

FLEXCON INDUSTRIES' UNILATERAL INTERNET MINIMUM ADVERTISED PRICE POLICY

Introduction:

Flexcon Industries, Inc. ("**Flexcon**") is committed to manufacturing and selling products of the highest quality and value and is proud to have built an excellent reputation with both its resellers and end customers in this regard.

In furtherance of this commitment, for certain products on the internet, Flexcon has determined that its interests, and those of its resellers and end customers, are best served through the adoption of this unilateral internet minimum advertised price policy (the "**IMAP Policy**"). The IMAP Policy is designed to assist in the support of the brand name and image of Flexcon and its products, and to help protect and foster desirable pre-sales and post-sales service and infrastructure that can be provided to Flexcon's end customers.

This IMAP Policy is not a part of, and is not intended to replace or modify, any of the terms and conditions of sale between Flexcon and any of its distribution partners.

Application:

The IMAP Policy shall apply to all of Flexcon's distributors (i.e. purchasers of products directly from Flexcon for resale), and all subsequent customers (distributors and subsequent customers are referred to hereafter collectively as the "**Resellers**") located in the United States, and solely with respect to: (a) Advertising (as defined below) on the internet; and (b) those products (the "**Products**") of Flexcon listed at www.flexconind.com, as such list shall be updated by Flexcon from time to time

Flexcon considers the Advertising conducted by all channel members in the application of this MAP Policy.

The minimum advertised price (the "**IMAP Price**") for the Products shall be displayed next to each Product on the aforementioned list. For the purposes of the IMAP Policy, the term "Advertising" means any online visual or audio media, including websites or any other online presence, and as further discussed below.

No Reseller may, directly or indirectly, create, produce, publish or otherwise be responsible for any Advertising that lists any of the Products at a price below the applicable IMAP Price.

Resellers are responsible for remaining current with the Products and respective IMAP Prices. Any of Flexcon's products not specifically identified as Products under the IMAP Policy are not subject to the IMAP Policy.

Each Reseller remains free to establish its own resale prices for any Product independently without interference from Flexcon.

The IMAP Policy applies to all internet Advertising such as banner and pop-up ads and applies to any web site accessible to the public including retailers, club membership sites, shopping sites, auction sites,

forums, and so forth. Any level of a web site including the shopping cart is considered "Advertising" under this IMAP Policy. Website features such as "click for price", "add to cart for price", "call for price", "chat for price", or "email for price", pre-formatted e-mail responses, and other similar features are considered to be communications initiated by the Reseller (rather than by its customer) and constitute "Advertising" under this IMAP Policy.

The following are considered violations of the IMAP Policy;

1. Advertising that expressly or by implication advertises a price that is less than the IMAP Price (e.g., "price too low to show," "so low we can't advertise," "sale price," "instant rebates," and so forth).
2. Advertising free or discounted Products or incentives (such as gift cards), if such inclusion has the effect of discounting the advertised price of the Product below the applicable IMAP Price.
3. Advertising of any rebates, membership discounts, coupons, online flyers, online catalogs, banner discounts, store-wide sales, social media sites, apps, or other electronic media and any other advertised sale or discount that would effectively result in the Products being advertised below the applicable IMAP Price.
4. Advertising bundled Products with other products (Flexcon or third party products) at a price that has the effect of discounting the advertised price of any Product below the applicable IMAP Price.

It shall not be a violation of this IMAP Policy to advertise that a customer may "call for information", "email for information", or "chat for information", or to use similar language. Actual prices charged or offered to consumers may be provided in direct response to such requests by telephone, email, or chat message. Such communications, which are responses to communications initiated by the customers (rather than the Reseller), shall not be considered "Advertising" under this IMAP Policy. The IMAP Policy does NOT: (a) apply to other forms of advertising such as print or in-store advertising, and does not extend to a Reseller's actual resale price of the Products (or any of Flexcon's other products), which the Reseller sets in its sole discretion; or (b) establish maximum advertised prices, meaning that Resellers may advertise Flexcon's products at any price in excess of the applicable IMAP Price.

Violations:

Although Resellers remain free to establish their own resale prices, the failure to abide by the IMAP Policy will result in the sanctions listed below, and the level of sanctions imposed will increase with each violation of the IMAP Policy.

Violations of this IMAP Policy will result in graduated enforcement. Resellers who violate this policy may be placed on a "Do Not Sell" list. Additionally, programs such as rebates, promotional funds and factory support will be limited or discontinued and continued violations may result in **suspension** and/or **termination** of our relationship.

Violations of the IMAP Policy shall be determined by Flexcon in its sole discretion, and Flexcon will not accept any communication from a Reseller who has violated the IMAP Policy regarding the violation or the willingness of the Reseller to bring its prices into compliance with the IMAP Policy.

Unilateral Action

Notwithstanding anything to the contrary which may be expressed or implied in or by one or more agreements between the Reseller and Flexcon, the IMAP Policy has been unilaterally adopted by Flexcon and will be uniformly enforced. Flexcon will not discuss any conditions of acceptance related to the IMAP Policy, as it is non-negotiable, and will not be altered for any Reseller. Flexcon neither solicits, nor will it accept, any agreement or assurance of compliance with the IMAP Policy from any Reseller.

The only person authorized to answer questions regarding the IMAP Policy, and to whom all questions regarding the IMAP Policy must be addressed, is the IMAP Administrator at Flexcon Industries, Inc. PO Box 782 Randolph, MA 02332 (mapadmin@flexconind.com). All other Flexcon representatives and personnel have been instructed not to discuss the IMAP Policy beyond the statement of its terms. No Flexcon representative or employee has the authority to modify or grant exceptions to the IMAP Policy.

The IMAP Policy shall remain in effect unless Flexcon amends or replaces it. Flexcon reserves the right at any time to modify, suspend, or discontinue the IMAP Policy in whole or in part or designate promotional periods during which the terms of the IMAP Policy change or designate periods of time during which the IMAP Policy is not applicable.