

Minimum Advertised Pricing Policy

Effective August 1, 2016, The Ontario Knife Company (OKC) has unilaterally adopted a Minimum Advertised Pricing Policy (MAP), which is applicable to all OKC dealers, sales representatives and other authorized resellers in the United States, Mexico and Canada (Authorized Partners). OKC has been building a brand of strong recognition and a high perceived value since 1889. The MAP is intended to protect the OKC brand as a premium offering, preserve the opportunity for competitive reseller margins and avoid channel conflict between Authorized Partners.

The MAP policy shall work under the following guidelines:

- 1) The products covered by this policy are indicated on official OKC price lists ("MAP Products"). OKC may in its sole discretion modify the list of MAP Products from time to time.
- 2) The Minimum Advertised Price for any MAP Product is as published on official OKC price lists. MAP pricing is established by OKC and may be adjusted by OKC at its sole discretion.
- 3) 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, mail order catalogs, television, radio, and public signage as well as Internet sites, social media sites, apps, or any other electronic media.
- 4) Website features such as "click for price", automated "bounce-back" pricing e-mails, pre-formatted e-mail responses, forms, and 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.
- 5) The MAP policy does not apply to any in-store advertising that is displayed only in a physical brick-and-mortar location and not distributed to any customer(s) outside of that brick-and-mortar location.
- 6) The inclusion in advertising of free or discounted products (whether made by OKC or another manufacturer) with a MAP Product would be contrary to the policy if it has the effect of discounting the advertised price of the MAP Product below the MAP.
- 7) If pricing is displayed in other than a brick-and-mortar retail store, any strike-through or other alteration of the Minimum Advertised Price is prohibited. OKC prohibits the use of indirectly advertising a price lower than the MAP price through tactics like "click to see pricing" or "call for pricing" on webpages or in advertisements.
- 8) MAP applies only to advertised prices and does not apply to the price at which the products are actually sold or offered for sale to an individual consumer within the

dealer's retail location or over the telephone. Authorized Partners remain free to sell these products at any price they choose.

- 9) MAP does not establish maximum advertised prices. Authorized Partners may offer MAP Products at any price in excess of the MAP.
- 10) It shall not be a violation of this MAP Policy to advertise in general that the reseller has "the lowest prices" or will meet or beat any competitor's price or to use similar phrases so long as the Authorized Partner does not include any advertised price below MAP and otherwise complies with this MAP Policy.
- 11) Authorized Partners agree to hold all trademarks and copyrights of OKC as the property of OKC and use advertising materials provided by OKC in an authorized manner only.
- 12) Advertising through any third-party auction site such as eBay with a starting bid price or "Buy it Now" options less than MAP is strictly prohibited. Best offer auctions are not allowed without a reserve equal to MAP or greater.
- 13) From time to time, OKC may permit Authorized Partners to advertise products at prices lower than the MAP retail price. In such events, OKC 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 Authorized Partners of such changes.
- 14) MAP Products may be advertised as free, provided there is no obligation on the customer to make any other purchase in order to receive the product.
- 15) Authorized Partners will supply a copy of the OKC MAP Policy to any new or existing reseller ("Reseller"). Authorized Partners are obligated to monitor compliance with this MAP Policy by each Reseller and are expected to act on and request immediate corrective action of any known violation of the MAP Policy by a Reseller.

OKC is solely responsible for determining whether an Authorized Partner has not complied with this MAP Policy and for imposing consequences. Consequences include, but are not limited to: (a) suspending shipments of the product that is advertised at a price below MAP, (b) suspending shipment of a broader category of products, (c) suspending all OKC products, (d) terminating OKC's relationship with the Authorized Partner, and (e) altering the terms of participation in any current or future preferred pricing, promotional, joint marketing or sponsorship programs. Authorized Partners have no right to enforce the MAP Policy.

OKC is not seeking agreement from any Authorized Partner to adhere to this MAP policy, and no representative of OKC is authorized to solicit or accept any such agreement. It is entirely within the discretion of each Authorized Partner whether to comply or not comply. Except for modifications provided to all Authorized Partners pursuant to Section 12 above, OKC sales personnel have no authority to modify or grant exceptions to this Policy or to provide interpretations of this Policy. OKC is not bound by any exception or interpretation that an Authorized Partner believes it has received.

MAP Policy Acknowledgment

This MAP policy has been established by OKC to help ensure the legacy of OKC as a top producer of edged products and cutlery, and to protect the reputation of its name and products. The MAP policy is also designed to ensure that dealers and sales representatives have the incentive to invest resources into services for OKC customers.

The undersigned Authorized Partner acknowledges receipt of this MAP Policy.

Company name: _____

Any and all other names by which this company operates (including names used on eBay, Amazon, etc):

Principal name printed: _____

Principal Signature: _____

Date signed: _____

Address: _____

City/State/Postal Code: _____

Phone: _____

Email: _____

Website URL: _____

Please fill out the requested information and sign it. You may fax the 3rd page to: 716-676-5527 or you may scan the 3rd page and email to: knifesales@OntarioKnife.com.

IMPORTANT: As of August 1st 2016, no shipments of MAP Products will be made to any Authorized Partner without having completed this form and returning it to The Ontario Knife Company.