2020 MINIMUM ADVERTISED PRICE POLICY – Participation Policy

This Policy is a statement of the requirements of Hayward Pool Products, a Hayward Industries, Inc. Company (“Hayward”), regarding participation by any Dealer (including, but not limited to, any pool builder, equipment retailer, or equipment servicer) in any 2020 Hayward promotional, rebate, or discount program. Hayward has adopted this Policy in order to protect and strengthen its reputation, brand image, and to encourage Dealer services.

This Policy is not a contract, nor an offer to form a contract. Hayward is not asking, and will not accept any agreement about a Dealer’s compliance with this Policy. This Policy describes the terms under which Hayward may, in its sole discretion, choose to include a Dealer in a promotional, rebate, or discount program. Compliance with this Policy will be determined by the MAP (Minimum Advertised Price) applicable to all Hayward products as set forth below.

IF ANY DEALER CHOOSES NOT TO COMPLY WITH THIS POLICY, HAYWARD RESERVES THE RIGHT, AT ITS SOLE AND ABSOLUTE DISCRETION, TO TERMINATE THAT DEALER FROM ANY 2020 PROMOTIONAL, REBATE, OR DISCOUNT PROGRAM, AND/OR TO REVOKE ANY AND ALL PAST, CURRENT, OR FUTURE PROMOTIONAL ALLOWANCES, REBATES, AND/OR DISCOUNTS PROVIDED BY HAYWARD TO THAT DEALER.

Minimum Advertised Price (MAP)

This Policy applies to the MAP of all Hayward products. The MAP for each Hayward product is set forth on Hayward’s website at the following link: www.totallyhayward.com/map

Hayward believes that there is no further information you need to know in order to comply with this Policy, should you choose to do so. However, if there is a question regarding this Policy, it must be directed in writing to MAP Policy, Hayward Industries, Inc., 400 Connell Drive, Berkeley Heights, NJ 07922, or submitted online at www.totallyhayward.com/map. Hayward will not respond to oral questions. Do not advise Hayward about Dealers that are violating this Policy. Hayward will make those determinations on their own. Hayward reserves the right to change, amend, or discontinue this Policy at any time, and no Dealer has any right to rely on the continued existence of this Policy or any effort by Hayward regarding compliance with this Policy.

Timing:
- This Policy applies to all Hayward promotional, rebate and discount programs for the 2020 season (one-year period commencing January 2, 2020 and ending January 1, 2021), and supersedes any prior MAP Policy in place for the 2020 season.

Sales:
- All Hayward products must be purchased for resale directly to a pool owner. No Dealer with in-the-trade pass-along sales will qualify. All past or current promotional allowances, rebates, and discounts will be revoked for products returned to your distributor or Hayward.

Participants:
- Any Dealer that desires to participate in any 2020 promotional, rebate, or discount program must be enrolled by their Hayward Sales Representative.
- Hayward reserves the right at its sole and absolute discretion to terminate from any 2020 promotional, rebate, or discount program any Dealer who chooses not to comply with this Policy. Termination may result in the loss of all points (rebates) accumulated from purchasing any and all Hayward products, loss of any and all past, current, or future promotional allowances, rebates, and/or discounts provided by Hayward, and loss of status as a Hayward Authorized Online Reseller and all associated benefits.
• This Policy applies to all activities of a reseller and/or any corporate name, d/b/a or assumed name and also applies to a brick and mortar reseller who operates (directly or indirectly) a website or other internet site under the same or a different name.

MAP Allowable and Prohibited Activities:

1. Hayward’s policy is that any advertisement of a Hayward product must not be below the MAP, net of any discount, rebate or any other promotion. Advertisement is defined as, but not limited to: television, radio, billboards, newspaper, flyers, print, window banners, telemarketing, internet (including eBay, other auction sites, and any other third party website seller), catalogs, direct mail, or Posters. Any price information relating to Hayward products on an internet website which can be accessed directly through any hypertext link or by any method which uses the hypertext transfer protocol (http) is considered to be advertising for purposes of this Policy. Any prices shown in the shopping cart on a reseller’s website are considered advertised prices and subject to this Policy until the consumer is committed to purchase the Hayward product.

See Schedule A on the next page for “Examples of Advertisement in Violation of MAP Policy and Rules for Online Auctions”

2. Expert Line products may not be advertised or sold online, regardless of whether there is a MAP set for such products.

Points and Redemption:
• Totally Hayward Partner Program Points, Totally Hayward Servicer Program Points, Hayward Cleaner Only Rebates, Hayward Salt & Swim Only Rebates, Hayward Goldline Only Rebates, or Hayward Heat Pump Only Rebates will be credited only to the account of the main office location that is registered with Hayward, and reward orders placed will be shipped only to that location.
• Points or rebates will be awarded only once per product.
• Points or rebates may not be pooled, except for locations that are owned and enrolled together.
• When redeeming points for a reward, the corresponding number of points for that reward will be deducted from the participant’s account. This deduction will be reflected on the participant’s next statement.
• Unredeemed points earned and reported during the 2020 Totally Hayward Partner Program, 2020 Totally Hayward Servicer Program, 2020 Hayward Cleaner Only Program or the 2020 Salt & Swim Only Program may be carried over for an additional 15 months (expiration date March 31, 2022).

2020 Totally Hayward Partner Program, 2020 Totally Hayward Servicer Program or 2020 Totally Hayward Cleaner Only Statements:
Totally Hayward Points Program statements reflecting points earned and redeemed can be obtained 24-hours a day, 7-days a week at www.haywardrewards.net.

Miscellaneous:
• Hayward reserves the right to add, modify, or cancel any of the rules, conditions, benefits, or awards pertaining to any promotional, rebate, or discount program at its sole discretion without notice.
• Hayward and its affiliates are not responsible for requests or correspondence relating to any promotional, rebate, or discount program statements, which are lost or delayed in the mail or otherwise in transit.
• In the event the participant is late or in default on the payment of any amounts due to Hayward, including any and all amounts due under any invoice, Hayward shall have the immediate right to terminate any and all further participation in any promotional, rebate, or discount program, and shall have the immediate right to revoke any and all past, current, or future promotional allowances, rebates, and/or discounts provided by Hayward to that Dealer. Hayward may do so without prior notice to the participant.
Hayward has the right to refuse to accept an applicant’s participation in any promotional, rebate, or discount program for any reason and at any time. Hayward reserves the right to terminate a participant’s participation in any promotional, rebate, or discount program, with or without cause, at any time, upon giving ten (10) days written notice to the participant.

Schedule A - Examples of Advertisement in Violation of MAP Policy and Rules for Online Auctions

I. Examples of Advertisement in Violation of MAP Policy

These are not intended to be comprehensive:

1. Manufacturer Rebate\(^1\) on Hayward products may be advertised, but cannot net the product price below the MAP. **Example:** PoolVac XL advertised price is $409 with a $100 Manufacturer Rebate; this rebate has lowered the price of the PoolVac XL below the MAP.

2. Mention of a Manufacturer Rebate without citing the dollar amount is a violation of the MAP Policy. **Example:** “Rebate offered with every purchase of a Hayward Navigator Pro Cleaner”. **Exception:** If the advertisement states “Navigator Pro $309 after rebate or $409 before rebate” without citing the dollar value of the Manufacturer rebate.

3. All prices for Hayward products must state the before and after rebate price. **Example:** Navigator Pro $409 before rebate, $309 after rebate.

4. Stating the dollar amount of the Manufacturer’s Rebate, without stating the price of Hayward’s product is a violation of the MAP Policy. **Example:** “$100 rebate with the purchase of a Hayward Navigator Pro”.

5. Use of phrases such as the lowest prices, too low to publish, best offer or click for pricing are violations of the MAP Policy.

6. The use of a discount card or program that lowers the price of Hayward’s product below the MAP (after Manufacturer Rebate) is a violation. **Example:** The offer of $25 back for the application of an auction site or other non-manufacturer affiliated credit and/or credit card.

7. For bundled product advertising, Resellers may not offer implied savings below MAP, whether or not the price of both products is listed. Among other things, this includes advertising a free gift at the point of sale or a discount of any product (Hayward or other products) to a customer who is buying a Hayward product advertised at its MAP. Any “gift with purchase” promotions must exclude Hayward products. **Example:** Free chlorine with the purchase of a PoolVac XL, or one price for bundle of products, including a Hayward product.

8. Any advertised use of “preferred” customer or other discount language, cards or programs that net Hayward’s product below the MAP (after Manufacturer Rebate) is a violation of the MAP Policy.

9. Any advertised program or promotion that is not a Hayward authorized promotion promising a free gift/product or price-reduced product that nets Hayward Product below the MAP (after Manufacturer Rebate) is a violation of the MAP Policy. **Example:** “We offer a $100 rebate and a free gift valued at $10 with the purchase of a PoolVac XL—your cost after rebate $299. This is a violation of the MAP Policy as the $10 free gift lowers the price below the MAP.

10. Any advertised program or promotion stating that a Dealer will beat any competitor’s advertised price on Hayward’s products is a violation of the MAP Policy.

\(^1\) Manufacturer Rebate where applicable.
11. Free Shipping is not a violation of the MAP Policy unless there is a dollar value mentioned that nets Hayward’s product below the MAP.

12. Print, newspaper, direct mail, etc., stating a percentage off of a product or a group of products is permissible provided the price of the product and the Manufacturer’s Rebate is not mentioned. Stating a percentage off that will net the product below the MAP is a violation. Example: (1): Advertisement: 20% Off of All Cleaners – not a violation because the rebate and retail price is not mentioned in the ad. Example (2): Advertisement: (Price listed for cleaners in ad): PoolVac XL $409, 0-20% Off All Cleaners – is a violation; the final price to the consumer is $327.20 for the PoolVac XL. Although the Manufacturer Rebate is not mentioned, the final price to the consumer nets the product below the MAP.

13. Internet: Stating a percentage off of a product or group of products is permissible provided the product price and the Manufacturer Rebate is mentioned and the final cost to the consumer does not net the product below the MAP. Example PoolVac XL $640 - 20% off all cleaners plus $100 mail-in manufacturer rebate: Final cost to the consumer is $412; promotion does not net the price below the MAP ($409).

II. Rules for Online Auctions and Third-Party E-Commerce Sites (eBay®, Amazon.com®, Google™, Yahoo!® Shopping, Bing™ Shopping, PriceGrabber.com®, Shopzilla®, Bizrate®, Shop.com™, Amazon™, Walmart™, Home Depot™, Lowes™ etc.)

1. Any listing by any Auction or Third Party E-Commerce site advertising Hayward products below the MAP (after Manufacturer’s rebate) will be removed on a daily basis.

2. Hayward reserves the right to remove Auctions and any listings on Third Party E-Commerce sites, which use photos produced and trademarked by Hayward, advertising Hayward products below the MAP.

3. All prices for Hayward products must state the before and after rebate price.

4. Use of phrases such as the lowest prices, too low to publish, best offer, or click for pricing is a violation of the MAP Policy.

5. Any reference to price deals, lowest price, extra savings, etc., which would lead the buyer to believe the price of Hayward’s product is lower than the MAP (after Manufacturer Rebate) is a violation.

6. Hayward supports sales of its products via the Internet and participates in the Verified Rights Owner Program (VeRO) established by eBay to prevent the advertising and sale of unlicensed, infringing, and counterfeit merchandise offered through its auctions and stores.

7. Hayward products can be auctioned on eBay or other services, but must have a Reserve Price that adheres to the MAP Policy. Reserve Price must be visible in the advertisement.

8. Online Auction members and Third Party E-Commerce sites are not allowed to misrepresent themselves or their business as an authorized dealer or similarly falsely associate themselves with Hayward. Listings that violate eBay’s Misrepresentation Policy may be removed. Multiple violations of this Policy can result in suspension.