



TOOLS BUILT TO GO THE DISTANCE

March 29, 2018

General Machine Products Distributor Partners

## **INTERNET RESALE DISTRIBUTION POLICY**

### **Intention of the Policy**

General Machine Products (KT), LLC. (“GMP”) is proud of the quality of the products that it offers, and believes that the demand for its products, and GMP’s market position, are enhanced by advertising that characterizes them as premium products rather than as commodities attractive primarily for low cost. GMP intends to discourage its resellers from depreciating the quality of its products through advertising on the Internet that is not reflective of that image, and ultimately to discontinue selling its products to resellers that disrespect GMP’s stated marketing philosophy.

### **Policy Terms and Scope**

It is GMP’s policy that products distributed by GMP may not be advertised on the Internet for sale, resale, auction or any other transfer at prices lower than those established by GMP. Please reference a current list of products and their respective minimum advertised resale prices. GMP reserves the discretion to update that list, and to change the terms of this policy upon notice.

The advertising covered by this policy is any communication with prospective purchasers through the Internet (or other ecommerce media) where the advertised price is accessible to purchasers. This includes, but is not limited to, the World Wide Web, e-mail, device apps, RSS, ATOM, IRC, instant messaging, social-networking, social media services and microblogging services whether across public or private networks.

Website features that offer a price below GMP’s Minimum Advertised Price (MAP) Policy at the online checkout stage are also prohibited. Examples of such features include, but are not limited to:

- “Click here for lower price”
- “Add to Cart for Lower Price”
- “Mouse over for Price”
- “See Price in Cart”
- “Check Cart for Lower Price”
- “Email for a better Price”

And any other feature that GMP determines, in its sole discretion, is designed or intended to circumvent the intent of this policy.

The inclusion in advertising of free or discounted products with a product covered by this policy is prohibited if it has the effect of discounting the advertised price of GMP product below the then-current minimum advertised resale price established by GMP.

This policy does not prohibit the following promotions or incentives so long as they apply to all products offered on a reseller’s website and not only to GMP products:

- Free shipping
- Promotion or coupon codes which are applied on the checkout page
- Site-wide discounts, so long as such promotions are for a limited time (e.g. Black Friday, Cyber Monday, anniversary sale, etc.)

From time to time, GMP may choose to offer special promotions on certain products. In that event, we reserve the right to modify or suspend this policy in whole or in part by notifying all distributors of the duration and nature of the change.



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This policy does not require distributors to advertise prices on their websites, nor does it establish maximum advertised prices. Distributors must supply a copy of this policy to any new or existing reseller.

### **What the Policy Does Not Cover**

This policy does not include advertising through signage, television commercials, radio commercials or printed materials (such as, newspaper advertisements, mail, catalogs, or sale flyers). This policy also is not intended to affect the price at which any reseller actually resells any products distributed by GMP.

### **Enforcement of the MAP Policy**

GMP Tools will enforce the MAP Distribution Policy as follows:

<b>Event</b>	<b>Trigger</b>	<b>Enforcement</b>
1st Violation	Distributor pricing is not in compliance with the current MAP on a SKU or list of SKUs	GMP shall provide a written “1 <sup>st</sup> violation” notice to the distributor that identifies the SKU(s) involved
2 <sup>nd</sup> Violation	Two weeks (14 days) after the 1st violation notice, the distributor is not in compliance with the MAP for the SKU(s) cited in the 1 <sup>st</sup> violation	GMP shall provide a written “2 <sup>nd</sup> violation” notice to the distributor and stop shipping the SKU(s) cited in the 1 <sup>st</sup> violation
Chronic Violators	For chronic violators of this MAP Distribution Policy, GMP Tools shall discontinue all sales of products to such distributors	

### **Online Channel Regulations**

GMP Tools distributors are authorized to resell GMP products on the internet via their own websites. GMP Tools distributors shall not resell GMP products through other marketplace websites including but not limited to eBay, Walmart, Amazon Marketplace, etc. without the written consent of GMP Tools.

### **Sales to Online Resellers**

GMP Tools distributors shall not be permitted to sell active GMP products to customers that resell on the internet without the written consent of GMP Tools.

### **Questions about the Policy**

No GMP employee or agent is authorized to discuss, negotiate, or enter into any agreement with any reseller concerning this policy. All questions concerning this policy should be asked in writing and directed to:

Ted Clemens  
Director of Sales and Marketing

No response will be made to any communication by one reseller concerning the activities of another.



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### MAP Policy Product List

<u>GMP P/N</u>	<u>Description</u>	<u>Enduser USD Price *</u>
10500	LASHER CABLE G W/CHEST	12,000.00
10502	LASHER CABLE G .045 W/CHEST	12,000.00
70400	LASHER APOLLO W/CASE	7,000.00
70401	LASHER APOLLO W/OUT CASE	6,800.00
71422	LASHER CABLE C2 W/CHEST	4,450.00
71423	LASHER CABLE C2 .065 W/CHEST	4,450.00
71424	LASHER CABLE C2 WIDE MOUTH	4,450.00
86070	LASHER CABLE J2 W/CHEST	5,400.00
86071	LASHER CABLE J2 .065 W/CHEST	5,400.00
86072	LASHER CABLE J2 W/14059 WHEELS	5,400.00
86074	LASHER CABLE J2B WIDE MOUTH	5,500.00
86075	LASHER CABLE J2B .065 WIDE MOUTH	5,500.00

\* Or equal value in foreign currency at prevalent conversion rates