## SISU, INC. MINIMUM ADVERTISED PRICE "MAP" POLICY (effective as of October 1, 2020)

Sisu, Inc. ("Sisu") has unilaterally adopted a Minimum Advertised Price Policy ("MAP Policy") that applies to all Sisu retailers for all products manufactured and sold under the Sisu brand, and sold by Sisu or any distributor of Sisu products in Canada.

- 1. The MAP Policy is intended to:
  - (a) ensure and continue the long-standing premium positioning of Sisu products and the Sisu brand; and
  - (b) protect the investment of legitimate retailers who provide valuable education, sales and product assistance, and other services to their customers.
- 2. Retailers are free to establish their own resale prices at their sole discretion.
- 3. The MAP Policy applies only to online and media advertisement of prices by retailers. The MAP Policy does not apply to the prices that are actually charged by retailers in-store or at the online "check-out" at a retailer's website.
- 4. The MAP Policy applies equally to all parties that are granted retail distribution rights in Canada to sell Sisu products, and to anyone (person or company) that advertises or promotes Sisu products for sale.
- 5. The MAP Policy is not an agreement, nor do any other agreements exist, between Sisu and a retailer to comply with the guidelines of the MAP Policy. The Sisu MAP Policy functions as a voluntary compliance policy, to support and ensure the continued long-term premium positioning of the brand as well as the investment of legitimate retailers who provide valuable education, sales and product assistance, and other services to their customers. Compliance with the MAP policy is entirely within the discretion of the retailer. Sisu, including its management, representatives and agents, does not enter into any discussion regarding this MAP policy or compliance with this MAP Policy. These conditions are non-negotiable and will not be waived, or altered in any manner with any retailer.
- 6. Sisu reserves the right to grant retail distribution of Sisu products to a retailer, and/or cease sales of Sisu products to a retailer, at its sole discretion, including, but not limited to, unilaterally ceasing sales of Sisu products to any retailer that violates this MAP policy. Sisu may, but does not need to, provide prior notice or warning before cessation of sales of Sisu products to any retailer. Any action taken by Sisu shall be without liability to Sisu.

## The MAP Policy Guidelines:

- 1. Sisu establishes this MAP Policy entirely unilaterally, and may adjust, revise or discontinue the MAP Policy at its sole and absolute discretion at any time.
- 2. All Sisu products are listed on the Sisu price sheets at wholesale and manufacturer's suggested retailer price ("MSRP") for retailers. Sisu's minimum advertised price ("MAP") is not more than 25% below the stated MSRP.
- 3. Distributors of Sisu products will provide a copy of this MAP Policy to all Sisu retailers that the distributor services.
- 4. This MAP Policy applies to all online and media advertisements of Sisu products, (and media includes flyers, posters, coupons, mailers, inserts, newspapers, magazines, catalogs, mail order catalogs, television, radio, public signs, billboards, outdoor media, online and digital such as websites, e-mail newsletters, and e-mail solicitations).
- 5. This MAP Policy does not apply to in-store advertising that is displayed only in a retail store.
- 6. This MAP Policy does not apply to the actual "check-out" sales purchase price of a retailer's website. This MAP Policy does apply to all other page(s) or "pop-ups" on the retailer's website that direct or imply discounts, or further discounts, at the "check-out" page prior to final sale.
- 7. This MAP Policy does not permit strike-throughs or any other alteration of advertised prices.
- 8. This MAP Policy applies only to minimum advertised prices. The MAP Policy does not apply to advertisements of prices that are higher than the minimum advertised prices. The MAP Policy does not establish maximum advertised or resale prices.
- 9. This MAP Policy does not apply to the prices at which Sisu products are actually sold. Retail prices are solely in the retailer's discretion.
- 10. Sisu may run specific promotions for specific products, covered under the MAP Policy, from time to time. Sisu may modify or suspend the MAP Policy with respect to such promotional products, at its sole discretion, by providing all retailers with thirty (30) days advance written notice of such products and promotions, the time frame of the promotion, including start and end dates. Such changes shall apply equally to all retailers.
- 11. This MAP Policy is solely within Sisu's management discretion. No Sisu employee, sales representative, distributor, or sales agent has authority to modify this MAP Policy, and any attempt to do so is unauthorized and invalid.

## **Questions:**

Questions about the MAP Policy should be in writing either by mail to Tracy Creighton, Senior Director, Sales; 102-7635 North Fraser Way, Burnaby, BC V5J 0B8 or by email to

TCreighton@sisu.com; Sisu reserves the right to respond or not to respond to any such questions, and any responses will be provided in writing.