



CONFIDENTIAL
USA AND CANADA DEALERS

ADVERTISING & BRAND PROTECTION POLICY FOR DEALERS

Amended and Restated OCCIDENTAL LEATHER® United States
Minimum Advertised Pricing Policy & Branding and Marketing Policy

EFFECTIVE DATE: 01/01/2023

OCCIDENTAL LEATHER® is proud to be the manufacturer of the highest quality professional tool carrying systems in the world. Since 1980, OCCIDENTAL LEATHER® has set the quality standard for tool belt systems and has earned the reputation of uncompromised design excellence and field function. We recognize that our distributors operate in a competitive environment and invest time and resources to deliver an extraordinary customer experience to the customer. To accommodate certain changes to the prior Pricing & Internet Policy, this Advertising and Brand Policy for Dealers (this ***“Policy”***) will replace the Prior Policy effective as of January 1, 2023 (the ***“Policy Effective Date”***).

This Policy (a) is applicable to each Dealer and (b) consists of two primary parts: (i) a policy regarding minimum advertised price (the ***“Minimum Advertised Price Policy”*** or the ***“MAP”***, which establishes a price below which specified OCCIDENTAL LEATHER® (***“OCCIDENTAL”***) Products may not be advertised and (ii) a policy dealing with the use of the OCCIDENTAL LEATHER® brand and marketing (the ***“Branding and Marketing Policy”*** or the ***“B&M Policy”***), which addresses how OCCIDENTAL products may be marketed. The MAP Policy and B&M Policy applies to all OCCIDENTAL Products, regardless how they are offered.

For purposes of this Policy: (a) ***“Dealer”*** (in the plural, ***“Dealers”***) refers to an individual or entity located in either or both United States of America (***“USA”***) and Canada that (i) promotes and sells OCCIDENTAL products to any or all actual and potential end user purchasers (collectively, ***“end users”*** and individually, an ***“end user”***), whether doing so directly or through another party. The party may advertise or fulfill orders on behalf of such individual or entity or (ii) is an Authorized Wholesaler, but only to the extent, if any, that such Authorized Wholesaler performs as a Dealer; (b) ***“Authorized Wholesalers”*** (***“Authorized Wholesaler”*** in the singular) means, collectively, each individual or entity designated as such by OCCIDENTAL LEATHER®.

SECTION 1 Minimum Advertised Pricing Policy (MAP)

To help safeguard the reputation of OCCIDENTAL LEATHER®, ensure the long-term viability of our brand and protect the investment of those Dealers that provide valuable services to end users, we require that your prices listed either online or in print are no lower than our published Minimum Advertised Pricing Policy (MAP). To provide the quality and integrity that our mutual dealers and end users have become accustomed to, we require that you honor these criteria:



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1. For purposes of this Minimum Advertised Pricing Policy (MAP), the term “Products” shall mean: All Leather Tool Belt Systems, Specialty Tool Belt Systems, Leather & Nylon Tool Belt Systems, Adjust -to-Fit™ Tool Belt Systems, Tool & Fastener Bags, Tool Vests, Belts & Suspenders, Tool Totes, Cases & Carry Bags, and Accessory Bags & Pouches.
2. Have a brick-and-mortar store with daily hours of operation or an ONLINE retail store that does sells through their own website or an approved third-party marketplace as identified by OCCIDENTAL LEATHER®
3. Maintain MAP pricing that is not lower than the published OCCIDENTAL MAP price.
4. Our trademarks and company logo usage must be approved by OCCIDENTAL for online or all forms of print and visual media

MAP relates only to the prices at which OCCIDENTAL Products may be advertised and does not affect the prices at which qualified dealers may sell OCCIDENTAL products.

OCCIDENTAL’s Qualified Dealers are free to sell OCCIDENTAL products at any prices that they choose. OCCIDENTAL enforces the policy based on its market intelligence and does not require Qualified Dealers to report or inform OCCIDENTAL LEATHER® of violations by other Qualified Dealers.

Complying Advertising

Complying Advertising is “Advertising” of OCCIDENTAL products to end-users that complies with the identification and MAP requirements outlined below.

A. Advertising Definition

“Advertising” covered by this Policy includes all references to OCCIDENTAL products in retail advertisements that are placed directly by the dealer or indirectly by others (including third-parties or affiliates) at the direction or with the consent of the dealer and are distributed to, received by and/or viewable by end-users in the United States in any media, including, but not limited to:

- (a) all forms of print media, including without limitation, fliers, catalogs, inserts, newspapers, magazines, public signage, billboards, mail order catalogs or other run of press; **except** (i) print advertisements displayed exclusively inside a brick-and- mortar store; and (ii) fliers that are personally delivered to end- users for purposes of negotiating a specific purchase.
- (b) all forms of audio and/or visual media, including, without limitation, television, radio, closed-circuit broadcasts, and/or podcasts; **except** to the extent a broadcast is shown exclusively inside a brick-and-mortar store.

- (c) Except as set forth in sub-section (e) below, all forms of electronic and/or Internet media, including, without limitation, search engines, Internet banners, blast e-mails, broadcast e-mails, “click for price” e-mails, “opt-in” e-mails, geo-targeted, re-targeted or other personalized e-mails or social media solicitations, shopping engines, on or through a dealer’s website’s home and product pages (including, without limitation, “click for price” screens, pop-up advertisements, and “hover-over” techniques that reveal a price to the end-user without “clicking” his/her mouse), any third-party marketplaces, web or app based extensions, app- based mobile or retail platforms and marketplaces; web-based drop-ship accounts, social media/classified sites and/or auction or penny auction sites, that are visible to an end-user **prior** to his or her decision to proceed toward the purchase of a specific OCCIDENTAL product by entering (or “clicking”) into the transactional stage of an online purchase (*e.g.*, entering an online “shopping cart”); **provided, however**, that the end-user enters the transactional (in-cart) stage without any prior reference on the website to a below-MAP price or any prior indication that a below-MAP price will be found at the transactional (in-cart) stage
- (d) Pricing in-cart that is lower than OCCIDENTAL’s published MAP pricing shall be considered a violation of the policy (unless in accordance with sub-section (e.) below)
- (e) **For purposes of this Policy, “Advertising” does not include:**
 - i. Pricing that is made available to customers that have either specifically registered and/or opted-in to receive special pricing is not considered a violation of MAP. If a customer must login to see pricing, that pricing is not subject to this MAP Policy.
 - ii. Rebates/Coupons from OCCIDENTAL: The use of promo discount codes that are approved & marketed by OCCIDENTAL and can be sent directly to end users and/or dealers for provision to and use by such end user. **Promo Codes are NOT allowed to be openly communicated to the general public.**
 - iii. Gift cards and store credits are not considered a violation of the policy. Gift cards cannot be used to lower the selling price of the item at check out.

2. **Identification**

Complying advertising must contain a proper description of the OCCIDENTAL Product by brand and the entire model number of the OCCIDENTAL Product. The model number may be omitted if and only if the advertisement contains a retail item number that may be easily cross-referenced back to the OCCIDENTAL model number (for



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example, a retail Internet site showing the retailer's model number, which when clicked on, directs the user to a site showing OCCIDENTAL's model number). Except as expressly authorized in writing by OCCIDENTAL LEATHER®, all products, displayed and sold by the dealer using the same brand logo and in the same configuration and packaging as it was purchased from OCCIDENTAL LEATHER®, and if the model number is used to describe the OCCIDENTAL product, it must be the model number designated by OCCIDENTAL LEATHER®.

A. Designated Products:

All OCCIDENTAL Products are subject to MAP. OCCIDENTAL will add new products to the Designated Product schedule upon thirty (30) days written notice to its dealers. OCCIDENTAL LEATHER® may remove OCCIDENTAL Products from the Designated Product schedule and may change the MAP prices of Designated Products due to competitive situations and market changes at any time. OCCIDENTAL LEATHER® also may announce short-term exceptions to MAP requirements with respect to identified designated products from time-to-time.

B. Bundles:

Advertising that in any way suggests or implies a price lower than the minimum advertised price, will be considered a violation of this Policy. Policy violations occur whenever advertised prices are below MAP, including but not limited to:

- Advertised rebates
- Instant savings
- Package pricing, bundle pricing or discounts
- Storewide and/or department-wide sales and discounts
- Two or more Products may be featured in the same ad, if the advertised prices for the Products are not below the MAP price (or, if two or more Products are advertised at a single bundled price, the combined advertised price is not below the combined MAP for the two or more Products).

MAP Violations

OCCIDENTAL LEATHER®, Inc. will utilize the following steps to resolve MAP violations:

- a) First Violation: Authorized Dealers account will be notified immediately with a written warning (via email) and if necessary, a follow up phone-call. MAP violations must be corrected within 72 hours, if not the account will be put on temporary hold till corrected.
- b) Second Violation: Authorized Dealers account will be put on hold for 30 days.
- c) Third Violation: Authorized Dealers account will be put on hold for 60 days. After this duration, Authorized Dealer must request review for reinstatement.

Examples of MAP Violations

Internet Advertising:

- Each form of Internet Content using or containing price information regarding one or more of the MAP products made available or provided by or on behalf of a Dealer (collectively, “*Internet Marketing*”) is subject to MAP *When applied to websites, Price Information appearing or otherwise conveyed both outside the cart (or other container) and in the cart (or other container) is subject to MAP, but price Information provided at checkout is not covered by it.*
- **Dealer’s Own Website:** If a Dealer’s website identifying the Designated Product for sale advertises a price for a Designated Product that is less than the MAP price or indicates that the price is “too low to show” (or similar words) or shows the MAP-compliant or “manufacturer’s suggested retail price” stricken through, MAP is violated. Illustrations of this type of MAP violation include:
 - **MAP Violation Illustration:** An online retailer shows a MAP-compliant price for a Designated Product stricken through and appearing above is the phrase “Click to See Price”; when the customer clicks for the price a box appears showing a below-MAP price listed for the Designated Product under the stricken-price.
 - **MAP Violation Illustration:** An online retailer offers a Designated Product for sale and indicates that the price is “too low to show, click for price” when the customer clicks for the price, the retail price is lower than the MAP price for the Designated Product.
 - **MAP Violation Illustration:** An online retailer offers a Designated Product for sale and no price is shown, but there is a link to “click to see price in cart”; when clicked, another window is opened on the screen, placing the user into an online shopping cart and a below-MAP price is offered to the end-user.
 - **Not a MAP Violation Illustration:** An online retailer advertises a Designated Product for sale, and no price is shown, but the customer is directed to call for a price quote and a price lower than the MAP price is communicated upon request.
- **Search Engine Results:** If a Google or other similar search-engine search of an OCCIDENTAL Product produces results that are advertisements for the product at



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less than the MAP compliant price, then MAP is violated by the advertiser to whom the link connects.

- **MAP Violation Illustration:** The MAP price for the OCCIDENTAL product is \$229.00. A Google Shopping search results in a link to a retailer's website where the OCCIDENTAL product is advertised as available for \$219.00.
- **Third-Party Marketplaces:** Dealers who are permitted by OCCIDENTAL LEATHER® to sell on approved third-party marketplaces violate MAP by displaying a price for a product that is below its MAP price on a third-party marketplace, that the end-user sees before his or her decision to proceed toward the purchase of that specific product by entering (or "clicking") into the transactional stage of an online purchase.

Shipping and Handling: Advertising free or discounted shipping and handling is permitted so long as the advertised price of an OCCIDENTAL Product is not shown net of the value of the free or discounted shipping and handling so that the advertised net price of the product is not less than its MAP price.

- **MAP Violation Illustration:** MAP price for the OCCIDENTAL product equals \$299.00. Advertising states a retail price for the product of \$279.00 plus \$20.00 shipping and handling.
- **Not a MAP Violation Illustration:** Advertising states a retail price for the Designated Product of \$299.00 plus free shipping and handling.

SECTION 2: BRANDING AND MARKETING POLICY

1. **Use of OCCIDENTAL LEATHER® Intellectual Property or references to OCCIDENTAL Products.** A Dealer violates the B&M Policy if any advertisement, promotion or other marketing vehicle (regardless of the medium used, whether Conventional Advertising, Electronic Content or otherwise) used or done by or on behalf of such Dealer (i) includes any or all OCCIDENTAL LEATHER® Intellectual Property or mentions, uses, depicts or otherwise refers to any or all of the OCCIDENTAL LEATHER® Products and (ii) either (A) does not conform to the usage policies or (B) otherwise is not expressly approved in advance by OCCIDENTAL LEATHER®. For purposes of this Policy, the "**Usage Policies**" means policies made available by OCCIDENTAL through OCCIDENTAL notice regarding (1) the use of OCCIDENTAL LEATHER® Intellectual Property and (2) uses, depictions or other references of or to



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- any or all the OCCIDENTAL Products (including without limitation those policies relating to format and content).
2. Online Presence: With respect to online marketing, doing any or all of the following: (A) offering or selling anonymously; (B) failing to clearly and prominently indicate the full name, address and telephone and email contact(s) of such Dealer; (C) giving the impression (as determined by website design) that any or all of the websites used by such Dealer is or are operated by OCCIDENTAL LEATHER®; and (D) failing to fully and promptly comply with the direction provided by OCCIDENTAL LEATHER®.
 3. Domains: Using any or all OCCIDENTAL LEATHER®, its trademarks or other of the OCCIDENTAL LEATHER® Intellectual Property (or any variant(s) thereof) as or as part of one or more domain names ("**Domains**"), regardless of whether such use is in connection with the offering or sale of any or all OCCIDENTAL Products.
 4. Warranty: Products purchased from unauthorized online sellers may not carry full OCCIDENTAL Leather Warranty

Retailer Website Requirements

Each Authorized Online Retailer must operate and maintain its own website in compliance with the following requirements:

- All the Authorized Online Retailer's URLs and/or any trade names must be registered with OCCIDENTAL LEATHER™ before they can be used to sell OCCIDENTAL Products.
- It is the responsibility of the Authorized Online Retailer to maintain accurate and up-to-date company information and disclose all retail URLs.
- Each OCCIDENTAL LEATHER® brand page on the website must:
 - Prominently display the Authorized Online Retailer's appropriate Authorized Online Retailer "Badge"
 - Utilize a format approved by OCCIDENTAL or a template provided by OCCIDENTAL
- The Authorized Online Retailer's ownership of its website must be clear to the end-user from the overall appearance, graphics, and trademark usage.
- The Authorized Online Retailer's name must be significantly more prominent than any OCCIDENTAL LEATHER® Mark.
- OCCIDENTAL LEATHER® Marks may not be used in the Authorized Online Retailer's domain name or URL unless they appear to the right of the top-level domain name (e.g., ".com") in the Authorized Online Retailer's URL.
- All OCCIDENTAL LEATHER® brand names and logos used on the website must meet all OCCIDENTAL LEATHER® brand standards.
- Proper graphics, content and descriptions of the products are the responsibility of the Authorized Online Retailer.
- The website must contain all warranty information for the OCCIDENTAL LEATHER® products carried, including limitations of warranty.



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Questions, Additional Information or Information Regarding Potential Violations. All questions or requests for additional information regarding this Policy and all information regarding potential violations of this Policy must be in writing and are to be addressed to the following person at OCCIDENTAL LEATHER® responsible for this Policy ("**Policy Administrator**"):

Policy Administrator, OCCIDENTAL LEATHER® Inc., 3500 N. Laughlin Road #100, Santa Rosa, CA 95403 USA email: PolicyAdmin@occidentalleather.com

Only the Policy Administrator or the Policy Administrator's designated representative(s) is or are authorized by OCCIDENTAL LEATHER® to answer questions regarding this Policy, to comment on this Policy or to accept information regarding potential violations. Except for the Policy Administrator and such representative(s), no OCCIDENTAL LEATHER® employee or independent sales representative has authority to comment upon or to take any action under this Policy.