

AGS COMPANY MIMIMUM ADVERTISED PRICE POLICY

AGS Company (“AGS”) has unilaterally adopted a Minimum Advertised Price (MAP) policy, which shall apply to all manufacturer’s representatives and retailers who resell covered products to end users located in the United States and Canada. This policy applies to certain products sold under the trade names KLEDGE-Lok, FlareForce, and Splice-Lok (“Covered Products”). A complete listing of Covered Products, together with MAP pricing, is found at www.agscompany.com/map. AGS reserves the right to include future product lines in this policy as well, upon notice to its resellers.

AGS is adopting this policy in order to protect our reputation for superior technology, quality products, and strong sales support. This policy is designed specifically to protect resale margins so that sufficient measures like pre and post-sale services can be guaranteed throughout the channels of distribution. This policy will also serve to protect AGS products as the premium products for their categories in the market.

This policy has been unilaterally adopted by AGS and will be uniformly enforced.

- 1) The MAP Policy applies to all advertisements of Covered Products in any and all media, including, without limitation, flyers, posters, coupons, mailers, inserts, newspapers, magazines, catalogs, mail-order catalogs, internet or similar electronic media including websites, 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.
- 2) Prices advertised and communicated to the public using any of the methods described in paragraph 1, above, must be equal to or greater than the MAP guideline established by AGS.
- 3) If pricing is displayed in any aforementioned advertisement, any strike-through or other alteration of the Minimum Advertised Price is prohibited.
- 4) The MAP Policy applies only to advertised prices and does not apply to the price at which the products are actually sold or offered for sale to a customer. Resellers remain free to sell Covered Products at any prices they choose.

- 5) Internet auctions and Internet auction sites may not display or have reserved bid or other acceptable prices for Covered Products that are below the MAP.
- 6) From time to time, AGS may discontinue products or engage in promotions with respect to particular products. In such events, AGS reserves the right to unilaterally suspend or modify application of this MAP Policy with regard to such products by providing notification of such change at www.agscompany.com/map.
- 7) AGS reserves the right to adjust the MAP with respect to all or certain products, at its sole discretion, by posting notice of such changes at www.agscompany.com/map. Such changes shall apply equally to all manufacturer's representatives and retailers.
- 8) In the event any reseller chooses not to follow the AGS MAP Policy, sanctions will be unilaterally imposed by AGS.
 - For the first violation of this MAP policy in any 18-month period, the offending reseller will be suspended from purchasing any KLEDGE-Lok, FlareForce, and/or Splice-Lok product for a period of 30 days;
 - For the second violation of this MAP policy within 18 months of the first violation, the offending reseller will be suspended from purchasing any KLEDGE-Lok, FlareForce, and/or Splice-Lok product for a period of 90 days;
 - For the third violation of this Map policy within 18 months of any prior violation, the offending reseller will be terminated and AGS will cease any and all sales of KLEDGE-Lok, FlareForce, and/or Splice-Lok products to the offending reseller.

Violations of the MAP Policy shall be determined by AGS in its sole discretion. AGS will not accept any communication from a reseller who has violated this MAP Policy regarding the violation or the willingness of the manufacturer's representative or retailer to bring its advertised prices into compliance with the MAP Policy.

- 9) This MAP Policy is solely the decision and responsibility of AGS. No employee or sales representative of AGS has any authority to discuss or modify this policy, and any action of any person which claims to modify this policy or to solicit or obtain the agreement of any person to the policy, is unauthorized and invalid. Any questions about this policy should be in writing and directed to Christian Byar (cbyar@agscompany.com) at AGS, who will respond only in writing. No oral communications about this policy are authorized or binding on AGS. The foregoing MAP Policy and any MAP Product Listing is subject to modification or discontinuance by AGS,

in its sole and absolute discretion, at any time. Any action taken by AGS under this policy shall be without liability to AGS

- 10) AGS is not seeking agreement from any reseller to adhere to this MAP Policy. It is entirely within the discretion of the reseller whether to comply or not comply.

MAP effective as of the date of this notification, and in effect until further notice:

- * **Advertised price shall be no lower than Manufacturer's Suggested Retail Price ("MSRP") for KLEDGE-Lok, FlareForce, and/or Splice-Lok branded product identified at www.agscompany.com/map.**

- * **Current Suggested Retail Prices, as well as the permissible Minimum Advertised Prices, for all KLEDGE-Lok, FlareForce, and Splice-Lok products can be found at www.agscompany.com/map. AGS reserves the right to change or modify both the suggested and minimum advertised prices at any time, in its sole discretion.**