



## INDEPENDENT DEALER AGREEMENT

### A. AMSOIL Dealerships

- 1. Appointment.** Subject to the terms of this Agreement and the review and approval of AMSOIL INC. ("AMSOIL"), AMSOIL appoints Dealer, and Dealer accepts such appointment, as an independent Dealer of those AMSOIL products listed in the Wholesale Price List (the "Products") in the United States or Canada (the "Territory"). AMSOIL, without advance notice to Dealer, may from time to time add to or delete products from the Wholesale Price List (G3500, G8500 Can.). Dealer understands and agrees that this Agreement is non-exclusive and that AMSOIL retains the right to sell its products in any manner it chooses and in accordance to its own business judgment.
- 2. Relationship of the Parties.** Dealer is an independent contractor, not an employee of AMSOIL. Nothing in this Agreement shall be deemed or construed as creating a joint venture, partnership, agency relationship or franchise between AMSOIL and Dealer. Neither Party, by virtue of this Agreement, will have any right, power or authority to act or create any legal obligation, express or implied, on behalf of the other Party.
- 3. Dealer Covenants.** Dealer will: (i) conduct business in a manner that reflects favorably at all times on the Products and the good name, goodwill and reputation of AMSOIL; (ii) avoid deceptive, misleading or unethical practices that are or might be detrimental to AMSOIL, the Products or the public; (iii) make no false or misleading representations with regard to AMSOIL or AMSOIL Products; (iv) not publish, directly or indirectly, any misleading or deceptive advertising with regard to AMSOIL or AMSOIL Products; (v) make no representations, warranties or guarantees to customers with respect to the specifications, features or capabilities of AMSOIL Products that are inconsistent with the literature distributed by AMSOIL; and (vi) not enter into any contract or engage in any practice detrimental to the interests of AMSOIL or the Products as determined by AMSOIL.
- 4. Dealer Policies and Procedures.** The AMSOIL Dealer Policies and Procedures ("Dealer Policies"), in their current form and as amended periodically by AMSOIL, are hereby incorporated by reference into this Agreement. It is the responsibility of Dealer to read, understand, adhere to and ensure compliance with the most current version of the Dealer Policies, which is available at [my.amsoil.com](http://my.amsoil.com). Dealer has read and understands the Dealer Policies and hereby agrees to fully comply with them.
- 5. Marketing of Products.** Dealer agrees to promote the sale of the Products in accordance with the Dealer Policies, including the MAP Policy contained therein.
- 6. Compliance with Law.** Dealer will comply with all applicable federal, state, regional and local laws and regulations in performing its duties hereunder and in any of its dealings with respect to AMSOIL Products.
- 7. Dealership Term:** This Agreement has a Term of one (1) year, starting on the date which AMSOIL approved your application. Dealer may renew this Agreement provided Dealer complies with certain requirements such as paying a renewal fee. AMSOIL reserves the right to accept or reject any request for renewal.
- 8. Consent To Electronic Disclosures:** Dealer agrees that all documents, including this Agreement, as well as all notices, disclosures and records (collectively, "Disclosures") relating to Dealer's account with AMSOIL may be sent electronically to the Dealer's registered email address or posted in the Dealer Zone. Alternatively, AMSOIL may provide Dealer with Disclosures via mail.

### B. Intellectual Property and Confidential Information

- 1. Limited Revocable License:** AMSOIL owns all AMSOIL trademarks, trade names, logos and copyrighted images and content ("AMSOIL IP"). Dealers may not use AMSOIL IP without express written approval from AMSOIL. During the term of this Agreement, Dealer has a non-exclusive limited license to use approved AMSOIL IP to promote Dealer's AMSOIL Dealership.
- 2. No Continuing Rights.** Upon expiration or termination of this Agreement, Dealer will immediately cease all display, advertising and use of all AMSOIL IP and will not thereafter use, advertise or display any trademark, trade name, logo or designation which is, or any part of which is, similar to or confusing with any AMSOIL IP.
- 3. Confidential Information:** During the term, Dealer agrees to hold in strict confidence and trust for the exclusive benefit of AMSOIL any trade secrets, formulas, business plans, customer lists, Dealer information or any other confidential information ("Confidential Information"). Dealer acknowledges and agrees not to use Confidential Information, directly or indirectly, for any purpose other than the conduct of Dealer's AMSOIL Dealership and Dealer agrees to take reasonable care to protect Confidential Information.

### C. Miscellaneous Legal Provisions

- 1. Supersedes Prior Agreements:** This Agreement constitutes the entire agreement between the parties, and supersedes all prior agreements, written or oral, between AMSOIL and Dealer relating to the subject matter of this Agreement.
- 2. Transfers:** Dealer may not transfer or assign this Agreement or Dealer's Dealership to any other person or entity unless authorized in writing by AMSOIL.
- 3. Representations and Warranties:** Dealer represents and warrants that Dealer has not been convicted of a crime involving dishonesty, moral turpitude or violence to others.
- 4. Termination.** This Agreement may be terminated by either party for any reason or no reason, which termination shall become effective no less than thirty (30) days after delivery of the written notice. Termination will result in the automatic loss of all benefits as a Dealer. Termination shall not relieve either party of any obligations incurred prior to the termination.
- 5. No Liability for Termination.** Except as expressly required by law, in the event of termination of this Agreement in accordance with the terms of this Agreement, neither party shall be liable to the other because of such termination, including (not limited to) compensation, reimbursement or damages for loss of prospective profits or anticipated sales, or on account of any expenditures or inventory. Dealer acknowledges that: (i) Dealer has no expectation and has received no assurances that Dealer will obtain any anticipated amount of profits by virtue of this Agreement or that AMSOIL has agreed (explicitly or implicitly) to renew this Agreement.
- 6. No Liability for Consequential or Indirect Damages:** TO THE FULLEST EXTENT ALLOWED BY LAW, NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY INDIRECT, CONSEQUENTIAL, INCIDENTAL, SPECIAL OR PUNITIVE DAMAGES, LOST PROFITS OR REVENUES, OR DIMINUTION IN VALUE, ARISING OUT OF OR RELATING TO ANY BREACH OF THIS AGREEMENT.

7. **Waiver and Delay:** No failure, refusal or neglect of AMSOIL to exercise any right or option under this Agreement shall constitute a waiver of the provisions or any rights under this Agreement.
  8. **Severability:** If any provision in this Agreement is found to be invalid, illegal or unenforceable, it shall be severed from the Agreement and have no effect on the remainder of the Agreement, which shall remain in full force and effect.
  9. **Choice of Law:** The Agreement, including all attachments attached hereto, and all matters arising out of or relating to this Agreement, shall be governed by and construed in accordance with the laws of Wisconsin, except that the interpretation and enforcement of the arbitration agreement shall be governed by federal law. Each party hereby submits to the exclusive jurisdiction of the courts of Wisconsin.
  10. **Indemnification:** Dealer shall indemnify, defend and hold AMSOIL harmless from any suit, action or claim, including all costs, damages and attorneys' fees relating to or arising from Dealer's breach of this Agreement or wrongful act or omission.
  11. **Claims Between Dealers:** AMSOIL shall not be liable to Dealer for any cost, loss, damage or other expense caused directly or indirectly by another AMSOIL Dealer or AMSOIL customer.
  12. **Binding Terms:** This Agreement shall be binding upon and inure to the benefit of the parties, their heirs and permitted successors in interest.
5. **Small Claims Court Option.** Dealer may sue AMSOIL in small claims court in the county of Dealer's principle place of business or Douglas County, Wisconsin.
  6. **Applicable Rules:** Except as modified herein, for claims seeking \$250,000 USD or less, the Commercial Arbitration Rules ([www.adr.org/commercial](http://www.adr.org/commercial)) and Supplementary Procedures for Consumer-Related Disputes ([www.adr.org/consumer](http://www.adr.org/consumer)) shall apply. For claims seeking more than \$250,000 USD, the AAA Rules for Large, Complex Commercial Disputes ([www.adr.org/commercial](http://www.adr.org/commercial)) and the Federal Rules of Evidence shall apply. The parties shall maintain the confidential nature of the arbitration proceeding and any award.
  7. **Compelling Arbitration:** If Dealer initiates litigation outside of arbitration in violation of this Arbitration Agreement, and upon demand by AMSOIL fails to submit the matter to arbitration, the Dealer shall be liable to AMSOIL for all costs and attorneys' fees reasonably incurred in compelling arbitration.
  8. **Arbitrator's Authority.** The arbitrator shall issue a written decision sufficient to explain the essential findings and conclusions on which the award is based (reasoned decision). The arbitrator has the authority to make rulings and resolve all disputes concerning disputes. The arbitrator has the authority to award any form of individual relief that a court would have the authority to award, including equitable relief, and other relief available under applicable law. The arbitrator is bound by the terms of this Agreement.

## D. Binding Arbitration and Class-Action Waiver

1. **Overview:** We hope we never have a dispute, but if we do, the parties agree to try for 60 days to resolve it informally. If we cannot amicably resolve the dispute within 60 days, the parties agree to binding individual arbitration before the American Arbitration Association ("AAA") under the Federal Arbitration Act ("FAA"), and not to sue in court in front of a judge or jury. Instead, a neutral arbitrator will decide and the arbitrator's decision will be final except for a limited right of appeal under the FAA.
  2. **Jury and Class-Action Waiver:** AMSOIL AND DEALER BOTH WAIVE THE RIGHT TO TRIAL BY JURY. ALSO, ANY ARBITRATION UNDER THE AGREEMENT SHALL TAKE PLACE ON AN INDIVIDUAL BASIS; CLASS OR REPRESENTATIVE ACTIONS SHALL NOT BE PERMITTED. IF THE FOREGOING PROVISION IS, FOR ANY REASON, FOUND TO BE UNENFORCEABLE, THEN THE ARBITRATION AGREEMENT SHALL BE NULL AND VOID (BUT THE AGREEMENT SHALL REMAIN IN FULL FORCE AND EFFECT).
  3. **Disputes Covered:** The term "dispute" means any and all disputes, claims or causes of action arising out of or relating in any way to, Dealer's dealings with AMSOIL, including (not limited to) the AMSOIL Dealer network, the AMSOIL website, purchase orders, this Agreement, Dealer compensation, AMSOIL products, AMSOIL customers and AMSOIL Dealerships, under any legal theory including contract, warranty, tort or statute, except disputes relating to the enforcement or validity of any intellectual property rights.
  4. **Mail a Notice of Dispute First.** If Dealer has a dispute the AMSOIL customer service representatives cannot resolve, Dealer must send a Notice of Dispute by U.S. Mail to AMSOIL INC., ATTN: Legal Department, 925 Tower Ave., Superior, WI 54880. Notice must include your name, address, how to contact you, detailed description of the problem and what you want.
9. **Arbitration Fees and Procedures:**
    - (a) Disputes involving \$75,000 USD or less: AMSOIL will reimburse Dealer's filing fees and pay the AAA's and arbitrator's fees and expenses. If Dealer receives an award that is larger than the last written settlement offer AMSOIL made before the arbitrator was appointed, AMSOIL will (i) pay the greater of the award or \$1,500 USD; and (ii) pay to Dealer's attorney, if any, the amount of reasonable attorneys' fees and expense incurred in investigating, preparing and pursuing the case.
    - (b) Disputes involving \$25,000 USD or less: In addition to the paragraph "(a)" above, any hearing will be telephonic unless the arbitrator finds good cause to hold an in-person hearing instead.
    - (c) Disputes involving more than \$75,000 USD: The AAA rules will govern payment of filing fees and the AAA's and arbitrator's fees and expenses.
    - (d) Fivolous Filings: If the arbitrator finds that any dispute is frivolous or brought for an improper purpose (Rule 11), then the payment of all fees will be governed by the AAA Rules.
  10. **Amendments:** Any amendments to this arbitration agreement shall apply only prospectively, not retroactively, and shall be effective fourteen (14) days after posting by AMSOIL. Any amendments to this arbitration provision shall not apply to any claim or controversy for which a Dealer has provided AMSOIL actual written notice prior to the effective date of the amendments.

**I certify that the information submitted in my Dealer Application is true, correct and complete. I understand that any misrepresentation or omission may result in denial of my application or termination of my Dealership. I also hereby acknowledge that I have read and understand this Dealer Agreement and all the Policies and Procedures that are incorporated herein, and that I agree to be bound by them.**



*The First in Synthetics* ®

# **INDEPENDENT AMSOIL DEALER POLICIES AND PROCEDURES**

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# 1.0 PURPOSE AND INTRODUCTION

An independent AMOIL Dealership provides nearly unlimited opportunities, whether you work it part time or full time. You have the freedom to sell into the markets that interest you and the flexibility to do it on your schedule. Dealers are free to rise as high as their effort takes them.

The Policies in place are intended to create a rewarding business opportunity, ensure fairness and maintain a distinction between independent AMOIL Dealers and AMOIL INC. to avoid legal complications. These Policies allow the freedom to build your business by selling AMOIL products directly to new customers and by registering new catalog/online customers, Preferred Customers, retail accounts, commercial accounts and Dealers in the 50 United States and Canada. To protect the opportunity for everyone, some limitations are in place. For example, AMOIL Dealers may not sell to previously existing customers, international customers, online resellers, big-box stores, wholesale oil distributors and wind-power companies. And, while independent AMOIL Dealers are the primary method of selling and distributing AMOIL products in North America, only AMOIL can sell to international distributors and wind-power companies due to complex and expensive business practices common to those markets. In addition, to maintain an advantage over competitors and continue to provide Dealers a rewarding business opportunity, AMOIL reserves the right to sell to other customers including (not limited to) original equipment manufacturers (OEMs) and large commercial and industrial customers.

Full details are included in the following Policies. Please review them carefully as they provide the guidelines Dealers must observe when conducting their businesses. Failure to comply may result in corrective action up to forfeiture of your Dealership. If you have questions about any of the policies herein, contact AMOIL Customer Service at 1-800-777-7094 from 7 a.m – 7 p.m. CT, or email [customerservice@amsoil.com](mailto:customerservice@amsoil.com).

## 2.0 POLICIES AND PROCEDURES SCOPE

### 2.1 Dealer Policies and Procedures are Incorporated into the AMOIL Dealer Agreement

1. The Policies and Procedures (“Policies”), in their current form and as amended periodically, are incorporated into the AMOIL Dealer Agreement. It is the responsibility of each independent AMOIL Dealer (“Dealer”) to read, understand, adhere to and ensure that he or she is aware of and operating under the most current version of these Policies. The most current version of the Policies is available online through the AMOIL Dealer Zone ([my.amsoil.com](http://my.amsoil.com)). AMOIL reserves the right to amend the Policies. By executing the Agreement, each Dealer agrees to abide by all amendments or modifications made by AMOIL. The continuation of a Dealer’s AMOIL business or

acceptance of compensation after the effective date of the amended policies shall constitute the Dealer’s acceptance of all the changes.

### 2.2 Definitions

1. Unless otherwise defined herein, capitalized terms used in these Policies shall have the meanings specified in Section 13.

### 2.3 Interpretation of Policies and Procedures

1. AMOIL retains the right to decide all matters regarding interpretation and enforcement of all policies and procedures contained in this and other AMOIL publications. Any requests regarding special exceptions, enforcement of policies or Dealer disputes should be submitted in writing to the AMOIL Review Committee ([reviewcommittee@amsoil.com](mailto:reviewcommittee@amsoil.com)).
2. No AMOIL employee has the right to verbally authorize any special exceptions to published AMOIL policies and procedures. The appropriate manager must provide such written authorization (see section 2.7 No Waiver).

### 2.4 Enforcement of Policies

1. The Policies protect the AMOIL business opportunity and brand. Violations can adversely influence the opinions of regulators, the media and the public about AMOIL, its products and its Dealers. While many Policy violations may be resolved by educating the Dealer about the Policies and proper business practices, there are instances where violations merit more severe penalties.
2. Dealers are strongly encouraged to promptly report alleged violations of the Policies to AMOIL ([reviewcommittee@amsoil.com](mailto:reviewcommittee@amsoil.com)) in order to protect the goodwill and reputation of AMOIL and its Dealers. AMOIL generally will only act on complaints brought within one year of when the Dealer knew or should have known of the violation but reserves the right to conduct an inquiry at any time.

#### 2.4.1 Forms of Disciplinary Action

1. The Policies are in place to protect AMOIL and the business opportunity for all Dealers. Violations of the Policies are considered serious and may subject a Dealer to disciplinary action. AMOIL may attempt to address a violation by counseling the Dealer; however, depending on the particular situation, more severe disciplinary measures may be required, including (not limited to) the following:
  - Issuance of a written warning
  - Loss of one or more commission payments, in whole or in part
  - Suspension of the Dealership for one or more pay periods
  - Reassignment of one or more customers
  - Involuntary cancelation of the Dealership
2. AMOIL reserves the right to take disciplinary action

against a Dealer at any time, with or without prior notice, whenever it is determined to be the necessary and appropriate action. Any disciplinary action taken by AMSOIL shall be effective on the date AMSOIL provides notice to the affected Dealer. The notice will be mailed and/or emailed to the Dealer's physical address and/or email of record with AMSOIL.

#### **2.4.2 Procedures for Appeal**

1. A Dealer may appeal the withholding of compensation, suspension or termination by sending a written explanation to the Review Committee addressing why the disciplinary action should not be taken. In order to be considered, appeals must be sent by certified or registered mail to the AMSOIL Corporate Office (attention: Review Committee) or by email to [reviewcommittee@amsoil.com](mailto:reviewcommittee@amsoil.com). Appeals must be received by AMSOIL no later than twenty (20) days from the date of the notice of disciplinary action. Any sanction(s) shall remain in place during the appeals process. AMSOIL will review all timely appeals and notify the Dealer of the final decision. The appeal decision is final and is not subject to further review.

#### **2.5 Amendments to the Agreement**

1. AMSOIL reserves the right to modify, amend and change its Policies and Procedures and all terms and conditions of your AMSOIL Dealership Agreement, including (not limited to) the calculation of commissions and commission credits, products offered for sale and product prices, at its sole and absolute discretion. AMSOIL will provide thirty (30) days written notice of policy and compensation program amendments through electronic and/or print media. AMSOIL shall provide or make available to all Dealers a complete copy of the amended provisions by one or more of the following methods: (1) posting in the Dealer Zone; (2) email; (3) inclusion in *AMSOIL Magazine* or other company periodicals; (4) inclusion in product orders; or (5) special mailings from the company.

#### **2.6 Severability**

1. If any provision of this Agreement, in its current form or as may subsequently be amended, is found to be invalid or unenforceable for any reason, only those invalid provisions (or the subsections thereof) shall be severed, and the remaining terms and provisions shall remain in full force and effect, and shall be construed as if such invalid or unenforceable provision were not part of the Agreement.

#### **2.7 No Waiver**

1. AMSOIL does not consent at any time to the waiver of its right to insist on compliance with the terms of the Agreement, as well as with all applicable laws governing the conduct of a Dealer. No failure of AMSOIL to exercise any right or power under the Agreement, or to insist on strict compliance by Dealers with the Agreement and applicable laws, shall constitute a waiver of the right of AMSOIL to such compliance. Waiver of these rights is effective only when placed in writing by an authorized officer of

AMSOIL. An AMSOIL waiver of any particular breach by a given Dealer shall not affect or impair the rights of AMSOIL with respect to any subsequent breach, nor shall it affect in any way the rights or duties of any other Dealer.

#### **2.8 Errors and Omissions**

1. If a Dealer has questions about the Agreement, including any of these Policies, or believes an error has been made with regard to compensation, sponsorship or any other activity related to his or her Dealership, the Dealer must report the matter to AMSOIL ([customerservice@amsoil.com](mailto:customerservice@amsoil.com)) in writing within ninety (90) days of when the Dealer knew or should have known of the error.

### **3.0 BECOMING AN INDEPENDENT AMSOIL DEALER**

#### **3.1 Eligibility**

1. In order to become a Dealer, you must...
  - Be at least 18 years of age
  - Reside in the U.S. or Canada
  - Have a valid Social Security Number (U.S.) or Social Insurance Number (Canada)
  - Submit a complete and accurate Application and Agreement
  - Have the Agreement accepted by AMSOIL

AMSOIL reserves the right to accept or deny any Agreement. Providing false information in your Dealer Agreement may result in the immediate termination of your Dealership.

#### **3.2 Restrictions on Certain Businesses and Their Owners**

1. To maintain the integrity of the Dealer opportunity, owners or agents of some businesses are not permitted to become AMSOIL Dealers. These businesses include (not limited to):
  - Businesses with 24 or more retail establishments
  - Businesses that primarily resell through the Internet or retail catalogs
  - Businesses primarily engaged in the regional or national distribution of auto/truck/equipment supplies to retailers
  - Businesses primarily engaged in the distribution of fuel or petroleum products to retailers or commercial users
  - Businesses primarily engaged in distribution of industrial supplies
  - Businesses that export or distribute products outside of the United States and Canada

#### **3.3 Rights and Privileges of Dealers**

1. Once AMSOIL accepts a Dealer Agreement, the Dealer enjoys the following rights and privileges:
  - One free Dealer Kit

- One free annual subscription to *AMSOIL Magazine*, the AMSOIL official company publication
- Ability to purchase products directly from AMSOIL at Dealer price
- Ability to sell products to customers and earn a profit, if eligible
- Ability to sponsor customers, Dealers and accounts and earn commissions, if eligible
- Ability to participate in the AMSOIL Compensation Plan
- AMSOIL communications and literature

### **3.4 Cancellations and Changes**

1. A Dealer may cancel his or her application at any time by submitting written notice to customerservice@amsoil.com. To receive a full refund for membership fees and the Dealer Kit, however, notification of intent must be made within three (3) days of the date shown on the application.
2. If a new Dealer decides not to continue, the Dealer may return the Dealer Kit at his or her own expense, complete and in good condition, to AMSOIL within thirty (30) days of the application date, and the money paid for registration fees and the Dealer Kit will be promptly refunded.
3. An AMSOIL Dealer may legitimately change sponsors by voluntarily canceling his or her AMSOIL Dealership and remaining inactive (i.e., no purchases of AMSOIL products, no sales of AMSOIL products, no recruiting or sponsoring, participation in any other form of AMSOIL Dealer activity, or operation of any other AMSOIL Dealership) for 12 full calendar months. Any spouse or immediate household member of the former AMSOIL Dealer must also remain inactive during this 12-month period. Following the 12-month period of inactivity, the former AMSOIL Dealer may reapply under a new sponsor as an AMSOIL Dealer.
4. Dealers have 30 days from the time of registration to appeal their sponsorship assignment and request assignment to the Dealer most responsible for their interest in AMSOIL.

### **3.5 Married Couples**

1. Only individuals or spouses may jointly register as AMSOIL Dealers. Only one Dealership will be recognized for a spouse combination. Individual Dealers who become married will remain separate Dealers, but may combine their individual Dealerships into a single Dealership, provided they both share the same sponsor. In the event a couple sharing a Dealership divorces or separates, AMSOIL will continue to pay commissions and bonuses in the same fashion as prior to the divorce or separation, until such time as it receives written instructions signed by both parties or a court order directing how the Dealership's future commissions and bonuses should be distributed.

### **3.6 Add/Remove a Spouse**

1. AMSOIL Dealers may add or remove a spouse to the Dealership by submitting an Add Spouse to Dealership

form or Remove Spouse from Dealership form available in the Dealer Zone (Product and Program Lit>Forms) to customerservice@amsoil.com.

2. Earnings shall be reported to one Social Security/Social Insurance number per Dealership. If a married couple wants to change the primary Social Security/Social Insurance number, or if the individual associated with the primary Social Security/Social Insurance number on file passes away, a request to change Social Security/Social Insurance designation must be submitted to commissions@amsoil.com prior to the next earnings payment.

### **3.7 Divorce**

1. If a married couple who jointly owns a Dealership starts divorce proceedings, arrangements must be made to provide ongoing operations and uninterrupted customer service. AMSOIL will continue to issue payments in the same manner as before divorce proceedings began until AMSOIL receives one of the following items:
  - A copy of a court order or decree that states the couple is legally separated or divorced, and designates ownership of the Dealership to one individual
  - A signed agreement indicating the parties will continue to operate the Dealership jointly on a "business-as-usual" basis, whereupon all compensation will continue to be paid in the same manner as before divorce proceedings began
  - If the parties to a divorce or legal separation choose amongst themselves who is to remain on the Dealership, then the resigning spouse may submit a notarized Remove Spouse from Dealership form to customerservice@amsoil.com to remove his or her name from the Dealership. The form is available in the Dealer Zone (Product and Program Lit>Forms).
2. A Dealership cannot be divided between divorcing parties. Similarly, AMSOIL will not divide Dealership commissions between divorcing parties. In the event that parties to a divorce or dissolution proceeding are unable to finalize issues relating to ownership of the Dealership and commissions business in a timely manner, the Dealership Agreement shall be involuntarily canceled.
3. Any court order or decree addressing the ownership of a Dealership or commission payments must strictly adhere to the Policies and Agreement to be enforceable by AMSOIL. Neither AMSOIL nor its employees shall be liable for any loss, damage or injury resulting from the compliance of AMSOIL with a court order or decree pursuant to this section.

### **3.8 Business Entities**

1. An AMSOIL Dealership may be organized and operated as a corporation, LLC, non-profit or other legally structured entity (collectively "Corporate Entity" or "Entity"). The Dealership shall remain in the name of the individual or married couple, but AMSOIL will issue earnings to the appropriate entity. Dealers must

submit the Authorization to Make & Remove Payments to Corporation (G35) form and supporting documents to customerservice@amsoil.com. The form is available in the Dealer Zone (Product and Program Lit>Forms).

2. AMSOIL will not issue commissions to an entity that qualifies as an AMSOIL commercial or retail account.

### **3.9 Independent Contractor Status**

1. An AMSOIL Dealer operates his or her business as an independent Dealer of AMSOIL products. As such, there is no employee relationship with AMSOIL. The relationship between AMSOIL and its Dealers is on a vendor/vendee basis. No AMSOIL Dealer shall verbally, or in writing, use the terms “agent,” “supervisor,” “manager,” “company representative” or any other similar terminology that implies an employer/employee relationship. Dealers have no authority to bind AMSOIL to any obligation, neither shall any Dealer incur any liability on the part of AMSOIL.

### **3.10 Renewal of Dealership**

1. Each Dealer must renew his or her Dealership annually. Renewal includes acknowledging and accepting the Dealer Agreement, including the then-current Policies, and payment of the current Annual Membership Fee (“Fee”) to cover services provided to Dealers and their customers. Dealers with a “lifetime,” “10-year” or “5-year” membership have the Fee waived for the lifetime of the registered Dealer, 10 years or 5 years, respectively. Paying the Fee constitutes the Dealer’s acceptance of all terms and conditions of his or her Agreement.
2. Although AMSOIL shall make a good-faith effort to remind Dealers to renew their Dealerships prior to expiration, the Dealer is ultimately responsible for renewing the Dealership and paying the Fee on time. Renewal can be completed in the Dealer Zone (my.amsoil.com) or by calling AMSOIL Customer Service at 1-800-777-7094.
3. The Fee must be paid by the renewing Dealer and cannot be paid by a third party. Failure to renew by the anniversary date of the current membership shall result in termination and all privileges and rights relative to the Dealership. The Dealership’s downline customers and Dealers, if any, will transfer in accordance with the terms of this Agreement.
4. Although AMSOIL encourages all Dealers to renew on or before their anniversary date, AMSOIL generally provides (but is under no contractual obligation to provide) a 15-day grace period before the Dealership is terminated for non-renewal.
5. AMSOIL currently offers, at its discretion, an “Auto Renewal” option that allows Dealers to enroll and have their renewal fees automatically charged to their credit card on their anniversary date, automatically renewing their Dealership for another year. Dealers may enroll in the Dealer Zone (my.amsoil.com) or by calling AMSOIL Customer Service at 1-800-777-7094. To stop auto renewal, the Dealer may contact Customer Service.

6. AMSOIL reserves the right to accept or reject any renewal of a Dealership for any reason.

### **3.11 Termination**

1. Failure to comply with AMSOIL Policies and Procedures may result in the termination of your AMSOIL Dealership.

## **4.0 DEALER RESPONSIBILITIES**

### **4.1 Code of Conduct and Ethics**

1. Dealers promise to...
  - Handle themselves, their operations and their conduct honestly, morally and legally
  - Keep their activities honorable to reflect well on themselves and on AMSOIL
  - Speak well of AMSOIL, as well as competitors
  - Accurately and truthfully present AMSOIL products in keeping with what is set forth in AMSOIL literature and advertisements
  - Respect the privacy of others and keep their personal earnings private
  - Direct all media inquiries to AMSOIL
  - Treat other Dealers professionally
  - Adhere to the Agreement

### **4.2 Non-Disparagement**

1. AMSOIL Dealers shall not disparage AMSOIL or any other company or person in regard to AMSOIL Dealer recognition levels, commission credit values, bonuses or other compensation, other AMSOIL Dealers, AMSOIL products, the sales compensation plan, AMSOIL policies and procedures, or AMSOIL employees. Disparagement may result in termination of your Dealership.

### **4.3 Anti-Harassment**

1. AMSOIL maintains strict anti-harassment policies. “Harassment” could be persistently bothering, threatening or discriminating against an AMSOIL employee, Dealer or customer. The basis for the harassment does not matter. Actions that constitute harassment, either verbal or written, that adversely affect AMSOIL, AMSOIL Dealers, customers or prospective customers shall result in immediate corrective action, up to involuntary cancelation of your rights as an AMSOIL Dealer.

### **4.4 Update Contact Information**

1. To ensure timely delivery of products, support materials and communications, Dealers who change their physical address, phone number or email should provide AMSOIL their updated contact information within 30 days. To prevent delivery delays, provide at least two (2) weeks notice to AMSOIL on all such changes.

### **4.5 Protecting Personal Information**

1. All Independent AMSOIL Dealers must adopt, implement and maintain appropriate administrative,

technical and physical safeguards to protect against foreseeable threats or hazards to the security of their customers' and accounts' personal information. Appropriate safeguards for electronic and paper records may include the following:

- Encrypting data before electronically transmitting it
- Storing records in a secure location
- Password-protecting computer files or locking up physical files containing your customers' or accounts' personal information
- Shredding documents that contain private or confidential information

AMSOIL Dealers must keep their customers' and accounts' personal information secure from all persons who do not have legitimate business needs to see or use such information.

2. Dealers should maintain their customers' or accounts' personal information for only so long as there is a legitimate business need or as required by applicable law. If AMSOIL Dealers dispose of any paper or electronic records containing their customers' or accounts' confidential information, they shall do so by taking all reasonable steps to destroy the information by (1) shredding, (2) permanently erasing and deleting or (3) otherwise modifying the data and other confidential information in those records to make it unreadable or indecipherable.
3. Upon request, the Dealer shall certify to AMSOIL that all forms of customer personal information have been destroyed and will describe any exceptions.
4. The Dealer shall promptly notify AMSOIL if there is an actual or suspected security breach affecting his or her customers' or accounts' data by emailing details to [reviewcommittee@amsoil.com](mailto:reviewcommittee@amsoil.com). Dealers shall fully cooperate with AMSOIL and legal authorities concerning the investigation and mitigation of any such security breach.

#### **4.6 Customer Bill of Rights**

1. To provide the best customer service possible, AMSOIL Dealers must be willing to fulfill the responsibilities of the AMSOIL Customer Bill of Rights enumerated below in paragraphs 2-6:
2. Ensure requests for assistance are fulfilled promptly and professionally and provide your current contact information (phone number, email address, website URL, etc.) to your customers/accounts and AMSOIL.
3. Conduct business in an honest, ethical and professional manner and in compliance with these Policies.
4. Ensure retail and commercial account representatives are properly trained and informed of all the terms, policies and procedures of the Commercial or Retail Programs as outlined in section 10.0 Registering Commercial and Retail Accounts of these Policies, price lists and all other pertinent AMSOIL publications.
5. Continually work on behalf of customers and accounts to

ensure satisfaction and success. This includes (not limited to) the following:

- Maintain regular contact as scheduled or expected by the customer or account
  - Ensure retail and commercial accounts have current price lists and are informed about new product developments
  - Recommend products that best fit the customer's needs even if doing so may result in reduced earnings
  - Assist customers and accounts in finding the best possible order placement, shipping, delivery and payment options to meet specific needs
  - Ensure co-op advertising credit, Preferred Customer points and other benefits are managed and used to achieve results and are not used for the Dealer's own personal use
  - Ensure profile information is complete and kept up-to-date for retail accounts that qualify for the AMSOIL Locator
6. Email [customerservice@amsoil.com](mailto:customerservice@amsoil.com) to inform AMSOIL of any change of personal-contact information or ownership, address or business procedures of your customers and accounts within 30 days of such a change and submit a new application if requested.

#### **4.7 Corrective Action for Poor Customer Service**

1. AMSOIL shall investigate complaints from customers/accounts who claim their Dealer isn't providing adequate customer service. In the event of legitimate complaints that the original Dealer cannot resolve, customers/accounts shall be assigned to a different AMSOIL Dealer. AMSOIL shall make every effort to reassign personally sponsored customers/accounts to a Dealer in your personal group who is qualified and capable of providing the level of service the customers or accounts expect.

#### **4.8 Consent**

1. No Dealer shall register an individual as an AMSOIL Dealer, Preferred Customer, account or catalog/online customer without the individual's knowledge and consent.

#### **4.9 Change of Sponsoring Dealer**

1. Customers have 30 days from registration to request a different sponsoring Dealer.

#### **4.10 Assigned Customers**

1. Many customers buy directly from AMSOIL without providing referral information. Such Dealers, commercial accounts and retail accounts are assigned to Customer-Certified Dealers who meet geographic requirements. Catalog/online customers and Preferred Customers are assigned to Customer-Certified Dealers. See the Dealer Zone (Learning Center>Dealer Certification) for certification details.
2. Because new customers may not understand the importance or procedures for identifying their preferred Dealer, assigned customers may request a change of sponsoring Dealer within 30 days.

3. Assigned customers are not automatically transferred to the sponsor if a Dealer's membership is not renewed or is terminated. Likewise, assigned customers are not automatically transferred if a Dealership is sold or transferred to an heir.

#### **4.11 Titles and Interests**

1. AMSOIL shall pay commissions to Dealers on the sales made to customers Dealers register with AMSOIL in accordance with the terms of this agreement. AMSOIL manages transactions and reserves the right to communicate with customers, visit customers, accept or reject a customer into a program, re-assign sponsors, withhold an order, extend or deny credit, share credit information with credit agencies and engage in promotional offers, among other things. AMSOIL is the owner of rights, titles and interest of registered AMSOIL customers.

#### **4.12 No Exclusive Franchises or Territories**

1. No Dealer shall represent to anyone that there are exclusive franchises or territories available. No Dealer shall represent that the Dealer or anyone else has the authority to designate territories or imply that the Dealer has a given territory. AMSOIL Dealers are prohibited from pursuing, for either sponsoring or sales purposes, other Dealers' registered AMSOIL Dealers, Preferred Customers and accounts.

#### **4.13 AMSOIL Distribution Centers**

1. Dealers cannot solicit potential customers at any AMSOIL distribution center.

#### **4.14 No Program Manipulation**

1. Dealers shall not manipulate AMSOIL programs to their advantage. For example, Dealers shall not order as a Preferred Customer to qualify for free shipping at a reduced minimum order value or order under an account to falsely extend its active status.

#### **4.15 Actions of Household Members or Affiliated Individuals**

1. If any member of a Dealer's immediate household participates in any action that, if performed by the Dealer, would itself violate any of the terms of AMSOIL Policies, such action will be held to be a violation by the Dealer. Likewise, if any individual associated in any way with a Dealer commits a violation, such action will be attributed to the Dealership itself, and AMSOIL may take corrective action against the Dealer.

#### **4.16 No Claims to Special Favor**

1. No Dealer may claim or imply that he or she has any special favor or privilege with AMSOIL, or is in any way exempt from the requirements and/or duties which apply to other AMSOIL Dealers.

#### **4.17 Conflicts of Interest**

1. AMSOIL Dealers are free to participate in other sales or network-marketing ventures. Non-personally sponsored, assigned, referred or transferred customers may not be solicited for any reason.

2. Personal contact information can only be used or passed from one Dealer to another for the specific purpose of promoting AMSOIL marketing programs or selling AMSOIL products.

3. No Dealer may contact any business partner of AMSOIL unless authorized in writing. Such partners include (not limited to) aftermarket product manufacturers, raw-material vendors, independent test laboratories, customers featured in publications, international Distributors, wind-power and industrial companies, original equipment manufacturers, race teams, event promoters and trade associations. Unauthorized contact with such parties is strictly prohibited.

#### **4.18 Cross-Line Sponsoring**

1. AMSOIL expressly forbids the practice of cross-line sponsoring. "Cross-line sponsoring" occurs when a Dealer attempts to enroll, interfere with or sell directly to a protected Dealer or customer who is part of another personal group. Dealers may not use another name, including (not limited to) a spouse, relative, DBA name, assumed name or fictitious name to evade this policy. If discovered, cross-line sponsoring must be brought to the attention of the AMSOIL review committee ([reviewcommittee@amsoil.com](mailto:reviewcommittee@amsoil.com)). AMSOIL reserves the right to take action against all parties who knowingly participate in cross-line sponsoring. AMSOIL may, at its discretion, take such restorative measures as it deems necessary to correct the results of any cross-line sponsoring, including (not limited to) transferring customers back to their original sponsors and taking additional disciplinary actions.

#### **4.19 Position Roll-Ups**

1. Dealer positions do not automatically roll-up when vacated. Rather, when a position is vacated for any reason, either voluntarily or involuntarily, the vacated position will remain in its current position in the AMSOIL organization and its downline organization will remain intact until at least the time that AMSOIL has recouped all costs and losses, including attorney's fees, associated with the reason the position has been vacated, such as a Dealer's termination and the events that are connected with or have led to the termination.
2. Once AMSOIL determines that it has recouped all such costs and losses, the vacated Dealer position may be removed from AMSOIL and the downline organization may roll-up to the immediate upline Dealer. No Dealer shall have any vested right or claim in the roll-up of any vacated position in the AMSOIL organization regardless of whether the position has been vacated through voluntary resignation, involuntary termination or otherwise. The decision whether or not to roll-up a particular position after it is vacated is at the discretion of AMSOIL.

## **5.0 INTERFERENCE**

1. Your AMSOIL Dealership is an opportunity to build a business by establishing new customers, Dealers, Preferred Customers and accounts. New customers

are those who are not already working with another AMSOIL Dealer. Though AMSOIL Dealerships are not granted exclusive territories, a Dealer's customers are considered protected and should not be pursued by other Dealers. Intentional or unintentional interference frequently results in harmed relationships, lost customers and lost Dealers. These actions adversely affect the image and reputation of AMSOIL, as well as those of AMSOIL Dealers. They also make it more difficult to build your business and grow the AMSOIL brand.

2. To ensure the AMSOIL business opportunity remains a source of limitless potential for all, AMSOIL established these policies and guidelines, as well as a framework for enforcement.

### **5.1 Examples of Interference**

1. Interference can occur anytime you encounter another Dealer's customer. Interference includes (not limited to) discussing AMSOIL, offering better service, encouraging customers to terminate their relationship with their current Dealer or selling product to them directly. The following are examples of interference:
  - A Dealer drives around with a truck and trailer loaded with AMSOIL products, stopping and selling to stores with AMSOIL signs in its windows or AMSOIL products on its shelves.
  - In multiple-store chains where one location is registered under one Dealer and another location is registered under a different Dealer, one Dealer entices the other Dealer's account to buy from him or her.
  - An owner, relative or employee of a protected account becomes a Dealer and begins selling to the business directly.
  - A Dealer has his or her engine or transmission worked on by another Dealer's protected account, then begins selling directly to the business to defray repair expenses.
  - A Dealer lures other Dealers' customers with local service, inventory and delivery.
  - A Dealer encourages another Dealer to join their organization to participate in events, online advertising or other activities that give the impression of a better opportunity.

### **5.2 Initial Contact Guidelines**

1. Before pursuing a prospect, ensure the customer is eligible and unprotected. This means he or she is not currently buying from another AMSOIL Dealer and is not an active Dealer, Preferred Customer or account. An active account is one that is registered or has made a purchase within the last 15 months, while an active Dealer or Preferred Customer is one who is registered or who has been registered at some time over the past 12 months. Any unregistered business currently buying or selling AMSOIL products or individual buying directly from another Dealer is also considered active and protected.

2. Online/catalog retail customers are considered protected only for online/catalog purchases. If an online/catalog retail customer elects to become a Dealer, Preferred Customer or retail or commercial account, he or she is eligible to switch AMSOIL Dealers at that time.
3. Because customers will shop multiple Dealers in an effort to receive the best deal, Dealers must be diligent in their attempts to determine whether or not prospects are protected. Use visual inspection and verbal qualification to determine if a prospect is an active and protected customer or if he or she is eligible to be pursued as a new customer. When followed, these methods quickly and effectively help determine the status and eligibility of prospects you contact. Failure to properly follow this process could adversely affect another AMSOIL Dealer, the customer and AMSOIL, and will result in immediate corrective action.
4. Prior to verifying the status of a prospect, Dealers should refrain from discussing AMSOIL products, programs, special services (local inventory, free delivery, advertising, discounted promotional materials, etc.) or anything else that could interfere with an existing customer/Dealer relationship.

### **5.3 Visual Inspection**

1. Before identifying yourself as an AMSOIL Dealer and discussing AMSOIL with a potential business customer, perform a visual inspection. For retail stores, simply inspect the store for AMSOIL products, signage, stickers or any indication that a relationship with another AMSOIL Dealer exists. If you find any of these circumstances in place, do not pursue the prospect any further. Walk away. It is not appropriate to ask the customer, AMSOIL or another Dealer further questions. Doing so is an example of interference. The business is protected and off limits. Similar inspection and qualification procedures apply to commercial accounts.

### **5.4 Verbal Qualification**

1. Whether meeting face-to-face with a prospect or speaking with him or her over the phone or by email, ask the following questions to determine if the prospect is protected:
  - Are you or have you been working with an AMSOIL Dealer?
  - Are you a registered AMSOIL Dealer or Preferred Customer?
  - Do you have a commercial or retail account with AMSOIL?
  - Have you purchased, used or sold AMSOIL products in the past? If so, when?
2. If the answer is yes to any of the first three questions, or the prospect has purchased, used or sold AMSOIL products within the past 15 months, cease the sales call immediately. Thank the customer for buying or using AMSOIL products, encourage him or her to keep working with his or her current Dealer, then walk

away and move on to the next prospect without saying anything that could interfere with or damage that existing customer/Dealer relationship.

3. Instruct customers who don't know or forgot the name of their Dealer to contact AMSOIL Customer Service (1-800-777-7094). Do not attempt to solve the problems of other Dealers' customers or answer their questions yourself.
4. If, after visual inspection and verbal qualification, you determine a prospect is unprotected and eligible to buy products or register as a customer, identify yourself as an independent AMSOIL Dealer and proceed to work with him or her.
5. Again, if you determine the prospect is a current customer of another Dealer, the best course of action is to walk away.

### **5.5 The Review Process**

1. The review process is designed to resolve interference issues between affected Dealers, prevent future interference issues and restore relationships between Dealers and their customers. Once details and supporting information have been gathered and a Review Request Form has been submitted (reviewcommittee@amsoil.com), all parties should refrain from discussing the matter. This is necessary to allow for an unbiased investigation, minimize inconvenience, protect everyone's reputation and increase chances for relationships to be restored.
2. The Review Committee will conduct a prompt investigation. To conduct a fair review, the Committee will solicit additional information, if necessary, from the Dealer filing the complaint, any Dealer accused of interference and the affected customer. The Committee will make a decision based on the information gathered. Decisions made by the Review Committee are final, and fines and restitution may be imposed.

### **5.6 Review Request Form**

1. Dealers who feel they have been adversely affected by interference from another AMSOIL Dealer must submit a Review Request Form (G2195). The Review Request Form is available in the Dealer Zone (Product and Program Lit>Forms).
2. Only directly affected Dealers should submit requests. For example, a Dealer should submit a review request if another Dealer interfered with his or her personal customer. The Dealer's sponsor, Direct Jobber, etc., should not submit requests. Dealers who submit a Review Request Form are responsible for thoroughly explaining all details of the interference and providing any supporting documents (pictures, sales receipts, etc.). This is especially important for complaints involving personal sales to customers who aren't registered and have no sales history with AMSOIL. All details must be first-hand, meaning the affected Dealer personally saw, heard or was informed by the affected customer.
3. Only current issues should be submitted to the Review Committee. Situations from prior years, including those

that have been recently uncovered but took place 12 or more months in the past, and unsubstantiated or undocumented claims will not be investigated.

### **5.7 Interference Policy Enforcement**

1. The Review Committee was established to review and resolve matters regarding interpretation and enforcement of policies outlined in this document, price lists and all other pertinent AMSOIL publications. Committee members are well-versed on AMSOIL policies, are unbiased and act with the goal of protecting the AMSOIL opportunity for all Dealers.

### **5.8 Corrective Action**

1. To protect the rights of all Dealers, AMSOIL developed the Penalty Guidelines for Corrective Action Due to Interference (shown in the chart on the next page) for taking action in cases of interference with protected customers. These guidelines are intended to give notice of the range of possible actions AMSOIL will take based on the severity of interference.
2. The responses listed apply for first-time offenses and are intended to restore relationships and prevent future instances of interference. Actual disciplinary actions and penalties may be more or less stringent than listed and additional violations could result in Dealership termination.
3. By following these contact guidelines you help ensure that your efforts and the efforts of all Dealers are justly rewarded. You also maintain a healthy business climate and the professional integrity of the Dealership opportunity.

### **5.9 Reporting Violations**

1. Dealers who become aware of a policy violation by another Dealer should make a written report of the incident to reviewcommittee@amsoil.com. The report should include all appropriate details, such as the date(s) and the nature of the violation(s) and the name(s) of any persons involved or any witnesses thereto. Attach any supporting documentation to the report.

### **5.10 Non-Interference with AMSOIL Direct Sales**

1. AMSOIL engages directly in sales to international Distributors and domestic companies, including (not limited to) multi-national original equipment manufacturers (OEMs), wind-power companies and other industrial or heavy-duty commercial end-users. Doing business with such customers requires complex terms-and-conditions agreements, expensive insurance policies, a large product inventory and payment terms. In addition, vendors must provide advanced technical support and specialized industry knowledge. Equipment failures due to incorrect product recommendations or misguided technical advice carry tremendous liability most Dealers cannot absorb. For these reasons, AMSOIL reserves the right to prohibit Dealers from registering certain large commercial and industrial accounts such as wind-power companies and multi-national OEMs as customers. To ensure customer

## PENALTY GUIDELINES FOR CORRECTIVE ACTION DUE TO INTERFERENCE

Existing Customer Status	Interference Action	Unintentional Interference & Cooperative	Mild Interference With Some Negligence	Intentional Interference & Uncooperative
Relationship Restored	No Products Sold	Corrective Communication	Warning	\$100-\$300 Fine & Warning
	Products Sold	Corrective Communication & Return Commissions	Return Commissions & Warning	Return Commissions, \$100-\$300 Fine & Warning
Relationship Damaged – No Prior Sales History	No Products Sold	Corrective Communication	\$100 Fine & Warning	\$100-\$500 Fine & Warning
	Products Sold	Corrective Communication & Return Commissions	Return Commissions, \$100 Fine & Warning	Return Commissions, \$100-\$500 Fine & Warning
Relationship Damaged – Established Sales History	No Products Sold	Corrective Communication	3-5 Times Yearly Commissions & Warning	5 Times Yearly Commissions & Warning
	Products Sold	Corrective Communication & Return Commissions	Return Commissions, 3-5 Times Yearly Commissions & Warning	Return Commissions, 5 Times Yearly Commissions & Warning

satisfaction and minimize misapplication risks, Dealers should not pursue any companies or business opportunities that exceed their personal capabilities and experience.

2. Dealers are prohibited from contacting AMSOIL direct or corporate customers to discuss AMSOIL products, attempt to ascertain proprietary information, ask questions about product performance, obtain testimonials or other such activities. Dealers may not publicly reference the involvement of AMSOIL with such entities or use any such relationships as sales testimonials unless previously published by AMSOIL.
3. If you want to contact a commercial business about registering as a commercial account, but you have questions about its eligibility or whether it's a protected AMSOIL account, contact AMSOIL Customer Service at 1-800-777-7094 for guidance.

### 6.0 OPERATING YOUR DEALERSHIP

1. Dealers shall not offer the AMSOIL Dealer opportunity through, or in conjunction with, any other opportunity or method of marketing not included in these Policies or expressly approved by AMSOIL. Furthermore, Dealers shall not require or encourage any current or prospective AMSOIL customers or Dealers to...
  - Participate in the AMSOIL Dealer program in any fashion that deviates from the program as described in AMSOIL official literature
  - Enter into a contract or agreement other than the official AMSOIL Agreement required to become a Dealer

- Make any purchase from, or payment to, any individual or other entity of any type to participate in the AMSOIL Dealer opportunity, other than those purchases or payments described as recommended or required in AMSOIL official literature

### 6.1 Compliance with Laws and Ordinances

1. Dealers must be aware of and abide by all applicable federal, state and local laws relating to sale of products, including business licenses, disclosure of warranties, taxation and other laws and regulations.

### 6.2 Taxes

1. All Dealers are responsible for paying federal, state/provincial and local taxes as they may apply on all product and promotional items sold, used personally or used in the operation of their business. Dealers must become acquainted with local, state/provincial and federal tax laws as they may apply to the business.
2. AMSOIL shall collect all applicable federal, state/provincial and local taxes on orders and pay the respective state/province. The Dealer is responsible for collecting and paying any other applicable tax. Refer to the AMSOIL Wholesale Price List (G3500, G8500 Can.), the U.S. AMSOIL Dealer Ordering Information Sheet (G2604) or the Canadian Dealer Ordering Information Sheet (G8604) for current tax information.
3. When claiming tax exemption, a signed Uniform Sales Tax and Use Certificate (G495, G495C Can.) must be sent to AMSOIL (customerservice@amsoil.com).

### 6.3 Product Orders

1. Dealers and customers are expected to pre-pay for all

orders prior to delivery. The only exception are customers with approved credit limits.

2. Credit card, debit card, PayPal or another electronic form of payment is required for orders placed online and by telephone. Payment method can be changed to check for orders picked up at distribution centers. Although you may pay for mail orders by check, it is not recommended; doing so may result in shipping delays and other inconveniences.
3. Customers are responsible for payment in full of any initially authorized payments that are revoked due to insufficient funds, charge-backs or other reasons.
4. You may not use another individual's credit card to order products without the individual's prior written approval. You must provide a copy of written approvals to AMSOIL upon request.
5. Dealers shall not place orders using an account's Net-30 credit terms or a retail account's co-op advertising credit without their prior written approval.
6. A Dealer may also purchase products from another AMSOIL Dealer. See section 11.10 Commission-Credit Transfers for details.
7. Dealers and other customers must receive products from an AMSOIL distribution center in the country in which the products are going to be used, sold or distributed. Products shipped or picked up within the United States cannot be sold, shipped or transported into Canada and vice versa.
8. Orders must be picked up within five days or will be canceled.
9. AMSOIL reserves the right to limit sales. An order is an offer that AMSOIL reserves the right to accept or deny.
10. Catalog/online retail customers must have orders shipped and cannot pick-up at an AMSOIL distribution center.

#### **6.4 Pricing Changes**

1. AMSOIL maintains the right to adjust product prices and product availability without notice. However, every effort is made to notify Dealers of price adjustments 30 days prior to implementation.

#### **6.5 Shipping Methods**

1. A variety of shipping methods are available depending on customer type, country and state/province. For details, visit [www.amsoil.com/StoreFront/ShippingInformation.aspx](http://www.amsoil.com/StoreFront/ShippingInformation.aspx), consult the shipping terms outlined in the Wholesale Price Lists (G3500, G8500 Can.) and view the appropriate ordering information sheets in the Dealer Zone (Product and Program Lit>Dealer Literature).
2. AMSOIL reserves the right to select the distribution center of origin and carrier for normal, ground shipping.

#### **6.6 Product Guarantee**

1. AMSOIL products are backed by the AMSOIL Limited Warranty (G1363). Visit [www.amsoil.com/warranty](http://www.amsoil.com/warranty) for details.

#### **6.7 Product Returns and Exchanges**

1. Catalog customers, Preferred Customers, commercial

accounts and retail accounts may return unopened and currently marketed products in resalable condition within thirty (30) days of purchase for a refund of 100 percent of the purchase price and sales tax, minus freight charges.

2. Dealers and customers may exchange products within ninety (90) days of purchase without incurring a restocking fee. Products exchanged must be of equal or lesser value than those returned. No exchange shall involve cash refunds or account credits.
3. Special-order items cannot be returned or exchanged at any time.
4. Products must be returned to an AMSOIL distribution center at the customer's expense. Items stocked only at the Superior, Wis. location, such as literature and filters, must be returned to the Superior distribution center.
5. Customers who ship products ineligible for exchange to an AMSOIL distribution center will be contacted for the disposition of said products. In such cases, the customer is also responsible for return freight costs.
6. The AMSOIL Distribution Center manager shall determine the current marketability of returned products.

#### **6.8 Inventory Repurchase**

1. Upon written request from a currently registered Dealer leaving the business and receipt of a copy of the original sales slip, AMSOIL shall authorize the return of any unused, currently marketable AMSOIL products. Products should be shipped F.O.B. to the nearest AMSOIL product distribution center.
2. Products must be less than 12 months old (no time limit in Ga., Idaho, La., Mass., Md., Mont., Neb., Okla., S.D., Texas, Wash. and Wyo.). Only full cases and drums with unbroken seals and all product labels intact may be returned. Upon inspection of such products, AMSOIL shall return the Dealer's cost of the product minus a 10-percent restocking fee and all commissions previously paid on the products.
3. The AMSOIL Distribution Center manager shall determine the current marketability of returned products.

### **7.0 DEALER MARKETING & ADVERTISING ACTIVITIES**

1. Dealers are encouraged to market and advertise their businesses and the AMSOIL opportunity to help grow sales. All Dealer marketing and advertising activities in all mediums, including (not limited to) the Internet (websites, digital ads, etc.), social media (Facebook, Instagram, etc.), broadcast, direct mail, digital messages (email, text, etc.) and promotional material created for trade shows or retail accounts must comply with the policies and procedures enumerated below in paragraphs 2-19:
2. Dealers may not sell, advertise or post prices of current or discontinued AMSOIL products, memorabilia or memberships online, including online auction sites (e.g. eBay), online marketplace sites (e.g. Amazon) or online classified sites (e.g. craigslist).

3. A Dealer who places any advertisement in any medium, publishes editorial content (articles, blog posts, letters, etc.) in any medium or sends digital messages (email, text, etc.) to customers, potential customers or AMSOIL must identify him or herself as an independent AMSOIL Dealer, AMSOIL Account Direct, AMSOIL Direct Dealer or AMSOIL Direct Jobber in the ad, editorial content or message.
4. At no time may a Dealer represent him or herself as AMSOIL INC. or any division, subsidiary or official representative of AMSOIL, nor should there be any confusion regarding whether activities originate from an individual's business or AMSOIL INC.
5. No Dealer shall advertise prices of AMSOIL products in any national medium. Dealers should provide prices to customers and potential customers by directing them to amsoil.com, through AMSOIL catalogs or through personal communication. Any mention of wholesale or discounted prices must clearly indicate it is available only through registration as a Preferred Customer, Dealer or account.
6. AMSOIL has a Unilateral Minimum Advertised Price ("MAP") policy. Dealers are responsible for ensuring their retail accounts and any resellers to whom they sell directly are aware of the MAP policy. See section 7.2 AMSOIL Unilateral Minimum Advertised Price Policy for details.
7. No Dealer shall directly or indirectly advertise or imply the offer of free or discounted Dealership opportunities or Preferred Customer memberships in any national medium.
8. AMSOIL Dealers may advertise "free shipping" using only the language used in AMSOIL advertisements with links/referrals to www.amsoil.com for full details and exclusions.
9. No Dealer shall advertise incentives of clear and obvious monetary value as inducements to solicit sales or Dealer, Preferred Customer or account registrations in any national advertising medium.
10. No Dealer shall directly or indirectly advertise, imply or encourage potential customers to email, call or submit web forms or take other actions to receive special product, membership or freight prices, rebates, scholarships or discounts in any national medium.
11. Tampering with advertising campaigns of other Dealers and AMSOIL is prohibited.
12. Advertising may not be targeted toward or intended to recruit customers from outside the 50 United States and Canada.
13. Advertisements may not be placed in magazines, websites or other mediums that don't uphold the corporate image or reputation. AMSOIL reserves the right to enforce the removal of AMSOIL content from any website containing sexual, political, religious or any other content that AMSOIL deems inappropriate.
14. Paid online advertisements (Google ads, Facebook ads, etc.) must clearly link to an independent Dealer website or social media page/site.
15. Online Dealer advertisements using the keyword "AMSOIL" must link directly to the homepage of the Dealer's website. At a minimum the homepage must provide features and benefits of synthetic lubricants, details of the main AMSOIL marketing programs, options for buying AMSOIL products, links to the AMSOIL corporate site and contact information for the Dealer. Web pages may not contain contact forms for collecting consumer information, Google ads or other advertisements for non-AMSOIL products and marketing opportunities.
16. No magazine or newspaper articles, stories, literature or graphic images may be reproduced on a Dealer's website or elsewhere without the express written consent of the author or creator. This includes both AMSOIL content and content from any other parties. No portion of another website may be copied without permission. Audio and video materials may not be reproduced in any digital form without permission.
17. Dealers shall make no claims concerning AMSOIL products other than those on the product label, amsoil.com or contained in official company literature.
18. Only current, authorized logos, slogans, graphs, statistical comparisons, non-confidential items and product information may be used in the promotion of an AMSOIL business.
19. A Dealer is responsible for his or her verbal and written statements concerning AMSOIL products and policies and procedures that are not expressly contained in official AMSOIL materials. Dealers agree to indemnify AMSOIL and its directors, officers, employees and agents, and hold them harmless from any and all liability, including (not limited to) judgments, penalties, refunds, attorney fees, court costs or lost business suffered as a result of the Dealer's unauthorized representations. This provision shall survive the termination of this Agreement.

## **7.1 Use of AMSOIL Intellectual Property**

1. Maintaining the integrity of the AMSOIL brand is one of the primary responsibilities of AMSOIL. This section is meant to help Dealers understand the significance of AMSOIL intellectual property. AMSOIL continuously polices the marketplace for improper, inconsistent and inappropriate use of its intellectual property, including trademarks, logos, slogans and copyrights, among other things. Such dedicated monitoring helps ensure the hard-earned reputation of AMSOIL as a producer of premium-quality synthetic lubricants.

### **7.1.1 Intellectual Property Definitions**

1. "Copyrighted materials:" AMSOIL owns the copyright to all printed material, Internet content and audio and video recordings produced by or for it.
2. A "trademark" is a proprietary name or symbol that identifies AMSOIL as the source of the products and services being sold and provided by Dealers. For example, the AMSOIL logo is a trademark, some product brands are trademarks, such as INTERCEPTOR® and DOMINATOR®, and various

marketing slogans are trademarks (e.g. The First in Synthetics® and Ride Hard. Run Cool.®).

3. A "trade name" is a business name that AMSOIL has the exclusive right to use. For example, "AMSOIL INC." and "AMSOIL GLOBAL INC." are trade names. Dealers may not register trade names that include the word AMSOIL or other AMSOIL brand names.
4. "Trade dress" includes the characteristics of the visual appearance of a product or its packaging that signify the source of the product to consumers. For example, the shape of the AMSOIL quart bottle is registered trade dress.
5. A "trade secret" is confidential information that is generally not known outside of AMSOIL and has commercial value. Trade secrets held by AMSOIL include formulas, vendor relationships, branding and product-development projects not yet in the marketplace, business plans, processes and compilations of data identifying or relating to other Dealers.

#### **7.1.2 Copyrighted Materials**

1. AMSOIL owns the copyright to all printed material, Internet content and audio and video recordings produced by or for it. Dealers must follow any conditions listed in the download instructions or other written authorization.
2. All AMSOIL copyrighted materials must be accompanied by the following statement: "Reproduced with the permission of AMSOIL INC. All rights reserved."
3. AMSOIL reserves the right to withdraw its consent to use of its copyrighted materials at any time.

#### **7.1.3 Trademarks, Trade Dress and Trade Names**

1. Dealers may use those trademarks, trade names and trade dress that AMSOIL makes available for downloading.
  - AMSOIL trademarks and trade names may only be obtained from AMSOIL.
  - Dealers must always identify themselves clearly as Independent AMSOIL Dealers.
  - Dealers may not alter the trademarks and trade dress in any way, except to resize them. Resizing items is permitted only if the image remains clear in all details and does not diminish the perception or quality of AMSOIL products and services.
  - Dealers may use AMSOIL trademarks and trade dress only in accordance with the current AMSOIL Brand Style Guide in the Dealer Zone (under the Marketing Your Business flyout menu).
2. AMSOIL reserves the right to withdraw its consent to use of these items at any time.

#### **7.1.4 Trade Secrets**

1. The Dealer will hold trade secrets in confidence and may not disclose them at any time, even after termination of the Dealership.

#### **7.1.5 Use Limited to AMSOIL Business**

1. Dealers may use AMSOIL Intellectual Property solely for the purpose of promoting their AMSOIL business. Dealers may not use AMSOIL Intellectual Property to produce any products for resale. The Dealer is also prohibited from applying for, owning or registering any AMSOIL Trademark, in whole or in part, or any confusingly similar mark in any jurisdiction in the world. If a Dealer violates this prohibition, the Dealer hereby agrees to assign, at no cost, the trademark registration or application to AMSOIL within twenty (20) days of a written request from AMSOIL.

#### **7.1.6 Intellectual Property in Media**

1. The word "AMSOIL" or the specific mention or pictures of any AMSOIL product or service may not be used in any media advertisements including print, digital, audio or visual recordings; in newspapers; magazines; radio; television; the Internet; or any other medium except as permitted.

#### **7.1.7 Prohibited Use of Third-Party Intellectual Property**

1. Dealers may not use copyrighted materials, trademarks, trade names, product names, images, videos or graphics owned or created by third parties unless they have obtained prior written consent from the owner. All third-party intellectual property must be properly referenced as the property of the third party, and Dealers must adhere to any restrictions and conditions that the owner of the intellectual property places on the use of its property.

#### **7.1.8 Termination of AMSOIL Dealership**

1. If an AMSOIL Dealership is terminated for any reason, the Dealer must immediately discontinue use of all AMSOIL Intellectual Property and update profile information for any social media accounts to disclose he or she is no longer an independent AMSOIL Dealer.

### **7.2 AMSOIL Unilateral Minimum Advertised Price (MAP) Policy**

1. AMSOIL seeks to develop, manufacture and sell the best synthetic lubricants, filters, additives and other performance products on the market. As such, we distribute products in the U.S. and Canada through independent authorized Dealers and retailers who value AMSOIL as a premium brand and are willing to provide commensurate customer service. Dealers or retailers who advertise discounted pricing on AMSOIL products affect the perceived value of the product. To support Dealers' and retailers' efforts, AMSOIL maintains a Unilateral Minimum Advertised Price ("MAP") policy. The MAP policy is intended to (1) protect independent AMSOIL Dealer and retailer margins so they can continue to provide exceptional customer service befitting the AMSOIL brand; (2) maintain the premium standing of the AMSOIL brand; and (3) avoid unnecessary conflict in the sales channel
2. The MAP policy does not nullify existing AMSOIL policies that forbid posting of pricing online. Prices of AMSOIL products may only be posted online at [www.amsoil.com](http://www.amsoil.com).

3. The MAP policy applies to all U.S. and Canadian independent AMSOIL Dealers and retailers without exception.
4. The MAP policy applies to the advertising of all AMSOIL products. Advertised pricing must be equal to or greater than the Official Manufacturer's Suggested Retail Price (MSRP) published in the U.S. Wholesale Price List (G3500), Canadian Wholesale Price List (G8500) and any current price list addendums located in the Dealer or Retail Zone. Similarly, no advertisement may expressly or implicitly advertise an AMSOIL product as being on sale, offered at a discount or otherwise suggest a price below the MSRP, whether or not a specific price is displayed. AMSOIL reserves the right to update or modify the listing of products covered by this MAP policy and the MSRP for any product at any time.
5. Although Dealers and retailers remain free to establish their own resale prices, AMSOIL will, without assuming any liability, unilaterally impose sanctions as described in this policy against Dealers and retailers who advertise the covered products at prices below those specified in its Price Lists.
6. The MAP policy covers, but is not limited to, the following types of advertising:
  - Print advertising such as public-facing posters or signs (excludes posters or signs facing the inside of a retail business), posters or signs at a trade show or similar event, newspapers, magazines, print inserts, Yellow Pages and other directories.
  - Broadcast advertising such as radio and TV.
  - Direct advertising such as catalogs; fliers; coupons; newsletters; direct-mail pieces; and broadcast faxes, whether delivered digitally, mailed, hand-delivered or shipped in-box with product.
  - Email advertising, including web pages that link from an email advertisement.
  - Internet advertising such as banner, pop-up and pop-under ads.
  - Any website accessible to the public, including retailers, club membership sites, e-tailers, shopping sites, auction sites, forums, classified ad sites, social media, etc.
7. Dealers or retailers may "bundle" AMSOIL products provided bundles are advertised at or above the cumulative MAP policy price of the AMSOIL product(s). If an AMSOIL product is bundled with a non-AMSOIL product, the advertised bundle price must be at or above the MAP policy price of the AMSOIL product(s) plus the price of the non-AMSOIL product, if sold separately.
8. If an AMSOIL product is bundled with a gift card, coupons, points or other incentives, the advertised bundle price must be at or above the MAP price of the AMSOIL products plus the value of the additional incentive. The advertisement cannot state or imply that the AMSOIL product is free or discounted in any way.
9. Installed services and bundling should not be used to "camouflage" discount advertising of AMSOIL products.
10. AMSOIL may at any time modify, suspend or discontinue this MAP policy, in whole or in part, or designate promotional periods during which the terms of the policy change or do not apply. In all such instances, notice of any corresponding policy modifications shall be made available in the Dealer and Retail Zones, on this page and/or via email notification, no fewer than seven (7) days in advance.
11. The MAP policy applies only to advertised prices and does not apply to the price at which the products are actually sold or offered for sale to an individual consumer within the Dealer or retailer's location or over the phone. Dealers and retail accounts are free to sell AMSOIL products at any prices they choose.
12. Email, direct mail and other digital personal communications sent directly to existing customers are excluded from the MAP policy.
13. The AMSOIL Preferred Customer (P.C.) Program is a paid subscription service administered by AMSOIL. All advertising of this program is excluded from the MAP policy. AMSOIL reserves sole authority to advertise within the P.C. Program.
14. Any offers AMSOIL extends to current or expired Dealers, retail accounts or commercial accounts are excluded from the MAP policy (i.e. product promotions, such as an offer to buy two cases of product and receive one free).
15. AMSOIL alone is responsible for enforcing this MAP policy and will do so unilaterally and without exception. The AMSOIL designated MAP Policy Manager (see below) is the only person authorized by AMSOIL to communicate MAP Policy updates, changes or decisions.
 

AMSOIL MAP Policy Manager  
 Dan Gorski  
 Director, Customer Service  
 AMSOIL INC.  
 925 Tower Ave.  
 Superior, WI 54880
16. No other AMSOIL representative or agent is authorized to confirm compliance with, discuss or amend this Policy. AMSOIL will not communicate with any retailer regarding another retailer's advertising practices.

### **7.3 MAP Policy Violations**

1. AMSOIL DEALERS MAY NOT MODIFY OR GRANT EXCEPTIONS TO THIS POLICY OR HAVE ANY COMMUNICATIONS WITH ANY RETAILER REGARDING VIOLATIONS OF THIS MAP POLICY. Violations should be documented and reported directly to [reviewcommittee@amsoil.com](mailto:reviewcommittee@amsoil.com).
2. AMSOIL shall determine, at its sole discretion, violations of this MAP policy. AMSOIL will not accept any appeal from a Dealer or reseller who has violated this MAP policy regarding the violation or their willingness to bring prices into compliance with the MAP policy.

3. If a retailer with multiple store locations violates this MAP policy at any one store location, or on any associated website, AMSOIL will consider it to be a violation by the retailer.

#### **7.4 MAP Policy Violation Actions**

1. The following actions will be taken against independent AMSOIL Dealers, resellers and AMSOIL retail accounts who violate this policy:
  - First infraction – written notice of violation, possible loss or reduction in benefits and stern warning that future infractions may result in account termination.
  - Second infraction within a 12-month period – written notice of violation, possible loss or reduction in benefits and stern warning that future infractions may result in account termination.
  - Third infraction within a 12-month period – account termination.
  - Four or more lifetime infractions – Dealership/account termination.

#### **7.5 Mass Media**

1. AMSOIL must approve in writing all Dealer-produced print and broadcast advertisements and direct-mail pieces.
2. Dealers must obtain written approval from AMSOIL prior to making presentations to audiences of more than 50 individuals. Dealers must submit requests in writing at least 30 days prior to the presentation date and must provide a copy of the proposed presentation material, as well as details regarding time, location and nature of the audience.
3. AMSOIL reserves the right to approve or deny presentations, require changes or provide corporate assistance developing, editing or presenting materials. AMSOIL Dealers making presentations to fewer than 50 individuals may only present information that has been published by AMSOIL.
4. Dealers must obtain written approval from AMSOIL prior to submitting any Dealer-created articles, letters, presentations or other editorial content, whether printed or published online, that includes the AMSOIL registered trade name to industry publications or associations. Examples include (not limited to) *Lubes & Greases*, *Compoundings*, Independent Lubricant Manufacturers Association (ILMA) and Society of Tribologists & Lubrication Engineers (STLE).

#### **7.6 Unsolicited Communication (Spam)**

1. Unsolicited communication for the purpose of selling or advertising AMSOIL products and marketing programs is prohibited and may be illegal.
2. “Unsolicited selling” means the initiation of a telephone call, email, fax or digital message for the purpose of encouraging the purchase of goods, services or participation in one of the AMSOIL marketing programs. “Unsolicited advertising” means the initiation of a telephone call, email, fax or digital message for the

purpose of advertising the availability or quality of goods, services or marketing programs.

3. The use of programmed equipment, recorded messages, digital-message “spamming,” hired services or other automated communication devices and techniques is prohibited, except when contacting current customers and others who have requested information or granted permission to be contacted.
4. Telephone “cold calls” are allowed to businesses that qualify as commercial or retail accounts. Cold calls cannot be intended to conclude a transaction but to schedule a face-to-face presentation to complete the intended transaction. Telephone calls to individuals for the purpose of selling AMSOIL products or presenting business opportunities are only allowed if a prior relationship or affiliation exists. For example, Dealers may contact friends, neighbors, members of the same church or club, coworkers or individuals whom friends or existing customers have referred.

#### **7.7 Dealer Website Content**

1. AMSOIL product pricing shall not be posted anywhere on the Internet with the exception of the AMSOIL Online Store and electronic AMSOIL catalogs. All sales and price inquiries shall be conducted by directing customers to the AMSOIL Online Store, AMSOIL catalogs/price lists or through personal communications.
2. AMSOIL Dealers must accurately identify their physical location (city and state/province) and not give the impression they are located in any other locations.
3. All online contact forms must contain the following disclaimer: “Personal contact information will only be used to provide requested information or assistance. You will not be enrolled in advertising or marketing programs and your information will not be shared or sold.”
4. Dealer sites that collect contact information or encourage personal contact through phone or email must contain a privacy statement. Examples are available in the Dealer Zone (Marketing Your Business>My Dealer Website>Privacy Statement Example).
5. AMSOIL Dealers may use AMSOIL and approved aftermarket partners’ trademarked logos, artwork and language for the sole purpose of promoting AMSOIL products and business opportunities.
6. Only AMSOIL products and business opportunities may be advertised and promoted on Authorized AMSOIL Dealer websites. Authorized and registered websites may use the AMSOIL logo and Dealer-number-transferring links. AMSOIL Dealers with websites that sell products not available from AMSOIL may host a separate authorized Dealer website. No other AMSOIL information can be posted on the unauthorized site. If special circumstances exist, submit details in writing to [webreg@amsoil.com](mailto:webreg@amsoil.com).

7. Dealers are authorized to reference the AMSOIL Limited Warranty (G1363). Other guarantees, discounted freight, money-back offers or other claims not authorized by AMSOIL are strictly prohibited when using links to the AMSOIL corporate website and Online Store.
8. Policies apply to all content on website pages, including META tags, keywords, page titles, databases and any content used in mass media.
9. Dealers may develop websites only for their personal-group Dealers and are prohibited from charging any fees for development of websites or consultation regarding Internet services to members of their personal group or any other Dealer outside of their personal group.

### **7.8 Domain Names**

1. The name of an individual business may not include the AMSOIL registered trade name.
2. Dealers may not use the name "AMSOIL," or any derivative, variation or other word or phrase trademarked by AMSOIL in any domain name or URL – even if the pages are "parked," "under construction," forwarded to an allowed domain, etc.
3. Examples of prohibited names include:
  - www.amsoil (your name).com,
  - www.(your name) samsoildealership.com
  - www.amsoil-motor-oil-dealer.com
4. The word "AMSOIL" is allowed in the subdirectory name of domain names. Examples include:
  - www.synthetic.com/amsoilproducts
  - www.oilandlubespecialists/ordering-amsoilproducts
5. Registered domains for AMSOIL Dealerships must link directly to an AMSOIL Dealer Website and may not link directly to the AMSOIL website using Dealer-number-transferring links.

### **7.9 Standardized Code Required**

1. All AMSOIL Dealer websites must host standardized code provided by AMSOIL for an authorized logo. This is a standardized AMSOIL logo in the official size, color, font and location, and must be displayed at the top of each of the Dealer's AMSOIL pages. This further identifies the Dealer's site as belonging to an independent Dealer and not AMSOIL INC. and identifies the Dealer's name and geographic location (city and state), unless the Dealer's name and valid contact information is provided elsewhere on the website (such as a Contact Us or About Us page). This code can be found in the Dealer Zone (My Business>My Dealer Website>Authorized Dealer Logo).

### **7.10 Dealer Website Registration Required**

1. Regardless who develops a website or where it is hosted, all AMSOIL Dealer websites must be approved by AMSOIL, registered and maintained in compliance

with all AMSOIL policies. From the Dealer Zone homepage at my.amsoil.com, visit Marketing Your Business>My Dealer Website.

2. Authorization of a website does not necessarily indicate the content on the site complies with AMSOIL policies and procedures. It is the Dealer's responsibility to ensure that the content is and remains in compliance with the most current policies, programs, marketing claims, product claims, etc. AMSOIL reserves the right to control the content of Dealers' websites. Failure to comply may result in disconnection of your Dealer-number-transferring link, loss of Dealership rights or other disciplinary action.

### **7.11 Social Media**

1. Dealers shall not create profiles that are misleading or offensive to the general public.
2. Dealers shall not engage in verbal abuse, commercial messaging (spamming), fraudulent activities or other actions that reflect poorly on the company or other Dealers.
3. Examples of prohibited activities include:
  - Posting of product pricing
  - False location, contact and ownership information that misleads potential customers
  - Misrepresentation of AMSOIL opportunities or products

Such activities and any other forms of fraudulent and destructive behavior are not tolerated and are grounds for the suspension of Dealer privileges.

4. Dealers must abide by the rules and guidelines of any social media services, including (not limited to) Facebook, Instagram, Snapchat, Twitter, YouTube or any forums, message boards or news groups. Some message boards, forums and news groups restrict member activities and frequently include advertising and solicitation restrictions. These restrictions and any others that are imposed upon members should be carefully observed to protect the rights and sensibilities of other Internet users.
5. Dealers may use Dealer-number transferring links to the AMSOIL website provided communications, or the accounts they generate from, clearly identify the sender as an independent AMSOIL Dealer.
6. AMSOIL maintains corporate social media accounts and the AMSOIL Blog as a way to communicate with Dealers, customers and the general public. No Dealer may comment on AMSOIL social media sites or the AMSOIL Blog with the intention of promoting his or her business or soliciting new customers. Any such comments will be deleted and AMSOIL reserves the right to take disciplinary actions including (not limited to) banning such users from future participation on AMSOIL social media sites or the AMSOIL Blog.

## **7.12 Text and Other Forms of Digital Messaging**

1. AMSOIL Dealers may conduct business through email, text-messaging, social platforms, instant messaging, etc., but under no circumstances will AMSOIL be held liable for any damages caused by lost or stolen Internet transmissions or the content of the digital communications.
2. AMSOIL Dealers may maintain messaging lists of personal group Dealers and share newsletters and other personal group communications in electronic form; however this right does not extend to non-personally sponsored customers, accounts or Dealers, except as stated above.
3. The Dealer Zone (my.amsoil.com) provides information to help Dealers send business-type communication directly to the individual(s) who work in functional areas at AMSOIL. Once in the Dealer Zone, navigate to Rules of the Road>Corporate Contacts. Please read the description of each department to ensure your communications reach the right people and are handled as quickly as possible.
4. Mass messaging of concerns or complaints to AMSOIL corporate staff members is inappropriate as it wastes staff time when several people simultaneously seek to respond to the same information. Also, copying numerous non-involved individuals on a communication sent to AMSOIL is inappropriate.
5. Foul language and mean-spirited communications, including in the Dealer Forum in the Dealer Zone, will not produce effective results and are unacceptable.

## **7.13 Retail Sales Establishments**

1. Retailers, installers and other resellers to whom Dealers directly sell cannot post prices for AMSOIL products online or in catalogs.
2. Retailers, installers and other resellers must follow the AMSOIL Unilateral Minimum Advertised Price (MAP) policy. See section 7.2 AMSOIL Unilateral Minimum Advertised Price Policy or the AMSOIL Unilateral Minimum Advertised Price (MAP) Policy for Retail Accounts (G3656) for details.
3. Resellers cannot sell AMSOIL products online.
4. Resellers may advertise online that they sell or install AMSOIL products, along with instructions to call or visit the store for details.
5. Retail businesses that appear on the AMSOIL Locator at www.amsoil.com must provide accurate product availability, services offered, hours of operation, locations and other details on the AMSOIL Locator.
6. Retail businesses may advertise prices of AMSOIL products in print advertisements and may post digital reproductions of these advertisements on their websites provided the content cannot be searched and there is no ability to complete transactions.

## **7.14 Trade Shows**

1. Dealers may display and/or sell AMSOIL products at trade shows, car shows, fairs and other events that are limited in duration with an environment that is appropriate for promoting AMSOIL brand integrity. Advance approval from AMSOIL is not required to attend an event, but Dealers must use their best judgment in deciding whether a particular event is an appropriate forum to promote AMSOIL products or the Dealer opportunity.
2. Dealers are responsible for registering to attend an event and confirming with the event manager that all event-specific requirements are met. For example, some promoters have a policy that allows only one vendor for a product brand to have a display at a function or may have other policies that prohibit a vendor from participating. It is the Dealer's responsibility to disclose that he or she is an independent AMSOIL Dealer and ensure that the promoter will allow him or her to display before making a commitment with the promoter.
3. While representing AMSOIL as independent Dealers at an event, Dealers must comply with AMSOIL Independent Dealer Policies and Procedures and are responsible for the actions of any non-Dealers who work the event to promote AMSOIL.
4. Dealers advertising or selling AMSOIL products and marketing programs at trade shows or other public events cannot advertise below MSRP as stipulated in the AMSOIL Unilateral Minimum Advertised Price (MAP) Policy. See section 7.2 AMSOIL Unilateral Minimum Advertised Price (MAP) Policy for details.
5. AMSOIL offers a Trade Show Co-op Program that helps defer the costs associated with attending certain trade shows or similar events. See the Dealer Zone for details (Marketing Your Business>Trade Shows).

## **7.15 Business Names and Printed Checks**

1. The AMSOIL registered trade name and logo SHALL NOT be reproduced on printed checks, in website URLs or social media profiles, nor shall any Dealer be referred to as anything other than an independent AMSOIL Dealer, AMSOIL Account Direct, AMSOIL Direct Dealer or AMSOIL Direct Jobber.

## **7.16 Dealer and Retail Account Listings/Locator Services**

1. Dealers may host a locator service for their personally sponsored Dealers and retail accounts provided that every page or map specifically identifies "this locator is hosted by Independent Dealer <insert Dealers' name> and is not a listing of all AMSOIL Dealers or retail accounts."

## **7.17 Use of Dealer's Name, Likeness or Image**

1. Dealers shall be deemed to consent to AMSOIL using his or her name, testimonial and image or likeness in connection with advertising, promoting and publicizing the AMSOIL opportunity, Products or any AMSOIL-related event. Unless otherwise published in official

AMSOIL publications, Dealers are prohibited from using the name, testimonial and image or likeness of other Dealers, Preferred Customers or accounts without express written consent from those third parties.

## 8.0 SPONSORSHIP

1. You can help others start their own AMSOIL business. You help them learn about AMSOIL, guide them in building a solid business foundation and, in turn, build your sales team. You can earn commissions for their personal purchases and the products their customers purchase. New Dealers can register by visiting [www.amsoil.com/beadealer](http://www.amsoil.com/beadealer). Ensure your Dealer number is entered in the referral field so you receive credit.

### 8.1 Training Personal-Group Dealers

1. Any Dealer who sponsors or enrolls another Dealer must act in a supervisory capacity to ensure his or her personal-group Dealers are properly operating their AMSOIL business. Dealers should train their personal group Dealers in product knowledge, effective sales techniques, AMSOIL marketing programs and all other AMSOIL policies. Dealers must monitor their personal group Dealers to confirm each is operating in a professional, ethical and effective manner. As a Dealer grows within the AMSOIL business and develops his or her personal group, training, monitoring and motivational responsibilities toward his or her personal group Dealers will increase.

## 9.0 HOW DEALERS MAKE MONEY

1. AMSOIL compensates Dealers based on the sale of AMSOIL products. Dealers must fulfill retail-sales requirements (together with the other responsibilities described in the Independent Dealer Policies and Procedures) to qualify for commissions and bonuses.
2. Only registered AMSOIL Dealers, their registered retail accounts and the qualified resellers to whom they directly sell are authorized to resell AMSOIL products.
3. Dealers shall provide their customers with receipts at the time of sale. Dealers must maintain all sales receipts for a period of two (2) years and furnish them to AMSOIL at the Company's request. Dealer must ensure that the following information is contained on each sales receipt: date of sale, amount of sale, items purchased and customer's name and shipping address if the products were shipped to the customer.
4. AMSOIL products must be sold in their original packaging or installed in end-user's vehicles and equipment.
5. No Dealer has the right to sell literature or sales aids (including software) unless the literature and sales aids have been purchased from AMSOIL for resale or have been specifically approved by AMSOIL in writing.
6. AMSOIL maintains a Unilateral Minimum Advertised Price (MAP) policy, but Dealers may sell products to individuals at prices they determine. However, if an AMSOIL Dealer sells products to or through any

company that would be or is qualified as a commercial or retail account, the selling price must be NOT LESS THAN the prices established in the current AMSOIL Wholesale Price List (G3500, G8500 Can.). Dealers may sell to individual business outlets that own more than 24 retail outlets under the established guidelines. The individual outlets must place their own orders. Orders cannot be grouped, use centralized billing or be transferred to other outlets owned by the same business. No Dealer may supply products for redistribution, either directly or indirectly to...

- more than 24 individual retail outlets that are owned by the same business, including (not limited to) auto parts stores, quick lubes and hardware stores
  - big-box retailers or businesses that resell through the Internet or retail catalogs
  - businesses primarily engaged in the regional or national distribution of auto/truck/equipment supplies to retailers
  - industrial suppliers primarily engaged in the distribution of fuel or petroleum products to retailers or commercial users
  - businesses engaged in the export or distribution of products outside the 50 United States and Canada.
7. AMSOIL reserves the right to investigate Dealers' sales of products directly to customers to ensure compliance with policies and to protect the business opportunity for all Dealers. Upon request, Dealers must provide sales records and other information including (not limited to) customer names, addresses, prices and product selection.
  8. No Dealer may sell or ship products, either directly or indirectly, outside the 50 United States and Canada.
  9. Dealers should be wary of individuals or businesses that pay with suspiciously large amounts of cash, multiple credit cards, credit cards in the name of someone other than the customer, purchase suspiciously large amounts of products or wish to remain anonymous.
  10. Names, addresses and phone numbers of AMSOIL customers are confidential. Personal contact information can only be used or passed from one Dealer to another for the specific purpose of promoting AMSOIL marketing programs or selling AMSOIL products. An AMSOIL Dealer may not solicit non-personally sponsored Dealers or assigned customers for any reason whatsoever.

## 10.0 REGISTERING COMMERCIAL AND RETAIL ACCOUNTS

1. AMSOIL Dealers can earn commissions and commission credits from purchases made by registered retail and commercial accounts. Cash commissions and commission credits are detailed in the Dealer Profit List (G3501) and in the Online Profit Lookup in the Dealer Zone (Business Tools>Profit Lookup). As with all terms and conditions of your Dealership, commission values are subject to modification, amendment and change.

2. Dealers are responsible for assisting their retail and commercial accounts in completing the Account Application. In some cases, such as home-based commercial or relatively new businesses, it may be necessary to supply additional information to support the existence of a qualified account, such as a business license, advertisement, company brochure or any other documents that support the existence of a qualifying business.
3. Certain information must be submitted to register a new retail or commercial account. Three options are available for submitting the necessary information:
  - Dealers can submit new-account applications electronically via the EZ Retail and Commercial Account Applications found in the Dealer Zone (my.amsoil.com). Navigate to Business Tools>Registrations.
  - Dealers can order the Retail Program Packet (G1001, G8001 Can.) or the Commercial Program Packet (G1007, G8007 Can.), complete the included application with the prospect and return it to AMSOIL.
  - Businesses may apply for an account themselves with AMSOIL through the account registration forms at [www.amsoil.com/business-opportunities/](http://www.amsoil.com/business-opportunities/).

### **10.1 Commercial Account Registration Requirements**

1. A Commercial Account is a commercial or industrial end-user that purchases product for company vehicles, machinery, equipment, etc., to be used in the performance of the business and not for resale.
2. AMSOIL will conduct online research to confirm the existence of a qualified business.
3. The approval of a commercial account requires a business telephone, business address or other documentation supporting the existence of a qualified business.
4. If online research doesn't identify a qualifying business, or if you feel that some other type of home-based business qualifies as a commercial account, please submit evidence supporting the existence of the business to [reviewcommittee@amsoil.com](mailto:reviewcommittee@amsoil.com). The committee will examine this information and notify you of its decision.

### **10.2 Retail Account Registration Requirements**

1. A Retail Account is a business that operates out of a storefront or outlet with public access and regular business hours. The business must also sell associated merchandise at retail prices or provide product as part of a service.
2. Businesses that provide mobile mechanic, oil change or other on-site services can qualify as retail accounts even if they do not meet the storefront and/or public-access requirements if they have regular business hours.
3. Businesses that own up to 24 retail outlets have two registration options:
  - Apply for one retail account to service all outlets.

Invoices, co-op advertising credit and other documents will be sent to one central billing address.

- Apply for separate retail accounts for each outlet. Each outlet must have the authority to establish its own account and place orders for its own store.
4. Businesses that own more than 24 retail outlets may only register individual outlets as separate retail accounts. Each outlet/account must have the authority to establish an account and place individual orders for its own store. Invoices, co-op advertising credit and other documents will be sent to the individual account. Individual outlets/accounts may not use centralized distribution, group shipments or transfer inventory between outlets or combine co-op advertising credit.
  5. Businesses with more than 24 convenience stores may qualify to have an individual account if they only want to resell a limited selection of AMSOIL products. Dealers must work with the AMSOIL Retail Account Program Manager to coordinate account registration, product selection and other special requirements that may exist.
  6. Industrial-supply businesses with public access qualify as AMSOIL retail accounts, but they must have a separate account for each outlet. Each outlet must have authority to establish its own account and place orders for its own store. Invoices, co-op advertising credit and other documents will be sent to the individual account. Individual outlets/accounts may not use centralized distribution, group shipments or transfer inventory between outlets or combine co-op advertising credit.
  7. The following types of businesses **do not qualify** as new AMSOIL retail accounts:
    - General merchandise/big-box retailers/hypermarkets (e.g.: Walmart, Target, Home Depot, Menards, Sears, Fred Meyer)
    - Businesses that sell AMSOIL products online or through catalogs
    - Businesses that are primarily engaged in the distribution of oil or fuel
    - Businesses that distribute auto/truck/equipment supplies to retailers
    - Vendors who operate on a temporary basis at events
  8. Account qualifications and registration options are based on the number of outlets and other factors at the time of application. Businesses that grow by opening new or acquiring existing outlets do not need to change existing ordering and distribution procedures.
  9. AMSOIL must be informed within 30 days whenever an existing AMSOIL retail accounts is closed or sold. New orders will not be accepted. A new retail account application must be submitted if the new owner wants to continue reselling AMSOIL products through any, or all, of its outlets. Account qualification, registration and distribution options shall be based upon the total

number of stores owned by the new owner and other factors at the time the new application is submitted. If the new owner operates more than 24 total outlets, the business will not qualify for a single AMSOIL retail account to serve all outlets and must register according to the 24-store policy outlined herein.

10. AMSOIL reserves the right to accept or reject account applications and to terminate accounts that do not meet the account qualifications or are considered not in the best interest of AMSOIL and the Dealer opportunity.

### **10.3 Dealer Restrictions Regarding Commercial and Retail Accounts**

1. An AMSOIL Dealer cannot sponsor a commercial/retail account if the AMSOIL Dealer is an employee or any member of his/her immediate family has a financial interest in, or is an employee of, the commercial/retail account. There must be an arm's-length relationship between the sponsor and the commercial/retail account. If special circumstances exist, the Review Committee will make the final determination.
2. Owners of a registered AMSOIL commercial/retail account may become AMSOIL Dealers or Preferred Customers only under the sponsorship of the current sponsor.
3. AMSOIL Dealers or Preferred Customers who own a separate non-AMSOIL business may register their business as a commercial/retail account with their sponsor as the sponsoring Dealer.
4. An AMSOIL Dealer cannot purchase products through a commercial/retail account for either their own use, resale, to extend protected status or qualify an account. To do so circumvents AMSOIL policies and procedures and jeopardizes all AMSOIL Dealer and sponsor rights. All orders must be placed and authorized by the account.
5. A Dealer may not take action of any kind that would result in a commercial/retail establishment receiving a lower price than any other participating commercial/retail establishment in the same country, i.e., rebating. Violations will result in disciplinary action.
6. An AMSOIL Dealer may not have his/her commission checks written in the name of a business that could be, or is registered as, an AMSOIL retail account.
7. AMSOIL Dealers are not authorized to enter into agreements that commit AMSOIL or other AMSOIL Dealers to any obligations beyond those specifically laid out in these Policies, price lists and other AMSOIL publications without written authorization from AMSOIL. Examples include (not limited to) bids; requests for information/proposal/quotation; contracts and vendor agreements that stipulate special payment terms, pricing, discounts, shipping methods, ordering processes or invoices. Such requests must be submitted to the AMSOIL Sales Department (715-392-7101) at least 10 business days prior to submission deadlines or scheduled appointments

and the Dealer must receive written approval to move forward from the appropriate AMSOIL manager. AMSOIL reserves the right to approve, modify, negotiate or deny requests for special assistance and to modify commissions and commission credits accordingly.

8. If an AMSOIL Dealer sells products purchased through his or her Dealership to any company that would be or is qualified as a commercial or retail account, the selling price must be **NOT LESS THAN** the prices established in the current AMSOIL Wholesale Price List (G3500, G8500 Can.). No Dealer may supply products, either directly or indirectly, to businesses for resale through the Internet or retail catalogs or to mass-merchandise/big-box retailers. Dealers may sell to individual outlets of a business that owns more than 24 retail outlets under the established guidelines. The individual outlets must place and pay for their own orders. The individual outlets/accounts may not use centralized distribution, group shipments or transfer inventory between outlets.
9. Any active commercial/retail account is considered "protected." Protected status means that no other AMSOIL Dealer may register the account and no other AMSOIL Dealer may directly or indirectly supply product to a protected account. The protected status remains in effect for 15 months after the account's last order or date the account was opened. Exceptions to protected status policy will be considered for organizations with multiple locations, outlets or departments. AMSOIL reserves the right to determine exceptions and may determine sponsor status, responsibilities and compensation.
10. Products purchased by a commercial/retail account are for use or resale only in the country in which they were purchased.
11. If a business could qualify as either a commercial account or retail account, the business must apply for a retail account to prevent unfair price advantages.
12. Dealers may only respond to government bids or other requests for quotes from personally registered/active accounts. Dealers must coordinate with the AMSOIL Dealer Sales Department regarding other requests.
13. AMSOIL retains the right to decide all matters regarding interpretation and enforcement of all policies outlined in these Policies, price lists and all other pertinent AMSOIL publications. Any requests regarding special exceptions, enforcement of policies or Dealer disputes should be submitted in writing to [reviewcommittee@amsoil.com](mailto:reviewcommittee@amsoil.com). Dealers must receive written approval from the appropriate, authorized AMSOIL employee before proceeding.

### **10.4 Calculating Your Commission**

1. After your commercial/retail account has been registered with AMSOIL, you are eligible to earn a cash commission and account commission credits on all AMSOIL products your account purchases under the terms established by AMSOIL.

2. Your retail cash commission, commercial cash commission and commission credits are paid with the month's business in which AMSOIL receives payment in full for your accounts' purchases.
3. Product cash commission and commission credit values are set by AMSOIL. To determine commission values of products sold through the Commercial and Retail Programs, log in to the Dealer Zone at my.amsoil.com and refer to the online Profit Lookup (Business Tools>Profit Lookup) or the Dealer Profit List (G3501).
4. Values may vary where an AMSOIL Dealer or commercial/retail account requests and receives written approval for special assistance from AMSOIL.

### **10.5 Retail Co-op Program**

1. AMSOIL offers a Retail Co-op Program to assist retail accounts in their advertising efforts. Retail accounts earn co-op credit according to the amount of product they purchase. Co-op credit can be applied to the costs of qualified advertising, literature, merchandising and promotional items. Refer to the Retail Account Co-op Credit Order Form (G1071) for details.

### **10.6 Service Line Newsletter**

1. Commercial and retail accounts that have registered or ordered within the past 15 months are kept informed about important events and current product news through the quarterly AMSOIL *Service Line* print newsletter and the *Service Line* email, sent every other month. You can find copies for review in the Dealer Zone (Product and Program Lit>Publications).

## **11.0 EARNING COMMISSIONS**

1. A Dealer must be active and in compliance with AMSOIL Independent Dealer Policies and Procedures to qualify for commissions.
2. Direct deposit or prepaid Visa cards are the primary method for paying earnings. Dealers who registered prior to August 2017 may choose to be paid by mailed check but must pay an additional \$10/year membership fee due to increased administrative costs. AMSOIL reserves the right to withhold check payments less than \$10 to minimize handling.
3. As an AMSOIL Dealer, you buy products at Wholesale (Dealer) Cost and sell them to your customers to earn a retail profit. You are entitled to earn a commission on your purchases each month according to the AMSOIL Commission Schedule (see section 11.1 Commissions Schedule), provided:
  - You sell 70 percent of the total amount of product purchased during the month to receive the commission due. AMSOIL will not allow "erratic buying" for the purpose of receiving higher commissions than would normally be earned if commissions were based on actual sales receipts. It is understood that you may buy ahead and the 70 percent policy allows you to build additional inventory.
4. You can increase your profits by sponsoring other people into the AMSOIL business opportunity. You may

earn a commission on both your individual purchases and on the individual purchases of Dealers you have sponsored, provided you fulfill the personal minimum requirement.

- The personal minimum requirement is satisfied by the generation of a minimum of 50 individual commission credits or by being incentive-qualified (e.g., sponsoring or registering one qualified Dealer, Preferred Customer or account for the month or sponsoring or registering 12 qualified Dealers, Preferred Customers or accounts in the past 12 months).
  - Every dollar available to you in this commission schedule results directly from product sales and purchases, and never from the act of sponsoring a new Dealer. You are compensated only when and if a new Dealer generates sales and purchases, and not for introducing a new Dealer.
5. Each Dealer in your personal group fulfilling the minimum personal requirement and retail sales requirement is also entitled to a commission on their individual purchases and on the individual purchases of Dealers/accounts in their group. See the Commission Schedule in section 11.1.
  6. A 20-percent commission on a Dealer's personal group commission credits is guaranteed to any incentive-qualified Dealer who develops a qualified Direct Group, either personally or down group, but is not a qualified Direct Dealer or Direct Jobber.
  7. Dealers may elect to sign up for direct deposit of commissions via either Automated Clearing House ("ACH") or through the AMSOIL electronic payment card program. No processing fees will be charged for disbursements to Dealers via either method.
  8. Should AMSOIL have to reissue a commission check that the Dealer lost, a \$25 fee will be charged for each replacement check issued.
  9. Dealers must deposit or cash commission checks within six (6) months from their date of issuance. Checks not cashed within six months will void. Checks can be reissued for up to one year upon request. A \$25 fee is charged in such instances, which shall be deducted from the balance owed to the Dealer.
  10. Any credit accumulated on a Dealer's account shall be refunded on the next earnings payment.

## 11.1 Commission Schedule

COMMISSION SCHEDULE		
Personal Group Commission Credits		Percentage
5000	(23% + 2% sponsorship bonus)	25%**
4000	(23% + 1% sponsorship bonus)	24%*
3000		23%
2000		20%
2500		17%
1500		14%
1000		11%
500		8%
300		5%
100		2%

\*\* Earn 25% (23% + 2% sponsorship bonus) at the 5000 level with the personal sponsorship of two qualified Dealers, P.C.s and/or accounts for the month, or 24 or more in the past year.

\* Earn 24% (23% + 1% sponsorship bonus) at the 4000 level with personal sponsorship of one qualified Dealer, P.C. and/or account for the month, or 12 or more in the past year.

### 11.2 Commissions Recovery

1. In addition to other recovery rights, the company has the right to adjust unpaid earnings and to require Dealers to repay any earnings paid to you on the following:
  - Returned products
  - Orders with revoked payments
  - Customers and/or orders related to policy violations or other misconduct
  - Earnings mistakenly paid by the company
2. The company will recover paid earnings by requiring direct payment or withholding the amount from future earnings.

### 11.3 Payment Corrections

1. It is your duty to make sure customer assignments and earnings are paid correctly. If you discover an error, you must notify the company within 90 days. If you fail to notify the company of any errors or disputes with respect to customer assignments and earnings within the 90-day period, you shall be deemed to have accepted the assignment as-is or the earnings as complete payment and you shall have no further right to pursue corrective action.

### 11.4 Becoming a Direct Dealer

1. You will earn the title of Direct Dealer any month you have 3000 or more personal group commission credits and meet the personal minimum requirements. You will retain this title through Dec. 31 of the following year.
2. Following your first month of qualification you may participate in the Direct Reserve Account that is designed to assist you in reaching the 3000 qualification level each month.
3. In each month that you have 3000 or more personal group commission credits and meet the personal

minimum requirements, you will achieve the status of Qualified Direct Dealer.

4. As a Direct Dealer you should become knowledgeable of the responsibilities of a Direct Jobber to prepare you for the management of your personal group.

### 11.5 Becoming a Direct Jobber

1. To become a Direct Jobber, a Dealership must reach and maintain 3000 personal group commission credits and meet the personal minimum requirements each month for three consecutive months.
2. Following three consecutive months of qualification, you will attain the status of Direct Jobber. Your Dealership will be officially promoted effective the first business day of the following month and recognized as achieving Direct Jobber status.
3. You will retain Direct Jobber status through Dec. 31 of the year following the year in which you reached Direct Jobber level. Requirements to regain this status are the same as those to initially become a Direct Jobber.
4. To be a Qualified Direct Jobber, in addition to the personal group commission credits and meeting the personal minimum requirements in the month, you must be willing to accept the responsibilities of leadership and management of your group and pay \$25 each month as a Qualified Direct Jobber to offset some of the costs of calculating and paying earnings, providing customer and sales reports and other services provided to your personal group Dealers.

### 11.6 Earning Performance Commissions

1. AMSOIL will pay a 5-9 percent performance commission on your first-level Qualified Direct Jobbers' personal group commission credits for fulfilling the following requirements:
  - Be a Qualified Direct Jobber as set out in section 11.5 Becoming a Direct Jobber
  - Have a minimum of 100 individual commission credits or sponsor two qualified Dealers/accounts in the month or 24 in the last 12 months.
  - Conduct your business in strict compliance with AMSOIL Independent Dealer Policies and Procedures.
2. The Direct Jobber performance commission percentage shall be determined by the number of your first-level Qualified Direct Jobbers and your personal group commission credits. This commission shall be paid on all your first-level Qualified Direct Jobbers' personal group commission credits. (See The Direct Jobber Performance Commission Schedule on the following page.)
3. A 5-percent performance commission shall be paid on your first-level qualified Direct Dealers' personal group commission credits. A Direct Dealer will remain part of your personal group until the Dealership qualifies as a Direct Jobber. The 5-percent performance commission must be passed to the upline Direct Jobber if the Direct Dealer's personal group commission credits are used for your Direct Jobber qualification.

### **11.7 Alternative Methods to Retain Qualification**

1. Once you have attained Direct Jobber status, you may use one of the following qualification methods, or any combination, to retain qualification:
  - Personally sponsor one new qualified customer for the month or 12 in the previous 12 months, have one qualified Direct Jobber group (for the month) and maintain at least 2000 personal group commission credits.
  - Personally sponsor two new qualified customers for the month or 24 in the previous 24 months, have two qualified Direct Jobber groups (for the month) and maintain at least 1500 personal group commission credits.
  - Personally sponsor three new qualified customers for the month or 36 in the previous 12 months and have three qualified Direct Jobber groups for the month and maintain 1000 or more personal group commission credits.
2. None of these alternate qualification methods may be used for original qualification.

### **11.8 Upline Performance Commission Guarantee**

1. The Performance Commission is paid to a Qualified Direct Jobber by AMSOIL based on his or her personal group commission credits and the number of first-level Direct Jobber groups. Because AMSOIL provides an opportunity for Direct Jobbers to be qualified by methods other than 3000 personal group commission credits, it is appropriate that a Direct Jobber, who so qualifies under the alternative method, receives a 5-percent performance commission and guarantees to the upline Direct Jobber a performance commission income.
2. Therefore, if a Direct Jobber earns a performance commission on a personal-group Direct Jobber, yet does not generate performance commissions of \$150-\$270 to his or her upline, the difference between the amount actually generated and the amount of performance commissions due the upline will be passed up to the upline Direct Jobber.

### **11.9 Bonuses**

1. Registering new buying customers, training Dealers and retaining customers are three primary components in building a successful AMSOIL business. The following bonuses encourage registering, training and retention.
2. Qualification Bonus – Earn \$10 for every qualified Dealer, Preferred Customer or account you personally register.
  - A new Dealer or Preferred Customer must accumulate at least 50 commission credits during his or her first year
  - Commercial and retail accounts must accumulate 22 account commission credits within their first year
  - The bonus will be paid the month of qualification

3. Duplication Bonus – Earn \$5 for every qualified Dealer, Preferred Customer or account registered by your personally sponsored Dealers.
  - Earn a \$5 Duplication Bonus when one of your Dealers personally registers a new qualified Dealer, Preferred Customer or account
  - The Duplication Bonus will be paid the same month that the Qualification Bonus is paid
4. Retention Bonus – Receive a \$5 Retention Bonus when any personally sponsored Dealer or Preferred Customer renews for the first time and re-qualifies with purchases totaling 50 commission credits within one year.

### **11.10 Commission Credit Transfers**

1. AMSOIL Dealers receive commissions each month on their purchases, their customers' purchases, the purchases of their personal-group Dealers and their customers.
2. Each month AMSOIL records all product sales from AMSOIL and all Dealer-to-Dealer and Dealer-to-Preferred Customer volume transfers. Sales are recorded through the Dealer Zone (Business Tools>Volume and Direct Reserve Transfers). When transfers are submitted, the proper commissions can be paid
3. Transfer of commission credits for the purpose of qualifying new Dealers and Preferred Customers is only allowable to record the actual sale of products.
4. No Dealer is required to sell products to non-personally sponsored Dealers. However, if such sales are made, a Commission Credits Transfer Form must be completed and signed by the selling Dealer and must be submitted to AMSOIL by the purchasing Dealer.
5. Dealers also have the option to sell products to non-personally sponsored Preferred Customers. If such sales are made, a receipt must be provided to the customer and a Commission Credits Transfer Form **must be submitted to AMSOIL by the selling Dealer**.
6. Failure to comply with the above policies shall result in disciplinary action up to and including the termination of the Dealership.

### **11.11 Business Month**

1. Dealer and Preferred Customer orders must be received and processed by the last business day of the month to be included in that month's business.
2. Commercial and retail account orders are eligible to be paid commissions once invoices are paid in full.

### **11.12 Manipulation of Polices and Procedures Governing Compensation**

1. If AMSOIL determines that an independent Dealer's action was taken in an effort to circumvent compliance with any provisions of the AMSOIL Independent Dealer Policies and Procedures regarding compensation, the action taken by the Dealer shall be null and void. Dealers may not use false names, false identification, false Dealerships or accounts, buy additional product for the sole purpose of maintaining a specific level of

# THE DIRECT JOBBER PERFORMANCE COMMISSION SCHEDULE

## First-Level Qualified Direct Jobbers

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	
Personal Group Commission Credits	3000	5	5¼	5½	5¾	6	6¼	6½	6¾	7	7¼	7½	7¾	8	8¼	8½	8¾	9
	6000	5¼	5½	5¾	6	6¼	6½	6¾	7	7¼	7½	7¾	8	8¼	8½	8¾	9	
	9000	5½	5¾	6	6¼	6½	6¾	7	7¼	7½	7¾	8	8¼	8½	8¾	9		
	12000	5¾	6	6¼	6½	6¾	7	7¼	7½	7¾	8	8¼	8½	8¾	9			
	15000	6	6¼	6½	6¾	7	7¼	7½	7¾	8	8¼	8½	8¾	9				
	18000	6¼	6½	6¾	7	7¼	7½	7¾	8	8¼	8½	8¾	9					
	21000	6½	6¾	7	7¼	7½	7¾	8	8¼	8½	8¾	9						
	24000	6¾	7	7¼	7½	7¾	8	8¼	8½	8¾	9							
	27000	7	7¼	7½	7¾	8	8¼	8½	8¾	9								
	30000	7¼	7½	7¾	8	8¼	8½	8¾	9									
	33000	7½	7¾	8	8¼	8½	8¾	9										
	36000	7¾	8	8¼	8½	8¾	9											
	39000	8	8¼	8½	8¾	9												
	42000	8¼	8½	8¾	9													
	45000	8½	8¾	9														
	48000	8¾	9															
	51000	9																

achievement, warehouse products or use any other form of manipulation that violates the terms, conditions, spirit and intent of the policies and procedures governing how Dealers are compensated. To ensure compliance with AMSOIL Policies, AMSOIL may impose sanctions against offending Dealers, up to termination of the Dealership.

## 12.0 WINDING DOWN A DEALERSHIP

1. AMSOIL is committed to providing the best customer service possible. That commitment doesn't end when an independent Dealer winds down his or her Dealership. The process of transferring a Dealership to an heir or selling it outright should occur as quickly and seamlessly as possible to ensure customers continue to receive the level of service they've come to expect. Plan ahead to avoid delays that may frustrate customers and devalue your business. Seamlessly transferring or selling your Dealership to a Customer-Certified Dealer ensures he or she receives maximum value from the business you worked hard to build.
2. A Dealership may be sold or transferred only if it has at least \$600 in earnings over the previous 12 months and has active customers.
3. Contact AMSOIL Commissions (commissions@amsoil.com) for guidelines when selling or transferring a Dealership.
4. It's critical to have a plan in place and a Customer-Certified Dealer identified in advance to transfer a Dealership after death. Contact an attorney for succession-planning advice.
5. AMSOIL maintains the right to approve or deny the sale or transfer of any Dealership.

## 12.1 Selling an AMSOIL Dealership

1. The selling Dealer must notify AMSOIL of intent to sell as soon as possible.
2. The selling Dealer should initiate conversations with interested parties about a potential sale; a Dealer interested in purchasing a Dealership shall not initiate conversations about purchasing a Dealer's business because it can be interpreted as interference (see section 5.0 Interference).
3. Because the sale of a Dealership may affect the income and rights of Dealers up the line of sponsorship, in most cases it's best to sell a Dealership to the sponsoring Dealer or Direct Jobber.
4. AMSOIL reserves the right to approve or deny any sale or transfer of a Dealership.
5. If the sponsoring Dealer or Direct Jobber isn't interested in purchasing the Dealership, selling to a personally sponsored Dealer is the next best option.
6. If neither of those options work, selling to any AMSOIL Dealer is the third-best option.
7. A Dealership may only be sold to a Customer-Certified AMSOIL Dealer or Direct Jobber. A non-Dealer who wants to buy an AMSOIL Dealership must first register as an AMSOIL Dealer and earn Customer-Certification status before the sale will be approved.
8. The buying Dealer or Direct Jobber must be prepared to continue providing at least the level of service the selling Dealer's customers have come to expect.
9. If the sale of the Dealership is approved, assigned commercial accounts and retail accounts shall be reassigned unless the purchasing Dealer resides within

50 miles of the account or an acceptable plan to service customers is presented and accepted in writing for purchasing Dealers who reside up to 200 miles away from the account.

10. If the purchasing Dealer is the selling Dealer's sponsor or is sponsored by the selling Dealer, the Dealerships shall be combined.
11. If the purchasing Dealer is neither the selling Dealer's sponsor nor is personally sponsored by the selling Dealer, the purchasing Dealer must register and maintain a second Dealership.
12. The selling Dealer may remain a Dealer and be sponsored by the purchasing Dealer. The selling Dealer must remain inactive for one year if he or she decides to return to the business with a different sponsor

### **12.2 Transferring an AMSOIL Dealership Upon a Dealer's Death or Incapacitation**

1. AMSOIL must be notified within 30 days of a Dealer's death or circumstances that result in his or her inability to administer the Dealership.
2. If the Dealership was registered to a married couple, AMSOIL shall modify the Dealership's name and the Social Security/Insurance number on file accordingly.
3. If the Dealership was registered to an individual, AMSOIL shall pay earnings for the business month during which the Dealer passed away or became incapacitated. Future earnings, rights and privileges associated with the Dealership shall be temporarily suspended.
4. The Dealership may be transferred if a legally-binding plan is in place and a Customer-Certified Dealer is named as the heir or beneficiary.
  - It's best to transfer the Dealership to the sponsor or to a personally sponsored Dealer/Direct Jobber.
  - It's possible to transfer to a non-personally sponsored Customer-Certified Dealer.
  - Because transferring a Dealership may affect customers and the income and rights of Dealers up the line of sponsorship, AMSOIL reserves the right to approve or deny transfers. It is wise, therefore, to consult with AMSOIL as well as an attorney when developing a succession plan and selecting potential heirs/beneficiaries for your Dealership.
  - Within 30 days of the Dealer's death/incapacitation, the executor or appropriate party must notify AMSOIL of the Customer-Certified Dealer identified as the official heir/beneficiary.
  - AMSOIL will work with the designated Customer-Certified Dealer who will inherit the business to finalize plans to transfer customers and ensure continuity of service to customers.
  - If the transfer of the Dealership is approved, assigned commercial accounts and retail accounts shall be reassigned unless the purchasing Dealer resides within 50 miles of the account or an acceptable plan to service customers is presented and accepted in writing for

purchasing Dealers who reside up to 200 miles away from the account.

- If a qualified heir/beneficiary is not named or the Dealership does not meet the requirements of at least \$600 in earnings the previous 12 months and active customers, the Dealership shall be terminated and all customers transferred. See section 3.11 for details.

## **13.0 DEFINITIONS**

**20% Guarantee:** A 20-percent commission guarantee to any incentive-qualified Dealer sponsoring a qualified Direct group, either personally or within his or her personal group.

**Account Direct:** A Dealer who has fulfilled in any one month the qualification requirements of one thousand (1000) personal group commission credits and 25 active commercial or retail accounts within the current or previous year.

**Account Number:** The identification number assigned to each registered catalog/online retail customer, Preferred Customer, Dealer, retail account and commercial account.

**Agreement:** The contract between AMSOIL and each Dealer, which includes the Dealer Application and Agreement, and the AMSOIL Independent Dealer Policies & Procedures, in their current form or as amended by AMSOIL from time to time. These documents are collectively referred to as and comprise the "Agreement."

**AMSOIL:** The term "AMSOIL" as it is used through the Agreement means AMSOIL INC. and its subsidiaries.

**AMSOIL Review Committee:** An unbiased group of AMSOIL managers who investigate customer complaints or policy violations and determine the proper actions.

**AMSOIL Wholesale Price List:** Provides current prices and related terms & conditions for AMSOIL Dealers, Commercial Accounts and Retail Accounts (G3500 U.S./G8500 Can.)

**Assigned Customer:** Customers who buy directly from AMSOIL without referral information and who are assigned an eligible Customer-Certified Dealer as their sponsor.

**Breach:** A transgression or violation of any part of the Agreement.

**Business Month:** The period from the first business day of the month through the last business day of the month for which commissions are calculated.

**Cancelation:** The termination of an Independent Dealership. Cancelation may be either voluntary or involuntary through non-renewal or inactivity.

**Catalog/Online Retail Customer:** An end-user of AMSOIL products who buys AMSOIL products from AMSOIL at retail prices for personal use and not for resale.

**Co-op Advertising Credit:** Retail accounts earn co-op credit according to the amount of product they purchase. Co-op credit can be applied to the costs of qualified advertising, literature, merchandising and promotional items.

**Co-op Certified Dealer:** A Dealer who has completed the Dealer Certification Program in AMSOIL University Online

and qualifies for AMSOIL co-op programs. For details, log in to the Dealer Zone ([my.amsoil.com](http://my.amsoil.com)) and navigate to Learning Center>Dealer Certification.

**Commercial Account:** A commercial, government or industrial end-user that purchases products for company-owned vehicles, machinery, equipment, etc., to be used in the performance of the business and not for resale.

**Commissions:** The earnings paid on personal-group commission credits generated each month.

**Commission Credits:** The value placed on each product for which commissions are paid. Refer to the current AM-SOIL Dealer Profit List (G3501).

**Company:** The term "Company" as it is used through the Agreement means AMSOIL INC. and its subsidiaries.

**Customer-Certified Dealer:** A Dealer who has met the requirements to be assigned buying customers from AM-SOIL. A Customer-Certified Dealer must be Locator Certified **PLUS** have 4 or more new qualified customers within the past 12 months **OR** have 2 or more new qualified customers in the past 12 months and meet one of the following alternative qualifications: i) have been a Dealer for less than one year ii) have 24 or more active buying customers iii) have more than \$10,000 in personal product purchases plus 5 or more active buying customers. For details, log in to the Dealer Zone ([my.amsoil.com](http://my.amsoil.com)) and navigate to Learning Center>Dealer Certification.

**Dealer:** A person registered with AMSOIL to purchase product at wholesale for personal use or resale, sponsor other Dealers and register other customers and accounts.

**Dealership:** The business of an individual or a partnership (consisting solely of legally married individuals or individuals who have entered a civil union recognized by their state of residence) currently registered with AMSOIL as a Dealer.

**Dealer Kit:** Upon registration, new Dealers receive a Dealer Kit from AMSOIL, which includes a price list, the Dealer Guide (G3472) and product samples to help them start their business.

**Dealer Number:** The identification number assigned to each Dealership at the time of registration as an AMSOIL Dealer.

**Dealer Opportunity:** The collective business offered to independent AMSOIL Dealers that includes (not limited to) AMSOIL products, marketing programs, compensation plan, policies & procedures and agreement

**Dealer Personal Group:** All the Dealers, catalog/online retail customers, Preferred Customers, retail accounts and commercial accounts a Dealer sponsors, either directly or indirectly, further down the line of sponsorship, but not including any Direct Jobbers or any Dealers sponsored by those Directs.

**Dealer Zone:** A website ([my.amsoil.com](http://my.amsoil.com)) that houses resources Dealers need to run their Dealerships, including digital forms, product information, price lists and more. It's the first place AMSOIL posts important announcements and updates.

**Direct Dealer:** A Dealer who has fulfilled in any one month the qualification requirements of three thousand (3000) personal-group commission credits within the current or previous year.

**Direct Jobber:** A Dealer who has fulfilled the requirements of a Direct Dealer for three (3) consecutive months within the current or previous year.

**Direct Jobber Personal Group:** All the catalog/online retail customers, Dealers, Preferred Customers, retail accounts and commercial accounts a Direct Jobber sponsors either directly or indirectly further down the line of sponsorship, but not including any Direct Jobber or any Dealers, customers or accounts sponsored by those Direct Jobbers.

**Downline:** The network of Dealers, customers and accounts that exist in a Dealers downward line of sponsorship.

**Earnings:** All of the commission amounts as well as performance commissions, bonuses, awards and commission adjustments.

**Encryption:** The process of converting information or data into a code, especially to prevent unauthorized access.

**Entity:** A legally organized group of persons or an individual deemed in law to be a single legal entity. The entity is legally distinct from its members, has legal personality and can hold property, sue and be sued in its own name as if it were a natural person.

**Incentive-Qualified:** Sponsoring one qualified Dealer, Preferred Customer, retail account or commercial account in a month or 12 qualified Dealers, Preferred Customers or accounts in the past 12 months.

**Individual Commission Credits:** All commission credits generated from personal purchases as well as personally sponsored catalog/online retail customers, Preferred Customers, retail accounts and commercial accounts purchasing AMSOIL products.

**Inline Dealer:** A Dealer in your line of sponsorship.

**Interference:** Occurs when a Dealer knowingly or unknowingly discusses AMSOIL with another Dealer's protected Preferred Customers, Dealers, retail accounts or commercial accounts. Examples include (not limited to) offering better service, encouraging customers to terminate their relationship with their current Dealer or selling product to them directly.

**Line of Sponsorship:** The line of sponsors that links independent Dealers, including the upline and personal group Dealers.

**Locator-Certified Dealer:** A Dealer who has met the requirements to appear on the Dealer Locator at [www.amsoil.com](http://www.amsoil.com), including becoming Co-op Certified, earning a minimum of \$10 in commissions in the last 6 months **PLUS** having 1 or more new Dealers, Preferred Customers, retail or commercial accounts in the last 6 months **OR** having 5 or more active Dealers, Preferred Customers, retail or commercial accounts. For details, log in to the Dealer Zone ([my.amsoil.com](http://my.amsoil.com)) and navigate to Learning Center>Dealer Certification.

**Net-30 Credit Terms:** Payment option offered to qualified commercial accounts and retail accounts that provides 30 days from the invoice date to pay for orders.

**Performance Commission:** A 5% - 9% commission paid to qualified Direct Jobbers on the personal-group commission credits of their first-level qualified Direct Dealers and Direct Jobbers.

**Personal-Group Commission Credit:** All commission credits generated by a Dealer's personal group; therefore, does not include the personal-group commission credits of any first-level Direct Dealers or Direct Jobbers.

**Personal Minimum Requirement:** The generation of a minimum of product with 50 individual commission credits, or sponsoring one qualified Dealer/Preferred Customer/account for the month or 12 qualified customers in the last 12 months. The 50 individual commission credits can be satisfied through the purchases of a Dealer's catalog/online retail customers, Preferred Customers, commercial accounts or retail accounts, as well as personal purchases. Any combination of those different purchases that totals 50 commission credits is acceptable.

**Personally Sponsored Customers:** A Dealer's customers whom he or she has directly signed up.

**Preferred Customer (P.C.):** An individual currently registered with AMSOIL authorized to purchase product at Preferred Customer pricing for personal use and not for resale. P.C.s do not earn commissions or bonuses and cannot sponsor Dealers, Preferred Customers or accounts.

**Qualified Commercial/Retail Account:** A new commercial account or retail account that purchases product with an accumulated commission credit value of 22 or more within one year.

**Qualified Dealer/Preferred Customer:** A new Dealer or Preferred Customer who purchases product with an accumulated commission credit value of 50 or more within one year.

**Qualified Direct:** A Direct Dealer or Direct Jobber who maintains the qualification requirements of Direct Dealer or Direct Jobber in any given month.

**Referral Number:** The Dealer or Preferred Customer number customers who purchase directly from AMSOIL provide. AMSOIL uses that number to identify and assign the proper sponsor.

**Referred Customer:** Someone who becomes a buying AMSOIL customer after prompting from an AMSOIL Dealer or Preferred Customer.

**Resalable:** Products and sales aids are "resalable" if each of the following elements are satisfied: 1) they are unopened and unused, 2) packaging and labeling has not been altered or damaged, 3) the product and packaging are in a condition such that it is a commercially reasonable practice within the trade to sell the merchandise at full price, and 4) the product expiration date has not elapsed. Any merchandise that was identified at the time of sale as non-returnable, discontinued or as a seasonal item, shall not be resalable.

**Retail Account:** A retail account is a business that operates out of a storefront or outlet with public access and regular business hours. The business must also sell associated merchandise at retail prices or provide product as part of a service.

**Sponsor:** The Dealer responsible for providing service to catalog/online retail customers, Dealers, Preferred Customers, retail accounts and commercial accounts that they have personally referred or whom AMSOIL assigns to them.

**Transferred Customers:** Customers whom AMSOIL reassigns to another Dealer if the original Dealer fails to renew the Dealership, terminates the Dealership or passes away.

**Unilateral Minimum Advertised Price Policy:** The AMSOIL Unilateral Minimum Advertised Price (MAP) Policy prohibits Dealers, retail accounts or resellers serviced directly from a Dealer's inventory from advertising discounted pricing for AMSOIL products.

**Upline:** The line of sponsors that links any particular Independent Dealer or customer to the company.

**Upline Direct Jobber:** The first Direct Jobber in a Dealer's upline.