



## US MINIMUM ADVERTISED PRICE POLICY

### 1. INTRODUCTION

The Carlstar Group, LLC (“Carlstar”) is a leading supplier of specialty tires and wheels for the agriculture, construction, lawn and garden, ATV and UTV, high speed trailer, aftermarket automotive wheels and flat free/manual markets. Headquartered in Franklin, Tennessee, we have a global footprint with well-recognized consumer brands in both domestic and foreign markets. Our diverse portfolio of solutions are offered under several leading brands including Carlisle® brand tires and wheels, ITP® tires and wheels, as well as Cragar®, Black Rock® and Unique® wheels and Marastar® flat free and manual tires. The Carlstar Group employs over 3,500 associates in 14 facilities located in four countries and we have created a culture of converting great ideas into advanced products with a legacy of excellence in product innovation, quality, and customer service. We know brand awareness and reputation is a key consumer purchase driver and our brands are the foundation for our company reputation. We value the trust that our customers and consumers have in our product and we work hard every day to keep and build upon that trust.

We recognize that our success is tied to the success of our network of Distributors and their Resellers. We also know that many of our Distributors and their Resellers invest significant time and resources to deliver an extraordinary customer service and support experience that enables our brands to compete with other brands in the marketplace. We want to protect their ability to do so, while at the same time discouraging advertising that would be detrimental to our dealer’s service and support efforts and that would allow retailers to leverage the reputation of our brands’ retailers for service and support without offering the same to customers. As a result, Carlstar has unilaterally established this Minimum Advertised Price (“MAP”) Policy.

### 2. POLICY STATEMENT

Carlstar, in its sole discretion, reserves the right to discontinue doing business with or cease offering certain benefits to any Distributor or Reseller that advertises any product(s) covered by this MAP Policy at a price lower than the MAP Carlstar establishes.



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### 3. EFFECTIVE DATE

This MAP Policy applies to all Advertising that a Seller conducts or causes to be published, broadcast or posted on and after August 1, 2018 (the “Effective Date”). Carlstar reserves the right to modify or terminate this MAP Policy, including, without limitation, changing minimum advertised prices, adding or deleting MAP Products, or revising MAP Policy guidelines, at any time, without prior notice and at our sole discretion. The current MAP Policy can be found at [www.carlislebrandtires.com/map-policy](http://www.carlislebrandtires.com/map-policy) (“MAP URL”). Any change to this MAP Policy will be posted at the MAP URL and will be effective immediately upon posting or on the date specified in the revised Policy.

### 4. GENERAL GUIDELINES

- i The products covered by this policy are listed in the link specified Section 7(iv) (the “MAP Products”). Carlstar may in its sole discretion modify this list from time to time.
- ii Carlstar recognizes that Distributors and their Resellers are free to make their own decisions to advertise and to sell any Carlstar product at any price they choose, without consulting or advising Carlstar. Similarly, Carlstar will exercise its right to make its own decisions regarding doing business with any Wholesaler, Distributor, or Reseller, or offering any Wholesaler, Distributor or Reseller program, supplemental marketing materials, point-of-purchase displays, product allocation, new product availability, or future promotional, joint marketing, or sponsorship programs. Carlstar may condition participation in and the award or provision of benefits of any program on compliance with the MAP Policy, a non-inclusive list of such benefits include the authorized use of Carlstar owned brand names, photos, or products in marketing efforts.
- iii The MAP Policy applies to advertised prices, not the price at which MAP Products are actually sold or offered for sale to an individual in-store, on-line or over the telephone.
- iv MAP applies only to advertised retail prices and does not apply to the retail price at which MAP Products are actually sold, nor does it prohibit advertised prices that



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are higher than MAP Products prices. This MAP policy applies to all advertisements of any MAP Product in all media including, without limitation, on-line catalogs, mail order catalogs, television, radio, public signage, flyers, posters, coupons, mailers, inserts, newspapers, magazines, and all internet or similar electronic media, including websites, social media, email newsletters, forums, and auction sites. Website features such as "click for price," automated "bounce-back" pricing e-mails, automatic price display for any items prior to being placed into a customer's shopping cart, and special "in-cart" pricing are considered to be communications initiated by the Wholesaler, Distributor, or Reseller (rather than the customer) and constitute "advertising" under this MAP policy.

v Carlstar believes in maintaining a fair marketplace for all its authorized Wholesalers, Distributors, and Resellers. Enforcement and policing of the MAP Policy is solely at the discretion of Carlstar. No Wholesaler, Distributor or Reseller complaints regarding any other Wholesaler, Distributor or Reseller should be lodged, communicated or sent to Carlstar. Any such communication will be destroyed and no other action will be taken with respect thereto.

### 5. ADVERTISING GUIDELINES

i The MAP Policy applies to all advertisements of MAP Products in any and all media, including but not limited to flyers, posters, coupons, mailers, inserts, newspapers, magazines, catalogs, television, radio, and public signage, as well as internet sites, social media sites, apps, or any form of internet-based or electronic marketplace.

ii The MAP Policy does not apply to solely on-premise, in-store advertising that is not distributed to customers.

iii Website features such as "click for price," automated "bounce-back" pricing e-mails, preformatted 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 dealer (rather than by the customer) and thereby constitute "advertising" under this MAP Policy.



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- iv It shall not be a violation of this MAP Policy to advertise that a customer may “call for price” or “email for price,” or to use similar language, specifically with respect to Carlstar Products, so long as no price is listed in the solicitation.
- v This MAP Policy also applies to any activity which Carlstar determines, in its sole discretion, is designed or intended to circumvent the intent of this MAP Policy.
- vi It shall not be a violation of this MAP Policy to advertise in general that the Wholesaler, Distributor, or Reseller has “the lowest prices” or will match or beat its competitors’ prices, or to use similar phrases; so long as the Wholesaler, Distributor, or Reseller does not include any advertised price below MAP and otherwise complies with this MAP Policy.
- vii Carlstar may permit Wholesaler, Distributor, or Resellers to advertise MAP Products at prices lower than the MAP retail price with prior written approval from Carlstar and for a specified limited time offer. In such event, Carlstar reserves the right to modify or suspend the MAP retail price with respect to the affected products for a specified period of time by providing advance notice to all Wholesalers, Distributors and Resellers of such temporary changes. Wholesalers, Distributors and Resellers must reset advertised prices of the affected MAP Products immediately after the expiration of the lower price promotion period, and shall not place insertion orders for advertising that will run after expiration date of the promotion.
- viii From time to time, Carlstar may offer a manufacturer’s rebate directly to end user consumers or retailers. In such events, it shall not be a violation of this MAP Policy to advertise the availability of the manufacturer’s rebate, provided that:
  - a. the advertisement includes a MAP-compliant price, the rebate amount, and the net price after manufacturer’s rebate in the same type size and style;
  - b. an asterisk is placed next to the net price after manufacturer’s rebate; and
  - c. “after manufacturer’s rebate” appears in the same area of the advertisement as the advertised product.



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- d. Carlstar may condition the rebate on submission of a receipt showing the actual purchase price, date of purchase and seller of the MAP Product.
- e. Carlstar may impose additional terms and conditions, and time limits on the rebate.

### 6. BUNDLING GUIDELINES

- i. "Bundling" or advertising Carlstar products for sale together with other products will violate this MAP Policy when:
  - a. the effective or stated price of the bundle represents a discount of greater than 15% from the MAP (Manufacturer rebates are an exception to this rule and will not be considered in a violation of this MAP policy); or
  - b. the product(s) bundled with MAP Products violate Carlstar's Intellectual Property rights; or
  - c. the product(s) bundled with MAP Products violate the Carlstar Trademark & Brand Policy; or
  - d. the product(s) bundled with MAP Products include words, packaging, graphics, or other indicia which does or may create confusion on the part of viewers of the advertising as to the source of the product(s); or
  - e. the effective or stated discount is greater than 15% of the price of the highest priced item in the bundle if purchased separately.
- ii. Gift cards, coupons, points, or other incentives which are contingent on the purchase of a MAP Product will violate this MAP Policy when:



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- a. the effective or stated price of the bundle represents an immediate discount of greater than 15% of the MAP for the highest price MAP Product in the bundle; or
  - b. the effective or stated price of the bundle represents a discount of greater than 15% of the MAP for the highest price MAP Product in the bundle after taking into consideration any contingent future purchase.
- iii. Rebate programs from Carlstar, whether on MAP Products or Carlstar's partners' products, are exempt from this policy.

### 7. POLICY ENFORCEMENT

- i. Carlstar will monitor the practices of Wholesaler, Distributor, or Resellers either directly or via third party agencies and/or analytical tools in all markets. Wholesalers and Distributors are expected to provide reasonable cooperation in any Carlstar investigations regarding possible MAP Policy violations. Hindering or otherwise failing to cooperate with a Carlstar MAP Policy investigation will be considered a violation of the MAP Policy. If we reasonably suspect that a Wholesaler, Distributor, or Reseller is engaging in any inconsistent practice as described above, we will take the actions outlined below, unilaterally and without consultation or agreement with either the non-compliant party or others. (Note that in instances of a MAP violation by a Wholesaler, Distributor, or Reseller who does not have an authorized or direct purchasing relationship with Carlstar and instead purchases Carlstar products and accessories from an authorized Wholesaler, Distributor, or Reseller, Carlstar will pursue enforcement actions through the authorized Wholesaler, Distributor, or Reseller as outlined below)

#### **ENFORCEMENT NOTICE SCHEDULE:**

**First**            If a violation occurs, Carlstar will call the violating Wholesaler, Distributor, or Reseller and review their actions and consequences of their actions.



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**Second** MAP violation 1<sup>st</sup> written notice.

**Third** MAP violation 2<sup>nd</sup> written notice.

**Fourth** MAP violation FINAL written notice.

**Fifth** Termination of any and all advertising benefits or program elements from Carlstar such as pricing, co-op, rebate support, or use of brand and product images.

- ii. Carlstar reserves the unilateral right to terminate our business relationship with any non-compliant Wholesaler, Distributor, or Reseller. Such a decision will be made by Carlstar, without any consultation or agreement with the non-compliant Wholesaler, Distributor, or Resellers or with others.
- iii. The MAP Policy will be enforced by Carlstar in its sole discretion and without notice. Wholesalers and Distributors are encouraged to enforce MAP policies with their Resellers and any other authorized or direct purchasing relationships. Violations of this policy may result in any of the aforementioned sanctions up to and including termination of the business relationship with Carlstar, as well as any available remedies at law or in equity. All questions related to this MAP Policy should be directed in email to: [MAP@Carlstargroup.com](mailto:MAP@Carlstargroup.com). See the limitations set forth above on communications regarding other Wholesalers, Distributors and Resellers.
- iv. LIST OF MAP PRODUCTS

For a list of current MAP prices, please visit:

[www.carlislebrandtires.com/map-policy](http://www.carlislebrandtires.com/map-policy)