



Unilateral Pricing Policy

Vesper Marine, Inc. has a positive and beneficial relationship with its resellers and actively supports their efforts to advertise and promote Vesper Marine products. Vesper desires to protect the integrity of its product pricing while supporting its Distributors and Retail Dealers in achieving distribution channel profitability. Vesper Marine has determined it is in the best interest of Vesper Marine and its Resellers that it adopt the Unilateral Pricing Policy (UPP) to include Minimum Advertised Price (MAP) and Minimum Retail Price (MRP) Policies as set forth herein. These policies are designed to (a) protect reseller margins (b) support and preserve the reputation, equity and value of the Vesper Marine name; and (c) avoid destructive channel conflicts created by resellers aggressively discounting prices. We greatly appreciate the efforts of all our resellers to market and sell Vesper Marine products.

MAP Policy Coverage

This MAP policy covers all Vesper Marine retailers and distributors, including internet retailers (collectively "Resellers") located in the US. The MAP is in effect for all current products listed on the price list where MAP is noted ("MAP Designated Products"). Resellers retain the right to establish their own retail prices. This Policy applies only to advertised prices and does not determine what price a product is actually sold at. Vesper Marine will, without assuming any liability, unilaterally impose sanctions as described below in this Policy against Resellers who advertise MAP Designated Products at prices below those specified herein. Vesper Marine will not discuss any conditions or assurance of acceptance related to this MAP policy, it is non-negotiable, and will not be altered for any Reseller. In no way is this MAP policy intended, nor shall be construed to be, an agreement between Vesper Marine and a Reseller as to minimum prices a Reseller must maintain.

Minimum Advertised Price

The MAP policy applies to all advertisements of specified MAP Designated Products in any and all media, including, but not limited to, flyers, posters, coupons, mailers, inserts, newspapers, magazines, catalogs, mail order catalogs, internet or similar electronic media, email newsletters, email solicitations, television, radio and public signage.

The MAP policy is not applicable to any in-store advertising that is displayed only in the store and not distributed to any customer(s). Vesper Marine products not specifically identified or discontinued products in this Policy are not subject to MAP.

MAP Policy Violations

In the event a Reseller chooses to market and advertise MAP Designated Products below MAP, sanctions will be unilaterally imposed by Vesper Marine. Violations of MAP policy shall be determined by Vesper Marine in its sole discretion. Intentional or repeated violation of a Reseller to abide by this Policy will result in sanctions;

1st Violation: A written notification with allotted time to take corrective action to resolve violation.

2nd Violation: A 30-day suspension of Reseller's ability to purchase the item involved in such violation.

3rd Violation: A 30-day suspension of all MAP Designated Products.

4th Violation: An indefinite suspension of Reseller's status as an Authorized Vesper Marine Reseller.



MRP Policy Coverage

This MRP policy covers all Vesper Marine retailers and distributors, including internet retailers (collectively "Resellers") located in the US. The MRP is in effect for all current products listed on the price list where MRP is noted ("MRP Designated Products"). In order to remain in good standing Resellers must advertise and sell all MRP Designated Products at, or above, the MRP. Vesper Marine acknowledges that Resellers are free to establish their own pricing for MRP Designated Products, however, if Vesper Marine determines, in its sole discretion, that a Reseller has offered or sold any MRP Designated Products for which a MRP is listed on the price list at a net retail price lower than the then-current MRP Product list price, without any liability to such Reseller, Vesper Marine will cancel all unshipped orders and not accept any additional orders for such MRP Product from such Reseller for a period of sixty (60) days. Subsequent violations of this MRP Policy may result in the permanent termination of sales to such Resellers as set forth herein. Coupons, rebates and any other method of reducing the retail price paid for a MRP Product to a price lower than the then-current MRP Product list price is a violation of this MRP Policy unless prior approval from Vesper Marine is granted. Bundling of any MRP Designated Product is prohibited unless it is a Vesper Marine bundle or prior approval from Vesper Marine is granted.

MRP Policy Violations

In the event a Reseller chooses to advertise or sell MRP Designated Products below MRP, sanctions will be unilaterally imposed by Vesper Marine. Violations of MRP policy shall be determined by Vesper Marine in its sole discretion. Intentional or repeated violation of a Reseller to abide by this Policy will result in sanctions;

1st Violation: A 60-day suspension of Reseller's ability to purchase the item involved in such violation.

2nd Violation: A 60-day suspension of all MRP Designated Products.

3rd Violation: An indefinite suspension of Reseller's status as an Authorized Vesper Marine Distributor or Retail Dealer.

Unilateral Policy

This Vesper Marine Unilateral UPP applies only in the United States and sets forth the terms upon which Vesper Marine will sell its MAP and MRP Products to Resellers. Vesper Marine may change or discontinue this UPP at any time in its sole discretion. Vesper Marine does not and will not enter into any kind of agreement or understanding with any third party in connection with the advertising or selling prices of any Vesper Marine products. Vesper Marine will not entertain any request for exceptions to this UPP, which is non-negotiable. This UPP is not an agreement between Vesper Marine and any third party and is not susceptible of acceptance by any third party with regard to any subject whatsoever, including but not limited to the prices at which any Distributor, Retail Dealer or other third party will sell any MAP or MRP Product, or that any Distributor, Retail Dealer or other third party will comply with this UPP. Resellers must comply with all policies, except for those where compliance is not mandatory. All determinations of compliance or non-compliance with this UPP will be made by Vesper Marine in its sole discretion.

Vesper Marine personnel are not authorized to discuss its MRP Policy or MAP Policy or any similar pricing policies or practices of any other manufacturer, distributor or reseller. Vesper Marine reserves the right at any time and for any reason to modify this Policy, to establish new or different policies or to discontinue any or all of such policies. This Policy shall remain in effect until modified or terminated by Vesper Marine.