

**AMERICAN BASS MINIMUM ADVERTISED PRICE POLICY**  
**Effective August 2018**

Five Star Audio & Performance Systems, LLC d/b/a American Bass (“American Bass”) has determined that certain advertising practices undermine American Bass’s trade reputation, brands, and premium image and discourage American Bass’s dealers from investing in American Bass product lines and providing the best possible service and support to consumers. Accordingly, to protect the integrity of the American Bass brand, American Bass has adopted this unilateral Minimum Advertised Price Policy (the “Policy”), which applies to all dealers of American Bass Products in the United States of America.

The Policy applies to advertisements of the American Bass products listed on the American Bass Minimum Advertised Price Schedule (“Covered Products”). The American Bass Minimum Advertised Price Schedule will be made available to all dealers and may be amended by American Bass in its sole discretion at any time.

American Bass is solely responsible for establishing the minimum advertised price (“MAP”) for each Covered Product and communicating the MAP to all dealers. While dealers remain free to advertise and sell all American Bass Products at any price they deem appropriate, it is a violation of this Policy for a dealer to advertise any Covered Product at a price lower than the MAP. Such advertisements include, but are not limited to:

- i. Offering coupons, discounts, dealer rebates, or other inducements that, when applied, result in a price lower than the MAP, including through use of a storewide sale, promotional code, or other similar provision that can be applied to Covered Products.
- ii. Bundling Covered Products with other Covered Products or other products or services (whether made by or provided by American Bass or another entity) in a manner that implies below-MAP pricing for the bundled Covered Product.
- iii. Strikeouts or strikethroughs of pricing information, “see price in cart,” or other statements that suggest that a lower price for a Covered Product may be found at the final online checkout stage.

Direct or indirect attempts to circumvent the Policy also violate this Policy; however, it is not a violation to advertise that a customer may “call for price,” “text for price,” or “email for price” as long as no price is listed and no automated call, text message, or “bounce-back” email is used in response.

For purposes of this Policy, the terms “advertise” and “advertisement” include all promotional or pricing information displayed via any type of media, including, but not limited to, newspapers, catalogs, magazines, flyers, brochures, television, radio ads, billboards, signage (except signs displayed within a brick-and-mortar selling location), websites, blogs, social media, affiliate marketing networks/comparison shopping engines, dealer-initiated text messages or emails to customers or prospective customers, mobile/smart phone applications, banner ads, online product ads, paid search ads, pay-per-click ads, display ads, mobile ads, product listing ads, sponsored links, ads in any other media in a digital format that is communicated or conveyed via the

internet, and any other marketing or promotional materials displayed online or through broadcast or other media.

From time to time, American Bass may announce MAP holidays or promotions that are applicable to all dealers, during which periods a dealer that advertises a Covered Product in accordance with the terms of the authorized promotion will not be deemed to have violated the Policy. American Bass will notify all dealers of any such authorized promotions.

**This Policy does not constitute an agreement between American Bass and any other entity.** American Bass neither solicits nor will it accept any assurance of compliance with this Policy from any dealer or other party. Each dealer must independently choose whether to comply with the terms of this Policy. This Policy is not negotiable and will not be altered for any individual dealer. This Policy applies only to advertised prices and does not affect the prices that a dealer may charge for American Bass products.

### **NON-COMPLIANCE**

American Bass will take the following actions against any dealer that fails to comply with this Policy with respect to the advertisement of any Covered Product:

- i. For a dealer's first violation of the Policy, American Bass will notify the dealer in writing of such failure.
- ii. For a dealer's second violation of the Policy during a 12-month period following the first violation, American Bass notify the dealer in writing of such failure.
- iii. For a dealer's third violation of the Policy during a 12-month period following the first violation, American Bass will permanently place the dealer on a list of prohibited dealers. If the dealer purchases Covered Products directly from American Bass, American Bass will suspend its business relationship with the dealer, revoke its acceptance of any pending orders, and cancel any pending shipments to the dealer.

A continuing violation of the MAP Policy will be deemed to constitute a subsequent violation if it continues for more than 14 days after the dealer receives an initial notice of the violation. The Policy will be enforced by American Bass in its sole discretion and without notice. Dealers and distributors have no right to enforce the Policy.

### **POLICY ADMINISTRATION**

American Bass may update, revise, suspend, terminate, reinstitute, or modify this Policy at any time in its sole discretion. American Bass will maintain an updated Minimum Advertised Price Schedule and shall publish any modifications to this Policy or the Minimum Advertised Price Schedule or otherwise make such modifications available to all dealers.

No American Bass employee or agent is authorized to modify, interpret, or grant exceptions to this Policy; solicit or obtain the agreement of any person to this Policy; or otherwise discuss any

aspect of this Policy with any dealer or distributor, including any discussions of individual dealers' compliance with the terms of the Policy. Any questions about this Policy should be submitted in writing and directed to American Bass's MAP Policy Administrator at [brand@americanbassaudio.com](mailto:brand@americanbassaudio.com). American Bass will accept no other form of communication from dealers or distributors regarding the Policy.

This Policy is effective as of the Effective Date set forth above and supersedes all prior American Bass policies regarding minimum advertised prices or resale prices for American Bass Products applicable to dealers.