

Welbilt Minimum Advertised Price Policy

Effective Date: January 1, 2025

SUMMARY

Welbilt has established a Minimum Advertised Price (MAP) Policy that applies to all authorized distributors and dealers (hereinafter, Resellers) selling products in or into the United States. The purpose of the Policy is to assure that end user purchasers have continuing access through our authorized Resellers to accurate and expert information, specifications, and support needed to identify, evaluate, and purchase the products which are optimum for their requirements. The MAP Policy applies to prices that may be advertised by Resellers and does not restrict the sales price of products. The MAP Policy includes specific guidelines for administration of the program and penalties for violations.

PURPOSE OF MAP POLICY

The Welbilt MAP Policy provides an enhanced equipment purchasing experience by supporting Resellers who invest in knowledge of products and their functional performance capabilities, customer service and support, and cooperate with Welbilt in maintaining the premium brand image and long-term competitiveness of the Welbilt brands. Due to the nature and uses of our products, it is necessary for authorized Resellers and their sales associates to commit significant time and resources to learning, supporting, specifying, and selling our products. In addition, we recognize there are significant investments required in properly supporting, marketing, and advertising our products, and educating the equipment purchaser about each product's unique application, benefits, and value proposition. We sell our products to authorized Resellers at a cost/price structure intended to provide the Reseller with margins adequate to fund these activities. Therefore, it is the purpose of this MAP Policy to support our mutually beneficial cost/price structure for all authorized Resellers.

- This Policy applies to advertised prices both online and offline and to prices which shall remain visible to the customer in all print and media accessible to the public including emails, newspapers, catalogs, magazines, flyers, brochures, television, radio ads and billboards.
- Posts and placements that do not advertise a price for Welbilt brand products are in compliance with this MAP policy.

MAP DEFINITION AND APPLICATION

This Policy applies to select brands and products within the Welbilt portfolio. This Policy does not apply to sales to the government through a GSA Multiple Award Schedule. Welbilt publishes and maintains for its Reseller partners a comprehensive list of the brands, products, and MAP for each (see Addendum 1). MAP is determined by the manufacturer's list price published in the current price book.

Resellers may advertise prices equal to or greater than the MAP for covered products sold as "new." Welbilt defines "new" products as: 1) those sold by Welbilt or one of its authorized Resellers without prior in-service use by any end user purchaser, or 2) any product sold by a Reseller when covered by the manufacturer's original warranty.

The MAP Policy does not apply to specific pieces of equipment when all the following conditions are met:

1. The advertisement uses one of the following terms to clearly indicate the condition of the unit: "used", "damaged" or "floor model".
2. The advertisement includes the following terms used in all capital letters "NO FACTORY WARRANTY".
3. The advertisement includes the serial number of the unit that is being offered.
4. The Reseller has previously notified Welbilt that the factory warranty should be removed from this unit. This can be done with an email to the customer service department of the Welbilt Brand of the specific unit being advertised.

This MAP Policy prescribes the lowest price that an authorized Reseller may advertise in any form of advertising, including, but not limited to internet, print, direct mailing, radio, group or "broadcast" email, group or "broadcast" FAX and all other forms of pricing advertisement. Welbilt defines advertising as promulgation, publication or other promotion of product and pricing information outside the Reseller's physical business location and intended for more than a single individual.

Any direct request for pricing made by an individual prospective purchaser to a Reseller in person or through other deliberate action is considered by Welbilt to be a request for a price quotation from the prospective purchaser to the Reseller, thus MAP does not apply.

The advertising or offer of new Welbilt products in any auction is prohibited and is a violation of our MAP Policy, except for auctions which include a published minimum purchase price or "reserve price" which complies with the Welbilt MAP Policy.

If one or more products from a single or multiple Welbilt brands are "bundled" or combined in an advertisement, the aggregate price for all Welbilt products offered for sale in the bundle may not be lower than the cumulative MAP for each of the products when sold separately.

Under the MAP Policy, Welbilt prohibits displaying a price below MAP on a portion of a website that may be accessed only after the customer has entered an individualized, log in password that the customer obtained by supplying his or her name and email address. This is a violation of this policy!

The MAP Policy is not applicable to any in-store advertising that is displayed only in a physical store location. In-store displays, point-of-sale signs, hangtags, barcodes, QR codes or similar marks on products or product packaging which present the price are not considered "advertising" for purposes of this MAP Policy.

This Policy does not affect or restrict the price at which an authorized Reseller sells our products. Our authorized Resellers are free to sell Welbilt products at whatever price they may choose.

MAP DISCLOSURE OR UNDERCUTTING PROHIBITED

The wording "minimum advertised price," "MAP Price," and/or "MAP" or similar references to the MAP Policy shall not appear in any advertisement, quotation, or communication which includes Welbilt products. Such reference is a violation of the Welbilt MAP Policy.

Advertising that indicates that the MAP Price is not the applicable price for the product or that a lower price is available also are violations of the MAP Policy. Therefore, advertisements shall not display any prices that have a strike through or refer to the MAP price as "list price," "factory price," "manufacturer's price" or similar statements.

Advertisers shall not use "cookies" or other means to recognize a repeat visitor which trigger display of prices that are lower than MAP without a full log in process where an active session was discontinued.

PROMOTIONAL PRICING and DISCONTINUED PRODUCTS.

From time to time, Welbilt may conduct promotions for products covered by the MAP Policy. In such events, Welbilt reserves the right to modify or suspend the MAP with respect to the promotional products by notifying authorized Resellers of such promotions.

Welbilt further reserves the right to adjust the MAP with respect to all or certain products in its sole discretion upon written notice to authorized Resellers. Upon Welbilt's prior written notification, authorized Resellers may advertise such products consistent with the written notification. Welbilt may also suspend or eliminate MAP pricing on discontinued products in its discretion, upon notice to its authorized Resellers.

MAP ENFORCEMENT

Welbilt will monitor compliance with this Policy. The enforcement process is based on violations across all Welbilt brands covered by this MAP policy. Our enforcement process allows immediate correction of errors, with subsequent penalties for delays or repeated violations within 60 days of such violation. The consequences are targeted at the violator and are not intended to penalize the equipment purchaser.

In the event a violation is determined, the following actions may be taken:

1. First Violation: The Reseller will be contacted in writing and allowed 24 hours to comply with the Policy. If correction is made, the violation is recorded, but no penalties will apply. If the violation is not corrected within 24 hours, then the Reseller will be notified in writing and a second violation will be recorded.
2. Second Violation: The Reseller will be contacted in writing and allowed 24 hours to comply with the Policy. If correction is made, the violation is recorded, but no penalties will apply. If the violation is not corrected within 24 hours, then the Reseller will be notified in writing and a third violation will be recorded.
3. Third Violation: The Reseller will be notified by email and all shipments of all products from the Welbilt Brand factory whose MAP was violated, and all Welbilt Brand Distributors will be suspended until all violations are resolved. Additionally, all Brand rebates may be held for the same calendar quarter in which the violation occurred until all violations are resolved.

4. Fourth Violation: The Reseller will be notified by email and all shipments of all products from the Welbilt Brand factory whose MAP was violated, and all applicable Welbilt Brand Distributors will be suspended until such violations are resolved. Additionally, any Brand rebates the Reseller may have earned for any and all calendar quarters in which any MAP violation occurred will be forfeited and subsequent violations will result in additional rebates forfeited and termination of the Reseller.

DEALER ACCOUNTABILITY

In the case of a MAP violation by a Reseller who does not have an authorized relationship with a Welbilt brand or company and instead purchases Welbilt products from an authorized distributor or any other Reseller (i.e., dealer-to-dealer sale), Welbilt will pursue enforcement actions against the authorized distributor or Reseller as provided above in this Policy.

OTHER PROVISIONS

This program is managed by the MAP Policy Administrator for Welbilt. Welbilt (or the applicable Welbilt Brand) reserves the right to change, add or delete covered products, and change or cancel the MAP Policy at any time upon written notice to authorized Resellers and distributors.

Only the MAP Policy Administrator for Welbilt or the applicable Welbilt Brand may provide advice to Resellers concerning compliance with the MAP Policy or authorize exceptions to the MAP Policy. No other individual, including any employee or representative of Welbilt, may provide such advice or authorizations regarding this Policy to any Reseller. It is the Reseller's sole responsibility to remain aware of any changes to the Welbilt MAP Policy. The MAP Policy is available to authorized Resellers directly from Welbilt by contacting in writing or email at:

MAP Policy Administrator

mapadministrator@welbilt.com

Welbilt

2227 Welbilt Blvd. New Port Richey, FL, 34655

ADDENDUM #1 ¹	
WELBILT MAP PRICING MULTIPLIERS EFFECTIVE January 1, 2025	
BRAND	MAP MULTIPLIER
Cleveland – Kettles & Skillets	1.0
Cleveland – Steamers	1.0
Convotherm	.55
Delfield	.5
Frymaster	.47
Garland, US Range, and Sunfire	.55
Lincoln	.55
Merco	.6
Merrychef ²	.55
Multiplex	.6

MAP is stated as a multiplier from list price, and calculated as follows:

EXAMPLE

List * multiplier = MAP

List = \$10,000, MAP = .6

$\$10000 * .6 = \$6,000$

Rounding: Welbilt monitors MAP by "rounding down" to the nearest whole dollar.

EXAMPLE

If MAP calculation = \$4963.75

MAP compliant: Any amount \$4963.00 or higher

If MAP calculation = \$4963.27

MAP Compliant: Any amount \$4963.00 or higher

¹ Prior changes to Addendum #1

Brand Multipliers updated effective January 1, 2023 for brands: Cleveland, Garland, and Lincoln

Policy updated effective March 1, 2024 – removed Dean brand

Policy updated effective June 1, 2024 – removed Kolpak brand

Brand Multiplier updated effective January 1, 2025 for Cleveland (changed to 1.0)

² Merrychef to be removed from MAP policy effective March 1, 2025