



**NITTO TIRE U.S.A. INC.**  
P.O. BOX 6064  
Cypress, CA 90630-6064  
email: [map-policy@nittotire.com](mailto:map-policy@nittotire.com)

**Date: July 1, 2024**

## **NITTO TIRE U.S.A. INC.**

### **MINIMUM ADVERTISED PRICE POLICY**

Nitto Tire U.S.A. Inc. (“**Nitto**”) is dedicated to manufacturing and selling tires of the highest quality for vehicle enthusiasts. Nitto’s tire sizing, tread patterns and tire compounds combine modern aesthetics with advanced technology.

Nitto dedicates substantial resources into developing and marketing its products and is proud to associate with Authorized Direct Dealers and Authorized Associate Dealers (as defined below, collectively “**Sellers**”) who dedicate the time and effort to ensure their customers’ satisfaction with Nitto brand tires, protect the Nitto brand reputation, and provide excellent customer service. Nitto has determined that certain advertising practices undermine Nitto’s trade reputation, brand, and premium image within the target customer population and discourage Authorized Direct Dealers and Authorized Associate Dealers from investing in the Nitto product lines and customer service and support efforts.

In an effort to preserve the integrity of the Nitto brand and encourage Sellers to provide customers with high value products and strong after-sales support, and to further enhance our image and competitiveness in the marketplace, Nitto is unilaterally establishing this Minimum Advertised Price Policy (“**MAP Policy**”) to support our Authorized Direct Dealers and Authorized Associate Dealers in the United States of America.

### **MAP POLICY INTRODUCTION**

This MAP Policy applies to advertisements of Nitto tires identified in the Nitto MAP Schedule (“**Covered Products**”) and applies to all Authorized Direct Dealers and Authorized Associate Dealers who advertise Nitto tires for sale to end users in the United States. The Nitto MAP Schedule will be made available to all Authorized Direct Dealers and Authorized Associate Dealers and may be amended by Nitto in its sole discretion at any time.

The “minimum advertised price” (“**MAP**”) is the lowest price at which the Covered Product may be advertised. Nitto is solely responsible for (1) establishing the MAP for each Covered Product and (2) communicating the MAP Policy to all Sellers (including via directing Authorized Direct Dealers to pass down the MAP Policy to Authorized Associate Dealers). **While Sellers remain free to advertise and sell all of Nitto’s products (including Covered Products) at any price, it is a violation of this Policy for a Seller to advertise any Covered Product at a price lower than the MAP.**

This MAP Policy applies only to advertised prices and does not address, restrict or limit the actual prices at which Authorized Direct Dealers and Authorized Associate Dealers choose to



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sell Covered Products to their customers. **Each Authorized Direct Dealer and Authorized Associate Dealer is free to set its own selling price for Covered Products or any other product independently. Nitto and its employees have no authority to define what the actual selling prices must be or to otherwise interfere with the establishment of resale prices by Authorized Direct Dealers and Authorized Associate Dealers.**

Although Authorized Direct Dealers and Authorized Associate Dealers remain free to establish their own advertised and selling prices, Nitto will unilaterally impose sanctions as described herein against those who advertise Covered Products below the applicable MAP.

## 1) **DEFINITIONS.**

- a) **“Advertising”** refers to all promotional or pricing information displayed via any type of digital, electronic, visual, audio or printed communication intended to solicit sales of Nitto tires that appears in any form of media including, without limitation, internet sites, flyers, posters, coupons, mailers, inserts, newspapers, magazines, catalogs, television, radio, and public signage, as well as Internet sites, social media sites, mobile “apps,” Seller-initiated text messages or emails to customers or prospective customers or any other digital or electronic media. Notwithstanding the foregoing, “Advertising” does not include:
- Pricing information displayed inside or immediately outside a Seller’s physical place of business; and
  - Pricing information displayed in the virtual shopping cart and webpages through the check-out process after a consumer places the Covered Product in the virtual shopping cart.
- b) **“Authorized Direct Dealer”** means a person or business entity that purchases Covered Products directly from Nitto.
- c) **“Covered Products”** mean the specific model of Nitto brand tires that Nitto designates in the Nitto MAP Schedule.
- d) **“Authorized Associate Dealer”** means a person or business entity that purchases Nitto tires from an Authorized Direct Dealer and sells Covered Products to end users in the United States.
- e) **“Seller(s)”** collectively refers to Authorized Direct Dealers and Authorized Associate Dealers.

- 2) **EFFECTIVE DATE.** This MAP Policy is effective as of July 1, 2024 (the **“Effective Date”**) and supersedes all of our prior policies or representations regarding minimum advertised prices or minimum resale prices for the Covered Products applicable to Sellers.



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Nitto reserves the right to modify, suspend, or terminate this MAP Policy, including, without limitation, changing MAPs, adding or deleting Covered Products, or revising MAP Policy guidelines, at any time, with thirty (30) days written notice. The current MAP Policy can be found at <https://dealerportal.nittotire.com/map-policy> (“MAP URL”). Any change to this MAP Policy will be posted at the MAP URL and, unless otherwise provided, will be effective immediately upon posting. Sellers are responsible for reviewing the current MAP Schedule at the MAP URL, but Nitto will endeavor to notify Sellers promptly when updates are made.

### 3) MAP POLICY GUIDELINES.

- a) A Seller shall not advertise Covered Products in any Advertising at prices less than the MAP on and after the Effective Date. This MAP Policy applies to all Covered Products that Sellers display on any website regardless of whether the Seller owns or controls the website. For purposes of clarity, this MAP Policy applies to all advertised online prices, including when Covered Products are displayed online in any medium, excluding the Final Online Checkout Stage. It is a violation of this MAP Policy to (i) display Covered Products online without any price advertised, but instead with wording such as “add to cart” or “see price in cart”; or (ii) include within Advertising language, symbols, or imagery indicating or implying that lower pricing is available in the cart or otherwise (*e.g.*, “see cart for lower price” or “lowest price guaranteed”).
- b) A Seller shall not use strike-through advertised pricing (or similar advertising mechanisms or alterations) where the Advertising would lead a customer to reasonably believe that the product price being shown is less than the MAP. For example, an advertised MAP price shown as \$~~100~~ is prohibited under this MAP Policy.
- c) Website features such as automated “bounce-back” pricing e-mails, pre-formatted e-mail responses, forms, and automatic price display for any Covered Products before items are placed in a customer’s shopping cart, and other similar features are considered to be communications initiated by the Seller (rather than by the customer) and constitute Advertising under this MAP Policy.
- d) Pricing that appears on any website is considered an advertised price and must adhere to this MAP Policy until the consumer places the Covered Product in the virtual shopping cart. Once the Covered Product enters the virtual shopping cart, it is considered part of the check-out procedure and its display in the check-out pages falls outside the scope of this MAP Policy.
- e) It shall not be a violation of this MAP Policy to advertise that a customer may “call for information,” “email for information,” or “chat for information,” or to use



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similar language. Actual prices charged or offered to a potential purchaser may be provided in direct response to such requests by telephone, email, chat, or other message. Such communications, which are responses to communications initiated by a potential purchaser (rather than the Seller), shall not be considered “Advertising” under this MAP Policy.

- f) It shall not be a violation of this MAP Policy to advertise in general that the Seller has “the lowest prices” or will match or beat its competitors’ prices, or to use similar phrases; so long as the Seller does not include any advertised price below MAP and otherwise complies with this MAP Policy.
- g) It shall not be a violation of this MAP Policy to advertise a separate available rebate (either “mail-in” or “instant” or other such wording) on a set of four (4) Covered Products in Advertising provided that “rebate” wording is used and that advertisement of the rebate does not state or reasonably imply prices of individual Covered Products as below MAP.
- h) In determining a Seller’s compliance with this MAP Policy, Nitto takes into account all “bundles” or “sets” of multiple Covered Products, price discounts, coupons, gifts, other free merchandise, and other types of incentives or promotional offerings (including, without limitation, any “gift with purchase”) that Seller chooses to offer in promoting Nitto tires in Advertising. The value of all such incentives and promotional offering shall be determined by Nitto, at its sole discretion, and shall be deducted from the price shown in the Advertisement to determine the effective advertised price.
- i) Any direct or indirect attempts to circumvent this MAP Policy shall constitute violations and will be subject to enforcement.

#### **4) MAP POLICY ENFORCEMENT.**

- a) Nitto will enforce this MAP Policy through its MAP Administrator. Nitto will uniformly apply this MAP Policy and unilaterally make all determinations relating to a violation of the MAP Policy in its sole discretion. There will be no negotiations or appeals and there are no exceptions to the MAP Policy.
- b) No Seller has the right to enforce the MAP Policy, either on its own behalf or on behalf of Nitto.
- c) It shall be a violation of this MAP Policy for an Authorized Direct Dealer to sell to an Authorized Associate Dealer who is in violation of this MAP Policy.



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d) **First Violation:**

- i) Authorized Direct Dealer or Authorized Associate Dealer: A written notice of the first violation will be sent to the Seller.

e) **Second Violation:**

- i) Authorized Direct Dealer: A written notice of the second violation will be sent to the Authorized Direct Dealer.
- ii) Authorized Associate Dealer: A written notice of the second violation will be sent to the Authorized Associate Dealer. The Authorized Associate Dealer will be added to the Known Violators List until the end of the next calendar month from the date of the Second Violation.

f) **Third Violation:**

- i) Authorized Direct Dealer: A written notice of the third violation will be sent to the Authorized Direct Dealer. The Authorized Direct Dealer will forfeit the any incentive funds or bonuses for the month in which the violation was identified and will be ineligible for such funds for a period of three (3) consecutive months starting from the date of the third violation. The Authorized Direct Dealer will not receive Nitto tire shipments for the SKUs associated with the MAP violation for a period of two (2) months from the date of the third violation.
- ii) Authorized Associate Dealer: A written notice of the third violation will be sent to the Authorized Associate Dealer. The Authorized Associate Dealer will be added to the Known Violators List permanently. Removal from the Known Violators List is subject to Nitto's sole discretion.

5) **MAP POLICY ADMINISTRATION.**

- a) This MAP Policy is not negotiable. Nitto will unilaterally enforce this MAP Policy without prior warning to the Seller.
- b) Nitto will not discuss our decisions relating to the enforcement of this MAP Policy or negotiate the terms of our decisions with any Seller and will not seek or accept assurances of any kind from any Seller as to the Seller's future conduct.
- c) **This MAP Policy does not constitute an agreement between Nitto and any Seller.** Compliance with this MAP Policy does not evidence any kind of agreement between Nitto and the Seller. Each Seller must independently choose whether to comply with this Policy.



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- d) This MAP Policy does not supersede or limit in any respect, any terms or conditions of any existing agreement between Nitto and the Seller.
- e) If a Seller has any questions about this MAP Policy, the questions should be put in writing and directed to the attention of [map-policy@nittotire.com](mailto:map-policy@nittotire.com). Nitto will not accept any other form of communication from Sellers regarding this Policy.