



HAWK PERFORMANCE MINIMUM ADVERTISED PRICE POLICY

Revised Effective August 1, 2022

Hawk Performance® ("Hawk") is a manufacturer of high-quality friction products that is wholly committed to actively supporting customer choice and fair inter-brand competition by and between all channels of Hawk® distributors and resellers.

This Minimum Advertised Price Policy ("MAP Policy") is a unilateral policy establishing requirements for Minimum Advertised Prices by Hawk's network of distributors, dealers, sellers, and resellers, authorized or otherwise ("Seller," collectively "Sellers") of Hawk products. Hawk does not control the actual sale price to end users in the marketplace. Sellers have the ability and discretion to independently sell all products at any price they choose.

Hawk's MAP Policy is intended to maintain appropriate advertised pricing across distribution channels and assist in ensuring the continued protection of Hawk's reputation as a premium manufacturer of high-performance, high-quality products. It is designed to support Sellers, allowing them to invest the resources required to introduce consumers to Hawk's products, actively promote the brand, and provide the level of technical expertise, customer service, and warranty support required to keep customers returning to Hawk for years to come.

Overview of MAP Policy

Hawk products identified in Hawk's MAP Price List (attached hereto, but subject to amendment from time to time) are covered by the terms of the MAP Policy. Used, open box, damaged, or otherwise recycled Hawk products are not covered under this MAP Policy.

Products covered by this Policy and their respective Minimum Advertised Prices ("MAP") may be updated from time to time in Hawk's sole discretion to include, without limitation, new products, market conditions, and special promotions or rebates. Updates to this MAP Policy and/or MAP Price List will be communicated to Sellers via email, either personal or blast.

Advertisements of Hawk products covered by this MAP Policy must contain an advertised price greater or equal to the products' respective MAP, the respective SKU as set forth in the MAP Price List, and the respective product name as set forth in the MAP Price List.

It is a violation of this Policy for Sellers to advertise a price for Hawk products below the MAP for such products, as established by Hawk. This Policy neither solicits nor requires express or implied agreement or joint action by Hawk distributors and Sellers, and only prohibits Sellers from advertising products and parts below the MAP, but not from selling products and parts below the MAP. Sellers can ultimately sell products at any price, including a price below the MAP established by Hawk.

Advertising is defined as listing a price for a specific product, or referring to product-specific coupons, rebates, product giveaways, and other promotional offers that have the effect of lowering the advertised price. Advertising practices that have the effect of reducing the advertised price below the MAP violate this Policy (see Advertising Guidelines below for examples).

This MAP Policy applies to all forms of advertisements, in any and all media, including, but not limited to, letters, flyers, posters, coupons, mailers, inserts, newspapers, magazines and other print advertising, as well as internet sales, including internet banners, pay-per-click and search ads (including Google ads), enthusiasts' special forums or similar digital social media, podcasts, electronic mail (e-mail), mobile ads, online auction sites (such as eBay), third party retail websites (such as amazon.com, walmart.com, Alibaba.com), host sites (including, but not limited to, those hosted by private proxy servers), other online storefronts, television, and radio broadcasts. This Policy is not applicable to point of purchase or in-store advertising.

Advertising Guidelines

Examples of advertisements that Hawk considers a violation of this MAP Policy include:

- *Bundling Below MAP:* Bundling or combining product(s) subject to this MAP Policy with any other product (whether or not a Hawk Performance product) for an advertised sales price lower than the combined price of what the two or more products could be purchased independent of each other.
- *Omitting or Altering Advertised Price/SKU/Product Name:* Omitting or altering the advertised price, Hawk product SKU, and/or Hawk product name including, but not limited to:
 - Not listing an advertised price
 - Blacking out or striking out an advertised price (e.g., ~~\$1,000.00~~)
 - Altering or omitting the Hawk SKU (e.g., changes to hyphens or punctuation) and/or product name as listed in the MAP Price List
- *Click-Through To See Price/Add to Cart To See Price:* Advertising that, in any manner, requests the customer to “Click Through,” “See Price In Cart,” “Click To See Price,” “Add To Cart For Best Price,” or any comparable command, language, or graphic representation that implies, or from which the customer or end-user can infer, that the customer or end-user is being led to an advertised price lower than the MAP Price. This specifically includes “In Cart” pricing but does not cover the final point of online sale.
- *Net Price:* Advertising or otherwise promoting products at a net price less than the MAP Price. “Net Price” means the price advertised by Seller, after taking into account the value of all discounts, rebates, premiums, trade-ins, coupons, allowances, and free goods or services offered to the Seller’s customers. For example, where a coupon, rebate, or discount for use with products is advertised, the value of the coupon or that discount will be subtracted from the listed advertised price to determine the Net Price.
- *Deceptive/Misleading Advertising:* Deceptive, misleading, and/or unethical advertising practices including, but not limited to:
 - Advertising in any manner suggesting that a new product is in any condition other than new, unopened, and undamaged, absent resale or actual use by an end user
 - Advertising Hawk products with reduced warranties as “new”
 - Advertising Hawk products in a manner that conceals the true identity of the Seller or fails to provide meaningful contact information for the Seller
 - Holding storefront out to be an “Authorized Dealer” of Hawk products when Hawk has not approved or otherwise consented to such status

Please note that Sellers **may** do the following in compliance with the MAP Policy.

- Offer free or discounted shipping or installation on products listed in the Hawk MAP Price List
- Provide customer loyalty rebates, advertise promotional prices, or bundle products listed in the Hawk MAP Price List *as long as* such promotions are officially announced or authorized by Hawk.

Enforcement of MAP Policy

Hawk reserves all rights to unilaterally enforce this MAP Policy through various actions. Any and all violations of this Policy will be determined at the sole discretion of Hawk. Sellers who do not abide by this MAP Policy will be subject to the following consequences in Hawk’s sole discretion:

First Violation	Formal warning issued to Seller. Seller must correct advertised pricing to match the MAP within in 48 hours of receipt of warning. Failure to do so will result in being placed on a “Do Not Sell” list until resolved.
Second Violation (including failure to cure First Violation within 48 hours)	10 business day drop ship and/or ordering ban on all Hawk part numbers and products. Seller must correct advertised pricing to match the MAP within in 48 hours of receipt of warning. Failure to do so will result in being placed on a “Do Not Sell” list until resolved.
Third Violation (including failure to cure Second Violation within 48 hours)	30 business day drop ship and/or ordering ban on all Hawk part numbers and products. Seller must correct advertised pricing to match the MAP within in 48 hours of receipt of warning. Failure to do so will result in being placed on a “Do Not Sell” list until resolved.
Additional Violations	Any further violations may involve the loss of all contract “add on” perks and programs, and/or an extended or indefinite ordering ban on all Hawk products and being placed on a “Do Not Sell” list.

This Policy applies 24 hours a day, 7 days a week, 365 days a year, absent Hawk providing prior written notice or approval of targeted marketing campaigns or special promotions. Hawk reserves all legal and equitable rights with respect to its MAP Policy and, at its sole discretion, may from time to time, alter, modify, suspend, or cancel this Policy with or without notice.

Additional IP and Warranty Considerations

Hawk has developed product brands, brand names, or trade names that it uses in connection with Hawk’s products. Hawk also holds copyrights to the material in all its catalogs, websites, social media, and advertisements. It is Hawk’s Policy that no Seller may use Hawk’s trademarks, trade names or service marks, or any of its copyright materials or other intellectual property or proprietary rights, and collateral materials (collectively “Hawk IP”), in any advertising, internet sales, or otherwise except in accordance with the license provided in the Hawk Performance Authorized Dealer Program (“License”). Further, Hawk has adopted this MAP Policy in order to ensure that the reputation and goodwill of the Hawk IP is maintained or exceeded. The License provided to Hawk’s Authorized Dealers shall be terminated automatically and immediately if the Seller does not comply with this MAP Policy.

Hawk reserves the right to revise its Limited Warranty to reduce coverage available to customers obtaining products from Sellers who are not compliant with Hawk’s policies including, but not limited to, the MAP Policy and Authorized Dealer requirements.

Questions

Please direct any questions regarding the Policy or the MAP Price List to Hawk’s MAP Coordinator, Annie Last: annie.last@hawkperformance.com. All inquiries regarding this Policy must be in writing to this email address. Hawk employees, agents, or other representatives are not authorized to modify or grant exceptions to this Policy.