



Lancaster Water Group
Unilateral Internet Reseller & Minimum Advertised Price (MAP) Policy

Effective Date: March 17, 2025,

I. Overview: C-B Tool, Co., d/b/a Lancaster Water Group (“LWG”) takes great pride in its commitment to offering reliable, high-quality products and exceptional customer support. LWG recognizes that advertising and sales practices that promote LWG products primarily based on price could weaken customer support efforts and degrade the valuable goodwill LWG has developed. To discourage resellers from depreciating the quality of its products through certain advertising practices, LWG has adopted this Unilateral Internet Reseller & Minimum Advertised Price (MAP) Policy (“Policy”) with respect to products sold under the LWG brand name (“LWG Products”). This Policy generally prohibits (i) selling LWG Products to Mass Retailers, (ii) selling LWG Products and Limited Products, as applicable, in violation of this Policy, (iii) advertising MAP Products on the Internet for sale, resale, or auction at prices lower than those established by LWG (each, a “MAP Price”), and (iv) certain other online advertising methods with respect to LWG Products.

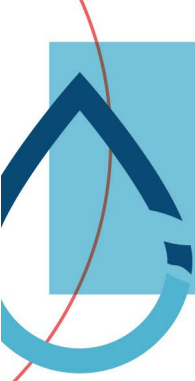
II. Applicability: This Policy applies to all vendors, resellers, sales representatives and distributors of LWG Products (collectively, “Resellers”). LWG will, without assuming any liability, unilaterally impose sanctions as described in this Policy on any Reseller who advertises or sells LWG Products in violation of the terms specified herein. This Policy also applies to any activity which LWG determines, in its sole discretion, is designed or intended to circumvent the intent of this Policy. LWG does not seek evidence of compliance from Reseller with this Policy.

III. Policy Terms. LWG’s policy is to prohibit the following:

1. **No Sales to Mass Retailers.** Reseller(s) shall not sell or offer to sell LWG Products separately or as part of a complete system to any retailer whose primary products are not comprised of water treatment products, plumbing supplies and/or related services (“Mass Retailers”), including but not limited to, Wal-Mart, Costco Wholesale, Sam’s Club, Price Club, Loew’s, K-Mart, Menards, Fleet-Farm, and Home Depot. LWG shall have the sole and absolute discretion to determine whether a retail establishment constitutes a Mass Retailer.

2. **Sales to End-Users and Installation Professionals.**

a. **Eligible Customers.** Unless otherwise agreed to by LWG in writing, Reseller(s) may only purchase for resale or sell LWG Products to End-Users (as defined below) and Installation Professionals (as defined below) qualified in accordance with this Policy. Each Reseller shall be solely responsible for instituting reasonable procedures to ensure that End-Users and Installation



LANCASTER

WATER GROUP

1340 MANHEIM PIKE, LANCASTER, PA 17601 | 1.800.442.0786 | LANCASTERWATERGROUP.COM

Professionals do not make subsequent sales that would violate this Policy. For purposes of this Policy:

- i. “End-User” means any consumer of LWG Product(s) who is the ultimate consumer for whom such LWG Product(s) is designed and who does not intend to resell such LWG Product(s) to a third-party.
- ii. “Installation Professional” means a (i) purchaser of LWG Product(s) that will install or cause LWG Product(s) to be installed for an End-User and (ii) has the personnel qualified, in the reasonable discretion of LWG, to perform pre-sale and post-sale support, delivery, installation, warranty and out of warranty repairs on water treatment systems.

3. Anonymous Sales. This Policy prohibits “Guest Checkout” or other anonymous methods of Internet sales. LWG’s policy is that all internet customers create “user accounts” with the applicable Reseller. Resellers shall require all customers, including End-User and Installation Professionals, to create “customer accounts” prior to or in connection with making any internet purchase. Each Reseller shall be responsible for collecting such information to reasonably confirm that such customer is an End-User or Installation Professional, qualified to purchase LWG Products in accordance with this Policy.

4. Report Unauthorized Resellers. It is LWG’s policy to monitor third-parties who violate this Policy. Reseller(s) shall promptly notify LWG in writing if Reseller has information or reasonably suspects that any third-party is or seeking to purchase, resell or distribute LWG Products in a manner in violation of this Policy.

5. Website Requirements. It is LWG’s policy that all Reseller’s comply with the following:

a. Reseller’s domain(s), subdomain(s), URL(s), and the like (“Domain Names”) must not contain any LWG’s trademarks, service marks, logos or symbols, the words “Lancaster Water Group”, “LWG, or any variation or combination of “Lancaster Water Group” or “LWG” with other words.

b. Reseller shall not suggest or imply that its website, advertisement, sponsored link, or any other online marketing used or paid for by Reseller is in any way related to the official LWG website owned and operated by LWG. Reseller’s use of terms such as "Official LWG Headquarters", "LWG Home" and "LWG Official Store" are prohibited.

c. Reseller shall not use superlatives to describe the quantity of LWG inventory, the pricing of LWG Products, or the LWG online shopping experience on any website, advertisement, sponsored



link, or any other online marketing used, paid for or associated with Reseller. Phrases such as "lowest prices – LWG" are prohibited.

d. Reseller must not partner with any third party that uses adware, spyware or other software to engage in pop-up or pop-under advertising or non-user-initiated activity (e.g., forced clicks or redirects). Pop-up or pop-under advertising or non-user-initiated activity based on keyword searches, textual triggers, or screen-scraping associated with any LWG trademark used or owned by LWG or any common misspelling or confusingly similar trademarks is strictly prohibited.

e. Reseller is solely responsible for ensuring cybersecurity protection reasonably expected to prevent any data breach or disclosure of end-user data or other confidential information.

6. Limited Products; Internet Sales. LWG has adopted additional limitations with respect to certain LWG's Products (each, a "Limited Product"). For the avoidance of doubt, Limited Products are included within the definition of "LWG Products" and subject to the terms of this Policy.

a. Limited Products. The current list of Limited Products can be found by contacting LWG at info@lancasterwatergroup.com. LWG reserves the right to alter, modify, and suspend the current list of Limited Products.

b. Sales of Limited Products. Reseller may not sell Limited Products or any water treatment system incorporating Limited Products over the Prohibited Channels (as defined herein). Notwithstanding the foregoing, Reseller may provide product specifications and promotional, educational and general information regarding Limited Products and water treatment systems containing Limited Products on the Internet. In the event Limited Products are listed on a Prohibited Channel in accordance with the preceding sentence, Reseller shall instruct all potential customers to contact Reseller directly, whether via telephone, fax, or email, for pricing details. "Prohibited Channels" shall include sales made through websites including, but not limited to, Reseller's own internet site, a dealer's internet site, Craigslist.com, Facebook.com, Ebay.com and Amazon.com. For clarity, this Section 6.b prohibits "add to cart" internet sales, as well as all other internet sales. For clarity, in no event shall Reseller publish prices of Limited Products or water treatment systems incorporating Limited Products online. It shall not be a violation of this Section 6 to advertise that a customer may "call for price" or "email for price", or to use similar language, specifically with respect to Limited Products, so long as no price is listed.

7. Minimum Advertised Price

a. MAP Products and Price. The current list of MAP Products and MAP Prices (displayed as list price) is set forth on the current Price list, a copy of which can be found at




LANCASTER
WATER GROUP

1340 MANHEIM PIKE, LANCASTER, PA 17601 | 1.800.442.0786 | LANCASTERWATERGROUP.COM

www.Lancasterwatergroup.com/pricing or by contacting LWG at info@lancasterwatergroup.com. Each Reseller is responsible for its compliance with the current MAP Product list.

b. Applicability. The provisions of this Section 7 apply to any advertisements of MAP Products, including but not limited to flyers, electronic and print mailers, brochures, coupons, newspapers, television/radio media, inserts, electronic media advertising such as e-commerce sites, websites, natural or paid search engine listings, social media, or the like.

c. Requirements. All advertising must list either no price or a price that, after applying all discounts, rebates and promotions, is at or above the MAP Price then established for such MAP Product. Compliant Resellers will advertise at full MAP Price or when a user takes action to see the advertised price (i.e. adding product to cart to see pricing). Non-compliant Resellers advertise below full MAP Price with no user action (i.e. advertising below MAP Price without adding an item to the cart). Website features such as “click for price,” “add to cart for price,” pre-formatted e-mail responses, such as automated bounce back e-mails, and other similar features that contain or convey such language specifically with respect to MAP Products are considered to be communications initiated by Reseller and constitute advertising under the Policy. It shall not be a violation of this Section 7 to advertise that a customer may “call for price” or “email for price”, or to use similar language, specifically with respect Map Products, so long as no price is listed

d. This Section 7 does not apply to the price at which LWG products are actually sold, or to advertised prices higher than MAP Prices then established.

IV. Unilateral Policy. This is an entirely unilateral policy on behalf of LWG. LWG neither solicits nor will it accept assurances by any Reseller of acquiescence with this Policy. LWG will not discuss conditions of acceptance related to this Policy. This Policy is non-negotiable and LWG will neither discuss this policy with any Reseller nor alter, modify, or amended this Policy for any Reseller. **LWG’S PERSONNEL HAVE NO AUTHORITY TO MODIFY OR GRANT EXCEPTIONS TO THIS POLICY**. All questions regarding interpretation of this Policy should be directed to: info@lancasterwatergroup.com.

V. Modifications. LWG reserves the right to alter, modify, suspend or cancel this Policy at any time and at LWG’s sole discretion. Any changes to this Policy, including the then current list of Limited Products and/or MAP Products, will be set forth at: [www.Lancasterwatergroup.com]

VI. Enforcement & Penalties: If LWG determines, at its sole discretion, that a Reseller violates this Policy, LWG may unilaterally enforce consequences at its sole discretion. **If a Reseller violates this Policy and LWG enforces a consequence, the Reseller shall have a period of 3 business days to cure the violation before the next consequence is enforced.** LWG reserves the right to unilaterally take any or all of the following actions:



LANCASTER

WATER GROUP

1340 MANHEIM PIKE, LANCASTER, PA 17601 | 1.800.442.0786 | LANCASTERWATERGROUP.COM

- Reseller may be placed on ship hold.
- Reseller's price may be increased.
- Reseller's authorization to advertise and sell LWG products through digital marketing tactics may be revoked.
- Reseller may be placed on LWG's "do not sell list".
- Reseller may be deemed an "unauthorized reseller" of LWG Products (including the Limited Products) and, as such, shall have no right to: (i) sell the LWG products, (ii) use LWG's intellectual property, including any of its trademarks or copyrights, or (iii) offer LWG's warranty applicable to any of LWG products.
- Reseller may become ineligible to receive volume rebates.
- Reseller's business relationship with LWG may be terminated.

In the event that a Reseller violates the Policy and LWG terminates its business relationship with the Reseller, it is within LWG's discretion to request the return of its Products as well.