



Dutch Country Soft Pretzels

Retail Unilateral Pricing and Promotion Policy (UMAP)

August 1st, 2019

Dutch Country Foods, LLC has unilaterally determined to implement a Unilateral Minimum Advertised Price (UMAP) Policy effective as of January 1, 2019, which is applicable to the Internet Advertising (as defined below) of each authorized retailer located in the United States of America that sells Dutch Country Soft Pretzels products to end-users (individually, an “Authorized Retailer” and collectively, “Authorized Retailers”).

In order to protect our premium brand image, our reputation for quality products, and the long term interests of Dutch Country Soft Pretzels’ retailers and consumers, and in consideration of Dutch Country Soft Pretzels’ advertising and marketing for the benefit of its retailers and consumers, Dutch Country Soft Pretzels has unilaterally adopted this Unilateral Minimum Advertised Price (“UMAP”) standards for all Dutch Country Soft Pretzels’ products advertised to consumers via physical commerce channels (i.e., advertisements occurring at retailers’ brick-and-mortar stores), and for all Dutch Country Soft Pretzels products advertised to consumers via internet and catalog commerce channels. Dutch Country Soft Pretzels sets this minimum retail advertised prices unilaterally with the goals of being fair to our retailers and consumers, allowing our retailers to be competitive with other brands, and giving our retailers sufficient margin to provide the exceptional service and support for Dutch Country Soft Pretzel products that our consumers have come to expect. This policy replaces and supersedes all prior pricing and promotion policies issued by Dutch Country Soft Pretzel.

Application of Policy. This policy applies to all products manufactured and distributed under or in connection with the Dutch Country Soft Pretzel brand name. This policy applies to all advertised prices. “advertised” or “advertisement” means any communication with customers that identifies Dutch Country Soft Pretzel products. This includes, but is not limited to, radio ads, print ads, television ads, catalogs, direct mail, grocery advertising, phone solicitations, emails, circulars, advertising stuffers in monthly statements, websites, third party website advertising, banner ads, and any other media used to communicate prices to the public. For purposes of this policy, in-store displays, in-store advertising, in-store conversations between retailer and customer, and sale prices posted in retailers’ brick and mortar store are not considered advertisements.

Retailer and Dutch Country Soft Pretzel Pricing Rights. This policy is non-negotiable; however, retailers are free to decide whether to follow this policy. Although Dutch Country Soft Pretzels will suggest UMAP retail prices for its products, retailers have the right to unilaterally and independently determine the prices at which they actually sell Dutch Country Soft Pretzel products to consumers. This policy does not constitute an agreement between any retailer and Dutch Country Soft Pretzels, and Dutch Country Soft Pretzels is not seeking a response from you. Nothing in this policy shall constitute an agreement or understanding that any retailer will sell Dutch Country Soft Pretzels products at or above any particular price. Dutch Country Soft Pretzels may at any time modify, suspend, or discontinue this policy in whole or in part or specify certain periods during which the policy is inapplicable.

Pricing Policy. The following paragraphs state UMAP policies, as well as the expectation that Dutch Country Soft Pretzel holds for its partners with respect to pricing of all Dutch Country Soft Pretzels’ products.

Physical, Online & Catalog Retail: For sales of Dutch Country Soft Pretzels products via physical online & catalog channels, retailers should not advertise Dutch Country Soft Pretzels products to consumers at prices lower than the UMAP listed for each product in Dutch Country Soft Pretzels' price list. Both the UMAP and the price list are subject to change from time to time at Dutch Country Soft Pretzels' sole and unilateral discretion, which changes shall be communicated to Retailer. The UMAP policy does not establish maximum advertised prices, and retailer may advertise Dutch Country Soft Pretzels products at and price in excess of UMAP.

Promotional Policy. Dutch Country Soft Pretzel products should not be included in promotions that have a net result of an advertised price below UMAP. Advertisements that express, imply, or result in a price less than UMAP are contrary to this policy. Examples include, but are not limited to, the following:

- *“see price in cart”, “click for price”, “add to cart” or any other pricing method that is intended to solicit potential customers but is not otherwise entered into by the customer as part of a final stage of purchase.*
- *Advertisements in lieu of prices indicating that the advertised price of the product is below UMAP, such as “priced too low to print” or “prices so low we can’t advertise them”*
- *Instant rebates*
- *Advertised rebates that bring the net price below UMAP*
- *Promotional codes*
- *Promotional coupons*
- *Strike through pricing*
- *Any other method on a website intended to solicit potential customers to put the product in a cart that ultimately displays a price lower than UMAP*

Advertisements that do not express, imply, or result in a Dutch Country Soft Pretzels product being priced below UMAP are not contrary to this policy. Examples include, but are not limited to, the following:

- *Gift with purchase*
- *Free shipping promotions*
- *Pay your tax promotions*

Website-wide sales: The Dutch Country Soft Pretzels brand should not be included in any form of a site-wide sale that discounts Dutch Country Soft Pretzels products below UMAP price.

Retailer Clubs & Rewards Programs: A retailer may offer a Dutch Country Soft Pretzels product as part of a club program, discount program, loyalty program, or other similar programs provided that:

- *The discounted price is shown only at checkout. Retailer must clearly signal to consumer that the discounted price is available only as part of this retailer-specific program.*
- *The consumer must take measurable actions that benefit the long-term brand loyalty, for example, pay membership dues, accrue points via brand engagement, and the like)*
- *The retailer must provide a platform for participation (i.e. secure member store, third party program, login required, etc.)*

UMAP Seasons. As found on Dutch Country Soft Pretzels' price sheets.

- Spring – Fall 2019: April. 1- December 31, 2019
- Fall winter 2019: Jan 1 – March 31, 2020

Violations: If an Authorized Retailer advertises a UMAP Product (“Internet Advertising”) at less than its UMAP or uses certain terms in Internet Advertising, such Authorized Retailer has violated this Policy. However, this Policy pertains only to Internet Advertising and does not affect actual sales prices, so each Authorized Retailer remains free to advertise any or all of the UMAP Products as it wishes in other media and to sell such products at any prices it chooses.

Violation Consequences: During the period that this Policy is in effect (the “Policy Period”):

- a) For the first violation during the Policy Period: Such Authorized Retailer will remove or cause to be removed the offending reference(s) no later than one (1) business day after receiving notice thereof from Dutch Country Soft Pretzels in writing or electronically by e-mail or fax.
- b) For the second violation during the Policy Period: If (i) the offending reference(s) that caused the first violation is or are not so removed or (ii) such Authorized Retailer violates this Policy a second time with the same UMAP Product(s) or violates this policy with any other UMAP Product(s), effective as of the date specified in written or electronic notice from Dutch Country Soft Pretzels to such Authorized Retailer and for the ninety (90) day period thereafter, all pending orders (*even if accepted*) will be cancelled and all new orders will not be accepted from such Authorized Reseller for the family or families of the UMAP Products in which the second violation occurred.
- c) For the third violation during the Policy Period: If (i) the offending reference(s) that caused the second violation is or are not removed no later than one (1) business day after receiving notice of such second violation from Dutch Country Soft Pretzels in writing or electronically by e-mail or fax or (ii) such Authorized Reseller violates this Policy a third time with the same UMAP Product(s) or violates this Policy with any other UMAP Product(s), effective as of the date specified in written or electronic notice from Dutch Country Soft Pretzels to such Authorized Retailer and continuing until Dutch Country Soft Pretzels provides written or electronic notice to such Authorized Retailer otherwise, the authorization of such Authorized Retailer to purchase any or all of the UMAP Products is immediately revoked by Dutch Country Soft Pretzels, so that, for any or all of the UMAP Products, all pending orders (*even if accepted*) will be cancelled and all new orders will not be accepted from such Authorized Reseller.

Each violation of this Policy is cumulative, and the same act(s) or failure(s) to act may result in multiple violations if not addressed as required by this policy. If a second violation occurs, its consequences take effect regardless whether the one-day cure period for the first violation has run. Similarly, if a third violation occurs, its consequences take effect regardless whether the one-day cure period for the first violation has concluded or the ninety (90) day suspension period for the second violation has run.

This Policy may be modified, extended, suspended, discontinued or rescinded or compliance with this policy waived in whole or part at any time by Dutch Country Soft Pretzels in writing or electronically by e-mail or fax (including, without limitation, during any Dutch Country Soft Pretzels' promotional period(s)), with such action(s) effective immediately or as otherwise described by Dutch Country Soft Pretzels. This Policy: (i) remains in effect unless Dutch Country Soft Pretzels provides notice to Authorized Retailer otherwise in writing or electronically by e-mail or fax and (ii), except as otherwise permitted by this policy, cannot be superseded by any other announcement, policy or agreement, unless Dutch Country Soft Pretzels expressly states therein that this Policy has been superseded.

All questions or communications from Authorized Retailer regarding this policy should be put in writing and addressed to the Policy Administrator:

Policy Administrator - Dutch Country Soft Pretzels

Address: 2758-1 Division Highway New Holland, PA 17557

Phone 1-717-354-4493

Email: compliance@dutchcountrysoftpretzels.com