and dealers may offer KFI Products at any price in excess of the MAP. Internet auctions may not display or have reserved bid or other acceptable prices below the MAP price.

### **MAP Policy Administrator**

This MAP Policy is solely within the discretion of KFI Products and authority acting through KFI Products MAP Policy Administrator. No other employee or sales representative of KFI Products has any authority to discuss, modify or grant exceptions to this MAP Policy. Any representation or action by any other KFI Products employee or sales representative purporting to discuss, modify or grant exceptions to this MAP Policy under this paragraph is unauthorized and invalid.

All questions about this MAP Policy should be in writing and directed via U.S. Mail to: MAP Policy Administrator, KFI Products, PO Box 32, Spring Valley, Minnesota 55975, or via e-mail to [map@kfiproducs.com](mailto:map@kfiproducs.com), who will respond only in writing.

No oral communications about this MAP Policy are authorized. The MAP Policy Administrator shall be solely responsible for determining whether a violation of the policy has occurred, communicating decisions to Resellers regarding the policy and receiving any communications regarding sanctions imposed under this MAP Policy.

### **Process of Noticing and Correcting MAP Policy Violations**

If a Dealer advertises KFI Products below MAP, KFI Products will notify them. They will have 2 business days to correct it.

Intentional and/or repeated failure to abide by this MAP Policy will result in sanctions unilaterally imposed by KFI Products. The level of sanctions will be determined by KFI Products in its sole discretion and may include indefinite termination of dealership or distributorship. KFI need not provide prior notice or issue warnings before taking any action under this MAP Policy.

Distributors of KFI Products will supply a copy of this MAP Policy to any new or existing Reseller for their records.

This MAP Policy has been established by KFI Products to help ensure the reputation of KFI as a leading manufacturer of high quality products and to protect the reputation of the KFI Products name and the products offered by KFI. This MAP Policy is also designed to avoid destructive intra-brand conflict that will ultimately create healthy competition in the marketplace and to ensure that dealers and distributors have the incentive and resources to invest into services for KFI Products' customers.