



August 11<sup>th</sup>, 2021

Dear Sir or Madam,

To guard the integrity of our products, ensure positive customer experiences, and protect the profitability of our valued partners, we will, from this point forward, limit the channels and venues through which dealers and distributors may bring or direct M&F Western Products' ("M&F") products to the retail markets. If you plan to continue to deal in M&F's products, we will require you to abide by the terms of our Retailer Agreement. As of this letter, this Retailer Agreement is in effect. Please find the Agreement attached to this email.

Also, we are implementing a new UMAP (*Unilateral Minimum Advertised Pricing*) Policy effective September 1<sup>st</sup>, 2021. We will enforce this policy across all online channels. That policy is attached to this email and the UMAP pricing can be located at [www.mfwestern.com/umap](http://www.mfwestern.com/umap).

You may direct any questions about these programs and documents to [compliance@mfwestern.com](mailto:compliance@mfwestern.com) or call (903) 885-8646 ext. 258.

Thank you for your support of M&F. We look forward to a positive ongoing relationship.

A handwritten signature in black ink, appearing to read 'Paul Eddins', is written over a light blue horizontal line.

Paul Eddins  
CFO

M&F Western Products Inc.



## AUTHORIZED ECOMMERCE RETAILER APPLICATION

Please fill out completely

Date: \_\_\_\_\_

BUSINESS NAME		M&F ACCOUNT NUMBER
MAILING ADDRESS		
CITY	STATE	ZIP
PHONE		
MARKETPLACE RETAILER (ex: Amazon, Ebay, Walmart, Etc.) (yes/no)?		
If so, please provide Marketplace & Storefront Name		
BUSINESS CONTACT NAME		
WEBSITE URL		
NAME OF E-COMMERCE CUSTOMER SERVICE MANAGER		
PHONE	EMAIL ADDRESS	
NAME OF WEBMASTER		
PHONE	EMAIL ADDRESS	

**Please return this application within 30 days to:**

Mail: M&F Compliance Dept  
P.O. BOX 287  
Sulphur Springs, TX 75483  
Fax: 903-439-3274  
Scan: [compliance@mfwestern.com](mailto:compliance@mfwestern.com)

*Please note, M&F is not responsible for lost, stolen or otherwise misplaced materials.  
If mailed, to ensure delivery, please use FedEx or UPS with signature services and tracking capabilities.*



## M&F WESTERN PRODUCTS, INC RETAILER AGREEMENT

This **NON-EXCLUSIVE AUTHORIZED RETAILER AGREEMENT** (the “**Agreement**”) is made as of August 11<sup>th</sup> 2021, (the “**Effective Date**”), by and between **M&F Western Products, Inc.**, (“**M&F**”) (the “**Supplier**”) and **Retailer** (the “**Retailer**” together with the **Supplier**, the “**Parties**”). This Agreement sets forth the terms by which the Parties agree that Retailer shall market, promote and sell Supplier’s products (the “**Products**”) as these are identified in Exhibit 1 (*Exhibit 1 may be amended and is incorporated herein*), on a non-exclusive basis, in the Territory via the Authorized Sales Channels (*defined herein*).

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions set out herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

### 1. Non-Exclusive Right to Sell or Distribute M&F Products in the Defined Territory

- a. Subject to the Restrictions below, Retailer shall have a non-exclusive right to sell the Products in the Territory via the Authorized Sales Channels stipulated below.
- b. A “**Retailer**” shall be defined as a customer of Supplier that purchases the products for resale.
- c. A “**Product**” shall be defined as an item manufactured or marketed by Supplier that is intended for sale and identified in Exhibit 1.
- d. “**Authorized Sales Channels**” shall include: (i) Retailer’s own physical brick & mortar stores; (ii) Retailer’s temporary storefronts at events and tradeshows; (iii) Retailer’s physical or digital catalog; and (iv) Retailer’s own website(s).
- e. The “**Territory**” shall be defined as the United States, Puerto Rico, Canada, and Mexico. Ariat accessories are not available in Mexico.
- f. **Restrictions:**
  - i. Authorized Sales Channels shall exclude any and all ecommerce marketplaces, including, but not limited to Amazon.com, Buy.com, Craigslist.org, eBay.com, Walmart.com, Jet.com, Newegg.com, Overstock.com, Rakuten.com, and Wish.com. Also excluded are any and all ecommerce marketplaces, including but not limited to these listed above, operating from country domain extensions belonging to other countries/territories in the Territory (eg., Amazon.ca, Amazon.mx). To be allowed to sell on any of these ecommerce marketplaces, Retailer must complete an Authorized Ecommerce Retailer Application.
  - ii. Retailer shall not sell, offer to sell, or advertise the Products, outside of the Territory or Authorized Sales Channels. Retailer shall not sell or offer to sell to affiliates or third parties that sell or advertise the Products outside of the Territory, or on Sales Channels that are generally excluded by Section 1(f)(i) above. This Section 1(f)(ii) shall survive termination of this Agreement as applied to Products that are purchased from Supplier.
  - iii. M&F reserves the right to unilaterally restrict certain SKUs, channels or collections of M&F product from being sold through 3<sup>rd</sup> party affiliates or marketplace channels.
- g. If Retailer becomes aware that Products are being sold, offered for sale or advertised outside of the Territory or Authorized Sales Channels, Retailer shall promptly inform the Supplier of the relevant information concerning same. Additionally, upon request of Supplier, Retailer shall promptly inform the Supplier of information concerning sales of Products outside of the Territory or Authorized Sales Channels to the extent that Retailer has such information or can obtain such information easier than Supplier.

- h. Retailer agrees not to sell or otherwise distribute any Product to any entity listed on the most current version of the "Do Not Sell" list which Supplier will regularly distribute to Retailers. The absence of any piece of identifying information from the "Do Not Sell" list does not, however, excuse Retailer from making all other good-faith efforts not to sell or otherwise distribute any Product to Retailers not authorized by Supplier to sell Products in the Territory, or to Retailers known by Retailer to have sold any Product on any ecommerce marketplace, or to Retailers who Retailer knows intend to sell any Product on such a marketplace.
- i. Any and all manufacturer's and Supplier's warranties and representations are null and void for sales of Products outside of the Territory or outside of the Authorized Sales Channels. To the extent permitted by law, Supplier shall have absolutely no liability whatsoever for any claims or injuries arising from sales of Products made outside the Territory or Authorized Sales Channels, including but not limited to liability for product defects and intellectual property infringement. This Section 1(i) shall survive termination of this Agreement.
- j. If Retailer violates this Agreement with respect to sales outside of the Territory or Authorized Sales Channels, Supplier shall have the option to suspend Retailer's eligibility to purchase Products, and to terminate this Agreement.

**IMPORTANT NOTE:** *The Supplier supports authorized sales of the Products. The Supplier also actively participates in the Amazon Brand Registry Program, eBay Verified Rights Owner Program (VeRO), and other similar programs to prevent the advertising and sale of unauthorized, unlicensed, infringing, or counterfeit merchandise. Any unauthorized offers of any Product on Amazon, eBay, or any other ecommerce marketplace will be removed as they are discovered. Ads from online sellers offering any auctions or advertising sales will also be regularly removed or taken down.*

## **2. Additional Retailer Obligations and Restrictions**

- a. Retailer agrees not to sell, distribute, or otherwise provide any Product to any customer known to be selling as a wholesaler (i.e. Costco, etc.), or clearance seller (i.e. Overstock.com, etc.).
- b. Retailer agrees not to link to any offer of any Product on a website not specified above as an Authorized Sales Channel.
- c. Retailer agrees not to allow or facilitate in any way any third-party presentment or sale of any Product via Amazon or other ecommerce marketplace, or to ship directly to any Amazon Fulfillment Center or other similar facility appertaining to any other ecommerce marketplace, whether on Retailer's own behalf or on behalf of another entity. In the event of such violation, Retailer shall fully cooperate with Supplier to remedy such breach.
- d. Retailer shall agree to display Products only in good faith, and use only Supplier's copyrighted images, trademarks, and proprietary materials in connection with the marketing, advertising, promotion, and sale of Products.
- e. Retailer is prohibited from altering the packaging of any Product or removing any Product from the packaging, other than to add additional packaging protection for shipping where such additional packaging does not identify any names, brands, websites, telephone numbers or seller names other than those of Supplier.
- f. Retailer is prohibited from offering any Product or Products for sale in any combination or bundle not explicitly listed in Exhibit 1, unless permission for such a combination or bundle has been expressly granted by Supplier, and regardless of whether all items composing the combination or bundle are manufactured or marketed by Supplier. Examples: Retailer may not offer a Product listed in Exhibit 1 with an item *not* listed in Exhibit 1; Retailer may not offer a "2-pack" or other bundled quantity of a Product that Supplier lists in Exhibit 1 only as a single unit; Retailer may not combine two Products listed in Exhibit 1 into one retail unit that is advertised at a single price.
- g. Retailer must comply with all applicable laws, rules, regulations, and policies related to the advertising, sale, and marketing of the Products.
- h. Retailer shall not engage in any deceptive, misleading or unethical practices with respect to selling or advertising the Products.

- i. Retailer shall provide a level of sales support and customer support for Retailer's customers that, at a minimum, demonstrates industry best practices.
- j. Retailer shall comply with Supplier's Unilateral Minimum Advertised Price ("UMAP") Policy, as defined and further discussed herein.

**3. Authorized Retailer Warranty and Returns**

- a. **Supplier's warranty** is conveyable to the end-use purchaser only through authorized Retailers and Suppliers. **Products sold by any unauthorized Retailer shall not be covered under Supplier's warranty.**
- b. M&F will not accept any returns from Retailer's customers. All returns from Retailer's customers are Retailer's responsibility and must be returned by Retailer.

**4. Limited Intellectual Property License Grant**

- a. Retailer acknowledges M&F's ownership of all trademarks, service marks, trade names, and other intellectual property ("M&F property") in association with M&F products. Retailer agrees and understands that Retailer will not gain any right to or interest in any of M&F's Intellectual Property by virtue of this agreement or otherwise.
- b. Retailer agrees that all goodwill and secondary considerations appurtenant to Retailer's use of the Intellectual Property shall inure to the benefit of Supplier. Retailer acquires no interest in the Intellectual Property, other than as expressly granted herein, by virtue of Retailer's 's sale of Products.
- c. Retailer is prohibited from creating brands, trademarks, business entities or seller names, registering domain names, social media usernames, email addresses, etc., that contain any of the trademarks included in this license, or names that are likely to be confused with such trademarks.

Example of inappropriate use of M&F name in primary website URL:

[www.mfwesternbelts.com](http://www.mfwesternbelts.com)

Example of acceptable use of M&F name in secondary M&F landing page URL:

[www.westernbootstore.com/brands/M&F](http://www.westernbootstore.com/brands/M&F)

- d. Retailer is prohibited from creating images that incorporate images that are included in this license, and Retailer is prohibited from creating derivative works of such images.
- e. Retailer is prohibited from creating intellectual property that is substantially similar to, or likely to be confused with, or that infringes, the Intellectual Property.
- f. Retailer shall not challenge Supplier's rights in the Intellectual Property or the validity of such Intellectual Property. This Section 4(f) shall survive termination of this Agreement.
- g. Retailer shall be liable to Supplier for any and all damages associated with a violation of provisions 4(c)-4(e) including, but not limited to, all attorneys' fees and costs associated with enforcement and remediation of such violation(s). This Section 4(g) shall survive termination of this Agreement to the extent that the Products were purchased from Supplier.

**5. Price and Payment Terms**

- a. Supplier shall sell Products to Retailer at prices, and according to payment terms, determined in negotiation with M&F's Compliance department.

6. **UMAP Policy**

- a. Supplier has implemented a Unilateral Minimum Advertised Price ("UMAP") Policy. This Policy applies to each Product listed in Exhibit 1. The Policy is published at [www.mfwestern.com/umap](http://www.mfwestern.com/umap) and may be updated on an ongoing basis.
- b. Retailer shall not advertise any Product for sale at prices that are less than the UMAP that Supplier has identified for that Product in Exhibit 1. If a Retailer violates the UMAP Policy, Supplier shall have the option to suspend or terminate Retailer's eligibility to purchase Products, and to terminate this Agreement. This Section 6(b) shall survive termination of this Agreement.
- c. Retailer is only authorized to sell Products to consumers. Retailer shall not sell Products to affiliates or to third parties who advertise the Products for sale at prices that are less than UMAP. If Retailer's customers violate the UMAP Policy, Supplier shall have the option to suspend or terminate Retailer's eligibility to purchase products, and to terminate this agreement. This Section 6(c) shall survive termination of this Agreement.
- d. The UMAP Policy applies only to advertised price, and to the extent it is different, does not apply to the price at which a Product is actually sold to an individual consumer. Further, Retailer remains free to sell the Products covered by the UMAP Policy at any prices it chooses.
- e. If Retailer becomes aware that Products are being advertised for sale at Prices that are less than UMAP, Retailer shall promptly inform the Supplier of the relevant information concerning same. Additionally, upon request of Supplier, Retailer shall promptly inform the Supplier of information concerning advertisements of Products below UMAP to the extent that Retailer has such information or can obtain such information easier than Supplier.

7. **Term and Termination**

- a. This Agreement will become effective as of August 11<sup>th</sup> 2021 or the date the Retailer first purchases M&F Products if later than the effective date.
- b. This Agreement shall continue for one (1) year (the "Term") from the Effective Date and renew for successive Terms unless terminated by either Party according to the provisions below.
- c. Either Party may terminate this Agreement without cause by providing thirty (30) days written notice to the other Party.
- d. Either Party may terminate this Agreement in the event of a material breach that is not cured within seven (7) days of written notice to the breaching party.
- e. Unless terminated by a Party, the term of the Agreement will continue.
- f. Upon the termination of this Agreement, all rights granted to Retailer will terminate unless expressly stated herein to the contrary.

8. **Miscellaneous**

- a. **Entire Agreement.** This Agreement and the Exhibits attached hereto constitute the entire and exclusive agreement between the Parties hereto. The Agreement may be amended only pursuant to a signed writing between the Parties that specifically references that it is amending this Agreement. No M&F employee or sales representative has any authority to modify or alter this policy.
- b. **Counterparts.** This Agreement may be executed in counterparts, each of which is deemed an original, but all of which

together are deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email, PDF or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

- c. **Severability.** If a court of competent jurisdiction shall hold any provision(s) of this Agreement invalid, illegal or unenforceable, the remainder of the Agreement shall be valid and enforceable, and the Parties shall negotiate in good faith a substitute, valid and enforceable provision which most nearly effects the Parties' intent in entering into this Agreement. No rule of strict construction will be applied against either Party in the interpretation of this Agreement. This Section 8(c) shall survive termination of this Agreement.
- f. **Assignment.** Retailer may not assign this Agreement without the prior written consent of Supplier. Subject to the foregoing, this Agreement shall bind and inure to the benefit of the Parties hereto and its respective successors and assigns.
- g. **Independent Parties.** Neither Party shall have the authority to bind the other Party to any contract, responsibility or obligation. The relationship between the Supplier and Retailer is solely that of independent parties. This Agreement shall not be deemed to establish a joint venture or partnership.
- h. **Choice of Law/Forum.** This Agreement shall be governed by the laws of, and any disputes shall be adjudicated in the State of Texas. This Section 8(h) shall survive termination of this Agreement.
- i. **Waiver.** The failure or delay of a Retailer to insist upon strict performance of any of the provisions of this Agreement, or to take advantage of such party's rights hereunder, shall not be construed as a waiver of the subject provision or right, which shall continue in full force and effect. This section 8(i) shall survive termination of this Agreement.

**EXHIBIT 1**  
**PRODUCT/MAP LIST**

Products subject to this Agreement in its entirety, and the minimum advertised prices that pertain to each per the UMAP Policy (section 6 of this Agreement), are published online at <https://www.mfwestern.com/umap>. Supplier reserves the right to add to or adjust this list, and the prices specified in it, at any time and solely at Supplier's discretion. For any questions regarding Supplier's published product list, please email: [compliance@mfwestern.com](mailto:compliance@mfwestern.com)





## M&F WESTERN PRODUCTS INC UNILATERAL MINIMUM ADVERTISED PRICE (UMAP) POLICY

M&F Western Products Inc. ("M&F") has implemented this UMAP Policy to protect Retailers, prevent abuses, provide a level playing field for its network of Retailers, and to maintain its reputation and brand image. Please read the policy and attached schedules carefully.

The list of Products to which this policy pertains, and the minimum advertised prices that belong to each, are published online in the Product List and UMAP Schedule at <https://www.mfwestern.com/umap>. M&F reserves the right to add to or adjust its Product List and UMAP Schedule at any time and solely at its discretion.

You may contact M&F's Compliance Department with any questions regarding the Product List and UMAP Schedule, this UMAP policy, or the status of your policy compliance or any enforcement against you. Email [compliance@mfwestern.com](mailto:compliance@mfwestern.com) or write to:

*M&F Western Products Compliance Team*  
P O Box 287  
Sulphur Springs, TX 75483  
Phone 800-256-8646 ext. 258 or 903-885-8646 ext. 258  
Email: [compliance@mfwestern.com](mailto:compliance@mfwestern.com)

M&F's sales and support representatives are **not** authorized or permitted to discuss, or answer questions about, the state of UMAP compliance of any Retailer, or policy enforcement actions taken against any Retailer.

M&F's Compliance Department will evaluate and address any submitted reports of violations but will not respond to any questions or comments from a Retailer about the activities or advertising of any other Retailer as they involve compliance with this policy. Additionally, no Retailer has any right to rely on an understanding of this policy obtained from an oral discussion. All interpretations of this policy will be based on the UMAP Policy itself and any written clarification or guidance issued by M&F's Compliance Department.

This policy will be enforced as set forth below in **Schedule B**.

Each Retailer must appoint a person who will be the main contact for M&F regarding the UMAP Policy. Your contact person should make sure that everyone involved with creating and implementing advertising or pricing at your store(s) for any of M&F's products is fully aware of this policy.

Compliance with M&F's policies is the responsibility of each Retailer of M&F's Products.

### Scope:

- Compliance with this policy is nonnegotiable and that participation is mandatory for every Retailer. The consequences for failure to comply can include loss of the Retailer's ability to purchase M&F's Products.
- This policy applies to advertising for any M&F's Product (*defined below* on online sites and marketplaces, whether these are administered directly by the Retailer or by a third party).

### Definitions:

- As used herein, a "**Retailer**" is any person, business, or other entity offering for sale any M&F Product.
- As used herein, a "**Product**" is defined as any item manufactured or marketed by M&F that is intended for sale. All Products are subject to this UMAP Policy, and all Products—and the minimum advertised prices that pertain to each—are listed in the Product List and UMAP Schedule furnished by M&F at <https://www.mfwestern.com/umap>.
- As used herein, "**Price**" means net price for a consumer to receive ownership of the goods, i.e. the amount actually paid before any applicable taxes, adjusted for any discounts, rebates, coupons, credits, premiums, freemiums, loyalty rewards, combinations, shipping costs, or the like.
- As used herein, "**Advertising**" means any act of communication intended to induce people to buy or use a Product and includes but is not limited to communication in print or via any electronic means. Such communication includes all internet communications, including but not limited to communication on Amazon (*and other online open marketplaces, stores, or shops*), on eBay (*and other auction sites*), in search-related ads or links (*e.g. on Google, Yahoo, Bing*), in graphic or textual ads (*banners, links, etc.*), on social media (*including Facebook, Pinterest, Snap Chat, Instagram, LinkedIn or other sites*), on television, radio, or via telephone (*including SMS or related text messages*), and

in any communications in physical media of any kind (e.g. billboards, newspapers, magazines, newsletters, flyers, print ads, window banners, coupons, direct mail, or posters). An "Advertisement" means any communication in any form that includes Advertising as defined herein.

**Participants:**

- This UMAP Policy applies to all Retailers of Products, whether they obtain the Products directly from M&F, through a distributor, or through any other means.

**Enforcement:**

- IF ANY RETAILER FAILS TO COMPLY WITH THIS POLICY, M&F RESERVES THE RIGHT TO TERMINATE THAT RETAILER FROM ANY RETAILER PROGRAM, RETAILER PRICING, AND/OR TO REVOKE ANY, AND, DISCOUNTS, REBATES, PROMOTIONAL ALLOWANCES, OR THE LIKE OFFERED BY M&F TO ITS RETAILERS, PLUS RESTRICT FUTURE PRODUCT SHIPMENTS AND THE ABILITY TO SELL M&F PRODUCTS.
- RETAILER UNDERSTANDS AND AGREES TO COOPERATE AND COMPLY WITH M&F'S ENFORCEMENT POLICY. SEE THE ATTACHED SCHEDULE B FOR DETAILS OF THE POLICY.

**Effective Date:**

- This UMAP Policy is effective September 1<sup>st</sup>, 2021.

**Miscellaneous:**

- M&F reserves the right to change, amend, or discontinue this policy at any time.
- M&F reserves the right to modify the rules, conditions, benefits, or awards pertaining to this policy and any promotional, or discount program at its sole discretion without notice.
- M&F and its affiliates are not responsible for requests or correspondence relating to any promotional, or discount program statements, which are lost or delayed in the mail or otherwise in transit.
- M&F reserves the right to refuse an applicant's participation in any promotional, rebate, or discount program for any reason and at any time.
- M&F reserves the right to terminate participant's participation in any promotional, rebate, or discount program, with or without cause, at any time, upon giving five (5) days' notices to the participant.

**M&F's UMAP Policy does NOT apply to the following:**

- In-store advertising including but not limited to in-store displays, banners or price markings for M&F.
- Signage on the interior or the exterior of the Retailer's store (including the retail facility and surrounding parking lot).
- Advertising on the site of a local event or local trade show.

## UMAP Rules

- **Rule 1:** Advertisements for Products **MUST** state the final Price of the Product offered before taxes and/or additional fees.
- **Rule 2:** The Price is determined net of all discounts and rebates (*see the definition of "Price" above*) and **MUST NOT** be below the UMAP price.
- **Rule 3:** Advertising of any Product must **NOT** be at a Price below the MINIMUM price (UMAP) established for that Product.
  - A: Discounts:** The value of any discount, rebate, credit, free item, loyalty reward or the like must be calculated at retail value in determining final price of a Product.
  - B: Percentage Off:** Advertisements that state a percentage off that will net the Product below UMAP are **NOT** allowed.
  - C: Rebates:** Advertising of rebates **MUST** include the final price of the Product after the rebate, **AND** the rebate combined with any other form of discount or credit must not net the Price below the UMAP.
  - D: Shipping:** Advertising "Free Shipping" or providing a credit for shipping is **NOT** a violation of UMAP Policy **UNLESS** there is a dollar value mentioned that nets a Product below the UMAP.
  - E: Bundling:** Where a Product is bundled with or sold as part of a package that includes another Product, it shall be a violation of this UMAP policy to sell or advertise the bundle or package at a price that is lower than the combined UMAP of the bundled Products. **NOTE:** All product bundles, when these are not already expressly identified as Products, must be pre-approved by M&F. It shall be a violation of this UMAP policy if Products are bundled with or sold as part of a package that includes items not expressly approved for such a bundle by M&F. Any promotions involving such bundles also need to be approved by M&F.
- Schedule B provides M&F's enforcement policy.

### M&F's Proprietary Rights

- **No Association with M&F:** Except as otherwise authorized, Advertisements **MUST NOT** state, suggest, or lead a consumer to conclude that the sale is from M&F, or imply any false association with or endorsement from M&F.
- **No Infringement:** Print ads, online ads, and auction listings may not use any copyrighted materials including photographs, or trademarks of M&F except as authorized for Retailer use.

## Schedule A

### Examples of Advertising and Analysis Under the UMAP Policy (Not intended to be comprehensive)

**Rule 1 states:** "Advertisements for listed products MUST state the final price of the listed product offered before taxes and/or additional fees."

The following violate Rule 1:

- Advertisements that claim, "*The Lowest Prices*" "*Too Low to Publish*" "*Call for Pricing*" "*Email/Click for Pricing*" "*Special In-Cart Pricing*" and the like for any listed product are ALL violations because they do not state the Price of the listed product offered.
- Advertisements stating or suggesting that a Retailer will "*beat any competitor's advertised price*" on a listed product is a violation because it does not state the Price of the product.

**Rule 2 states:** "*The final price is determined net of all discounts and rebates (see the definition of "price") and MUST NOT be below the UMAP price.*"

The following violate Rule 2:

- Advertisements that use "*preferred*" customer, "*loyalty*" programs, Retailer or store "*rewards*", club or member discounts or credits, or other discount language, cards or programs that net a listed product below the UMAP are violations because the determinative factor is the net price, i.e., the Price after any discount, credit, or rebate in any form is applied.
- Advertisements that offer a free product, giveaway, product credit, or discount the retail value of which would make the net price for a listed product below the UMAP or lead a consumer to believe that the net price is below the UMAP are violations.
- Stating a percentage off a product or a grouping or bundling of products is permissible provided that no price of a listed product is mentioned. Stating a percentage off that will net the product below UMAP IS a violation. **NOTE:** As stated above, it shall be a violation of this UMAP policy if Products are bundled with or sold as part of a package that includes items not expressly approved for such a bundle by M&F. Any promotions involving such bundles also need to be approved by M&F.

## Schedule B

### M&F's UMAP Enforcement Policy

The following enforcement procedures apply to this UMAP Policy.

Upon discovery by M&F, violations of this policy will be handled as follows:

1. M&F will make a reasonable inquiry to verify an alleged violation for any Advertisement or Product listing before taking any enforcement action.
2. M&F will send a notice of violation to the Retailer whom it believes is violating the policy. The violation will be reasonably specified. M&F will direct Retailer to immediately *correct/remove/withdraw/cease* the relevant Advertisement(s) or Product listing(s).
3. Retailer **MUST** acknowledge the notice, specify the corrective actions taken, and reaffirm their intention to comply with this policy. Retailer may also contact M&F's Compliance Department (compliance@mfwestern.com) for resolution or clarification if they believe the Advertisement(s) or Product listing(s) in question was **NOT** in violation of this policy. M&F's Compliance Department will make the final determination of whether any violation(s) of this policy occurred.
4. M&F will seek to have the relevant Advertisement or Product listing removed if the Retailer refuses to do so. Generally, a first violation will result in a **warning**. A second violation (or second notice of unremedied earlier violation) will result in a loss of all, discounts, credits, incentives, or the like, under any M&F's Retailer program, including those based on volume, early buys, or prior purchases, as well as a **90-day suspension from the ability to purchase M&F**, either from M&F directly or through an authorized distributor. A third violation (or third notice of unremedied earlier violation) **will result in termination of M&F's business relationship with the Retailer**. Egregious or intentional violations (*including first violations*), or failure to acknowledge a written enforcement notice or to take corrective action **MAY** result in immediate loss of incentives and/or termination.
5. Retailer will have no recourse against M&F with respect to any loss or damages allegedly incurred because of such termination of Retailer's rights resulting from violation of this policy.