

2020 ANDIS COMPANY MINIMUM ADVERTISED PRICE (MAP) POLICY AND CO-OP ADVERTISING PROGRAM

Effective Date: November 1, 2020

Introduction

Andis Company ("Andis") has adopted the following unilateral Andis Minimum Advertised Price ("MAP") Policy & Co-op Advertising Program. Andis is one of the premier grooming, cutting and styling product companies in the world. We emphasize the quality, style, performance and innovative nature of Andis Products ("Andis Products"). In keeping with this image, we believe that Andis Products should be advertised at prices that reflect and protect the value of Andis Products. We also expect that our authorized resellers will maintain the high standards and brand image of Andis Products. Our resellers must also have the incentive to properly promote Andis Products and take the time to learn about them to successfully serve customers. For these reasons, Andis is announcing and implementing the Minimum Advertised Price Policy ("MAP Policy") and the Co-op Advertising Program.

Scope of the MAP Policy

The MAP Policy applies to all authorized resellers of Andis Products. Resellers include independent distributors and retailers, national and regional distributors and retailers, and internet distributors and retailers.

The MAP Policy applies only to advertised prices and does not apply to the price at which Andis Products are actually sold to any customer. As always, resellers have the ability and discretion to independently sell Andis Products at any price they choose. Andis does not seek, nor will Andis discuss or accept, any agreement or assurance from resellers concerning the prices at which they decide to sell Andis Products.

The MAP Policy applies to all advertising and promotion of Andis MAP Products (defined below). The advertising and promotion of Andis MAP Products includes, without limitation, placements on websites (Amazon, E-Bay, etc.), social networks (Facebook, Foursquare, Twitter, etc.), banner ads, broadcast emails, landing pages and all other electronic media. It also applies to other media as well including, without limitation, advertisements and promotions via television and radio, flyers, newspapers, magazines, billboards, and digital media.

Guidelines for Advertising and Promoting Prices

The following guidelines describe the rules that apply to the advertisement and promotion of Andis Products subject to the MAP Policy:

1. Resellers are not required to indicate pricing for Andis MAP Products in any media. However, if they do, the advertised or promotional price of Andis MAP Products cannot be less than the MAP for Andis MAP Products.
2. Resellers may advertise the Andis MAP Products at any price in excess of the MAP Price.
3. Resellers may not circumvent the MAP Policy by using phrases in their advertisements or promotions for the Andis MAP Products that indicate their

- selling price, such as "We'll Beat Any Offer by 10%," "Cheapest Prices Available," or other phrases similar in wording or intent, even if such materials do not state a specific price.
4. On all website(s) owned or controlled by a reseller, the reseller must disable online "cookies" that allow the Products to appear on personalized home pages or customized customer landing pages at prices below the MAP prices for such Products.
 5. The MAP Policy does not apply to advertising, promotion or personal selling that occurs within a reseller's retail store (including in-store price tags and in-store signage), or to any face-to-face or telephone communication between resellers and customers.
 6. The "shopping cart" or "checkout" price on an Internet website is not considered an advertised price and is not subject to this MAP Policy. Once a customer reaches the point of checkout via shopping cart on his or her own, a reseller may offer the customer special discount codes for discounts or promotions for the Products, which the reseller may determine in its sole discretion.
 7. The MAP Policy does not apply to "closeout" merchandise (when such "closeout" has been announced or approved by Andis).

The MAP Policy and Andis MAP Products

The MAP Policy applies to all of the products listed in the applicable Addendum A, B, or C ("Andis MAP Products"). The minimum advertised price (the "MAP Price") for each Andis MAP Product is also listed in the applicable Addendum A, B, C.

Andis reserves the right to modify the list of Andis MAP Products and the MAP Prices in its sole discretion from time to time and will communicate any such changes in writing.

Co-op Advertising Program

In conjunction with the MAP Policy, the Co-op Advertising Program has been adopted to provide financial and marketing assistance for direct purchasing resellers that choose to participate. Adhering to the terms of the MAP Policy and the guidelines below are prerequisites for participation in the Co-op Advertising Program.

Co-op Advertising Allowance

Andis will establish an advertising credit account ("Co-op Advertising Account") for each reseller participating in the Co-Op Advertising Program. Accumulated credits ("Advertising Credits") can be used to fund future advertising of Andis MAP Products. As discussed below, failure to abide by the MAP Policy and the guidelines can result in loss of the Advertising Credits.

Application of Co-op Advertising Program.

1. Resellers will earn Advertising Credits in their Co-op Advertising Accounts equal to the established percentage of their net purchases (less all returns and allowances) of all Andis MAP Products detailed on Addendum A, B, or C and purchased directly from Andis. Resellers may use the Advertising Credits in their Co-op Advertising Account toward reimbursement for costs related to advertising Andis MAP Products.

2. To use Advertising Credits, the Andis MAP Products shown in the advertisement or promotional media must be advertised or promoted at prices equal to or above the prices shown on the Andis Minimum Advertised Price List. Any price information relating to an Andis MAP Product on an internet website which can be accessed directly through any hypertext link or by any other method which uses the hypertext transfer protocol ("http") is considered to be advertising for purposes of the Co-op Advertising Program.
3. In addition to print advertising (catalogs, magazine ads, etc.), distributors can also use Advertising Credits for internet banner ads for Andis MAP Products advertised at or above those listed in the Andis Minimum Advertised Price List.
4. Advertising for an Andis MAP Product in conjunction with a free or discounted good (whether the free or discounted good is an Andis or non-Andis item) must receive prior approval by an Andis Channel Manager or will be considered a violation of the MAP Policy.
5. To be eligible for the Co-op Advertising Program, the Andis MAP Products must be clearly shown and the Andis logo must be prominently displayed in the advertisement, either as part of the headline or in the portion of the ad featuring the Andis MAP Products.
6. Advertisements for "closeout" merchandise will not be eligible for reimbursement under the Co-op Advertising Program.
7. To receive Advertising Credits, reseller must submit a copy of the MAP Policy-compliant advertisement to Andis together with proof of the cost of the advertisement. Such materials must be submitted to Andis within 30 days following the calendar quarter in which the advertising expense was incurred. Andis reserves the right to request additional information to verify the advertisement and determine Advertising Credits.
8. If the advertisement does not comply with all of the provisions of the Co-op Advertising Program, Andis reserves the right to deny the request for Advertising Credits in part or in full.
9. If the request for Advertising Credits is approved, Andis will issue an Advertising Credit to the reseller's account for the approved advertising at the end of the calendar quarter in which the request is made.
10. Reimbursement under the Co-op Advertising Program will be made only in Advertising Credits issued to the reseller's account. No cash funds will ever be issued to the reseller.
11. All unused Advertising Credits earned in a calendar year will expire as of January 31st of the succeeding year.
12. Internet sites listing Andis MAP Products for sale to the public as new are considered included in the Co-op Advertising Program and subject to the parameters established herein.

13. Andis reserves the right to alter, amend or terminate the Co-op Advertising Program at any time in its sole discretion. If the Co-op Advertising Program is terminated, all accumulated Advertising Credits will immediately become null and void.

Third Party Resale

Resellers may only sell Andis MAP Products to other authorized resellers. Each reseller participating in the Co-op Advertising Program must provide a list of all third-party resellers it sells to or contracts with, including site names. Resellers are never authorized under any circumstances to resell Andis products to the following companies, including but not limited to: Amazon.com, Walmart, Walmart.com, Target, Target.com, Walgreens, Walgreens.com, Kohls, Kohls.com, SallyBeauty.com, Sears.com, Newegg.com, and Woot.com. By way of example, an inclusive but non-exhaustive list of unauthorized third-party retailers are attached as Addendum D. This list, available at Andis.com, will be updated by Andis from time to time. Product warranties and service repairs will not be supported on any Andis Products purchased through unauthorized retailers. Third-party resellers are not authorized to earn Advertising Credits.

Third-Party Internet Resale

Authorized resellers may not sell Andis MAP Products on or to any third-party website or marketplace without the prior written approval of Andis. For purposes of this policy, the following definitions apply:

- a. A “third-party internet website or marketplace” is any website that is not owned and controlled by an authorized reseller, and which provides a virtual “storefront”, auction process or any other sales opportunity (e.g. consignment) under the name or brand of a third-party or co-branded with a third-party (including by way of example Amazon.com, eBay, Walmart.com).
- b. A “sale” occurs if a customer accepts an offer to sell, or a seller accepts an offer to buy, an Andis product on a third-party Internet website or marketplace. An “offer to sell” does not require acceptance of the offer.

Resellers are never authorized under any circumstances to resell Andis products to the following companies, including but not limited to: Amazon.com, Walmart.com, Target.com, Walgreens.com, Kohls.com, Sallybeauty.com, Sears.com, Newegg.com and Woot.com. By way of example, an inclusive but non-exhaustive list of unauthorized third-party retailers are attached as Addendum D. This list, available at Andis.com, will be updated by Andis from time to time. Product warranties and service repairs will not be supported on any Andis Products purchased through unauthorized retailers. Third-party resellers are not authorized to earn Advertising Credits.

Enforcement

Failure to abide by the MAP Policy will result in consequences as Andis may determine in its sole discretion including, without limitation, forfeiture of Advertising Credits, ineligibility to participate in other Andis programs, loss of access to any and all discounts or rebates offered by

Andis, loss of access to Andis Products or product lines and even termination of the ability to buy and resell Andis Products or product lines.

If approved by Andis and in the case of Andis Products sold by a reseller to a third-party reseller including, without limitation, an Internet company or a distributor, it is the reseller's responsibility to communicate the MAP Policy to the third-party reseller and also to require its adherence to all guidelines and pricing. For purposes of Andis review and enforcement, a violation by a third-party reseller will be considered a violation by the reseller itself. Resellers shall immediately stop selling Andis Products to any third-party reseller that is not in compliance with the MAP Policy.

Andis will manage and enforce the MAP Policy and Co-op Advertising Program in its sole discretion. Andis will investigate and resolve any discovered or reported noncompliance or violation unilaterally and in its sole discretion. Andis has the right, but not the obligation, to monitor, review or audit resellers' advertising and promotions including, without limitation, those on websites and other Internet communications that concern Andis or Andis Products. Andis may also use one or more outside firms or individuals to monitor compliance with the MAP Policy and Co-op Advertising Program.

The MAP Policy and Co-op Advertising Program shall be unilaterally administered by Andis and shall be effective only for U.S. resellers. This is Andis' unilateral MAP Policy & Co-op Advertising Program. Andis does not seek consultation with any reseller about the MAP Policy and Co-op Advertising Program, and Andis will not accept any agreement with any reseller regarding the MAP Policy and Co-op Advertising Program. There are no third-party beneficiary rights to the MAP Policy and Co-op Advertising Program. Any failure by Andis to require compliance with any provision of the MAP Policy and Co-op Advertising Program will not operate as a waiver to require strict compliance in the future and will not result in any liability to any other reseller.

Andis sales personnel and customer service personnel have no authority to modify or grant exceptions to the MAP Policy and Co-op Advertising Program and, without limiting the foregoing, are not permitted to discuss with resellers the enforcement of the MAP Policy and Co-op Advertising Program or any discontinuance of, or reinstatement of, sales.

Any questions regarding the MAP Policy and Co-op Advertising Program should be directed to: Gary Stanczyk, Andis Chief Growth Officer, 262-671-3670, gstanczyk@andisco.com.

If any provision of the MAP Policy and Co-op Advertising Program is invalid or unenforceable in a jurisdiction or province, it is to be modified or severed in that jurisdiction or province to the extent of such invalidity or unenforceability, and which fact will not affect the validity or enforceability of that provision in another jurisdiction or province or the MAP Policy and Co-op Advertising Program's remaining provisions.

The MAP Policy and Co-op Advertising Program is subject to revision, modification, suspension or discontinuation by Andis in its sole discretion at any time. Andis will provide notice of changes to authorized resellers and copies of the current version of the MAP Policy and Co-op Advertising Program will be made available to them upon request.

Acknowledgement of Receipt of Policy:

Company Name: _____

Date: _____

Signature: _____

Name: _____

Title: _____