

MINIMUM ADVERTISED PRICING POLICY

U.S. Arms Company, LLC (USAC) works hard to ensure that all authorized dealers provide consumers of USAC products with the advice, service, knowledge, and support necessary to maintain the highest level of customer satisfaction. Certain types of advertising can affect our goodwill and is damaging to USAC standards and reputation. Therefore, USAC has established a Minimum Advertised Price ("MAP") policy.

OBJECTIVES

1. To ensure that our dealer-product relationships are consistent and value based
2. To maintain the proper positioning of USAC products in the marketplace

The MAP Policy

Dealers may advertise the following USAC products at or above the minimum advertised price (MAP).

- Rifles: Five percent (5%) below MSRP
- Muzzle Brakes: Ten percent (10%) below MSRP

The MAP is published in the USAC Dealer price list. For purposes of the MAP Policy, "advertising" means any advertising through authorized media. Authorized media includes but is not limited to billboards, newspapers, magazines, catalogs, brochures, direct mail, retail flyers, television, radio, e-commerce, forums and dealer internet sites or any other method which uses the hypertext transfer protocol ("http"). Any internal link to a web based shopping cart is considered advertising for the purposes of this policy, and/or any other method that USAC considers traditional.

Advertising at prices below MAP violates the MAP Policy. Any price with a "strike through" treatment is not considered a proper display of the MAP or higher price. Any advertised price, discounts such as coupons, or other free products resulting in an effective advertised price for USAC products at less than the MAP will constitute a violation of the MAP Policy. A dealer who advertises bundles of products, which include USAC products, must advertise the price or value of the USAC products at or above the MAP. For example, the advertised bundle should say "includes USAC product, which has a suggested retail price of \$XX.00 (or higher)".

The MAP Policy applies only to the dealer's advertised prices, not selling prices. Dealers are free to sell USAC products at whatever price they choose. USAC will monitor

compliance with this policy. USAC may, at its own discretion, stop supplying products to any dealer found to be in violation of the MAP Policy. Questions about whether a planned advertisement complies with this policy should be directed to U.S. Arms Company, LLC. at (478) 239-4720 for guidance.

USAC products may not be sold on any internet auction sites or third-party websites without the express written permission of USAC. SmartEtailing/Buy Local Now sales are allowed by this agreement.

Ebay and Amazon are not approved platforms. These platforms will result in an immediate second violation

MAP Violations are Handled as Follows

First Violation: Direct contact by USAC and/or Dealer

Second Violation: 30 day suspension of sales

Third Violation: 90 day suspension of sales

Fourth Violation: Permanent suspension of sales