



**General Motors Customer Care & Aftersales**  
**Electronic Minimum Resale Price Policy**

1. **Purpose.** General Motors, through its Customer Care and Aftersales division (“CCA”), provides automotive parts and accessories that have become known for their high quality, performance, and safety. CCA has found that allowing any Reseller to sell its Products at a price level that is below the Electronic Minimum Resale Price (“EMRP”) undermines the brands, reputation, and image of General Motors and CCA, as well as discourages other Resellers from investing in the growth of CCA’s product lines and from providing the best possible customer service.
2. **Scope.**
  - a. **The Products.** This EMRP policy applies to all non-warranty products specifically designated by CCA as being subject to this EMRP policy (collectively, the “Products”).
  - b. **Resellers and Affiliates.** This EMRP policy applies only to entities and individuals that purchase the Products from CCA for resale over internet or e-commerce sites and their Affiliates (collectively, the “Resellers”). Affiliates are defined as entities that are the corporate parent or subsidiary of a Reseller and all entities in which a Reseller: (i) has an ownership interest of 25% or greater; (ii) has majority of its representatives on the Board of Directors or effective management control; or (iii) is owned or operated by a family member<sup>1</sup> of the owners of the Reseller. For example, if the owner of a company that resells the Products through the internet has a sibling that owns another company, the company owned by the sibling is an Affiliate and this EMRP policy applies to that company as well.
  - c. **The Channel.** This EMRP policy only applies to Resellers that transact business on e-commerce or internet channels of sale (the “Channel”). By way of example, the Channel includes sales made through a publicly accessible website, internet-based platform, or smartphone application.
  - d. **The Value Chain.** This EMRP policy applies to all levels of the value chain through which a Product is sold in the Channel. For example, if a Reseller sells a Product to a customer or distributor for sale in the Channel, this policy applies to all e-commerce sales made by that customer or distributor on a publicly accessible website. CCA reserves the right to (a) hold a Reseller responsible for violations committed by

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<sup>1</sup> “Family member” means a parent, son, daughter, spouse, or sibling.

a customer or distributor to which it has sold Products for resale in the Channel, or (b) to refuse to sell Products that are intended to be resold to a customer or distributor that has violated this EMRP policy.

3. **No Agreement.** CCA is not establishing, controlling, or attempting to establish or control the resale prices of the Products. Instead, CCA is announcing a unilateral policy that, in CCA's judgment, protects the value of its brands consistent with the above Purpose section. On a product-by-product basis, CCA will unilaterally announce the EMRP policy for a listed Product through a written price list (an "EMRP Price Sheet") that will be provided to Resellers by CCA. **This EMRP policy does not constitute an agreement between any Reseller and CCA. Each Reseller is independently free to choose whether to comply with this policy. CCA neither solicits, nor will it accept, any assurance of compliance with this policy from any Reseller. This policy is not negotiable and will not be altered for any Reseller.** No CCA employee or agent is authorized to modify, interpret, or grant exceptions to this policy. No person has the authorization to solicit or obtain agreement of any Reseller to this policy, and any such agreement is invalid.
4. **Resale Prices.** As used in this EMRP policy, "Electronic Minimum Resale Price" or "EMRP" means the minimum resale price for a Product to be sold in the Channel that is announced by CCA in its sole discretion. The resale price of a Product will be calculated beginning with the price at which the Product is sold or offered for sale, taking into account all discounts, deductions, rebates, and allowances offered to a potential or actual customer (regardless of the source of such discounts, rebates, and allowances, and regardless of whether the discount, rebate, or allowance was offered at the point of sale or as a later rebate). The following aspects of pricing are excluded from the calculation of a resale price:
  - a. Manufacturer rebates and coupons issued by CCA or General Motors directly to a customer that are used to purchase the Product;
  - b. Gift cards used by a customer to purchase the Products, so long as such gift cards are not issued with the intent of offering the Product at a resale price lower than CCA's announced EMRP;
  - c. Free or reduced-cost shipping offered for the Product; and
  - d. Taxes and charges for shipping, delivery, and/or insurances that are paid by the customer purchasing the Product.
5. **Excluded Transactions.** The following forms of transactions are not subject to this EMRP policy:

- a. Returns of Products to CCA by the Reseller or a customer of the Reseller, which are permitted by CCA;
  - b. Sales or offers to sell Products to employees of the Reseller for those employees' personal use (and not for resale), provided that the price for such sales and the amount of Products sold to the Resellers' employees are deemed by CCA to be reasonable; and
  - c. Other such transactions that CCA shall designate in its unilateral discretion from time to time.
6. **Bundled Pricing.** Where Products are sold, advertised, or promoted as a part of a package or bundle that includes other products, it will be a violation of this policy if CCA determines, in its sole discretion, that (a) the package price is lower than the sum of the EMRPs for all Products included within the packaged price, and/or (b) the price attributable to the Product when the total package price is divided by the total number of products in the package is below the EMRP for the Product.
7. **EMRP Violations.** While each Reseller is free to establish its own actual final resale prices, it is a violation of this policy for a Reseller to sell any Product at a price lower than the EMRP. For the purposes of clarity, a Reseller will be in violation of this EMRP policy if any sort of discount, promotion, sale, offer, or rewards program causes the unit price of the Product to be advertised and/or sold at less than the Product's EMRP. Direct or indirect attempts to circumvent this policy, as determined by CCA in its sole discretion, will be considered a violation of this policy.
8. **Consequences for Violations.** CCA is not directing any Reseller to comply with this policy, and each Reseller is independently free to choose whether to comply with this policy. Nonetheless, in order to address the concerns set forth in the Purpose section above, CCA will impose the following non-negotiable consequences for any Reseller that violates this policy, whose Affiliate has violated this policy, whose customer or distributor has violated this policy, and/or who engages in any activity that CCA determines, in its sole discretion, is designed or intended to directly or indirectly circumvent this policy:
  - a. For the first violation of this policy, effective as of the date specified in a written notice of violation from CCA, the Reseller will be given [72 hours] to set the Product's resale price to be in compliance with this policy.
  - b. For the second violation of this policy, effective as of the date specified in a written notice of violation from CCA, CCA will reject all orders for all of the EMRP-covered Products, for a period of 30 days.

- c. For the third violation of this policy, effective as of the date specified in a written notice of violation from CCA, CCA will reject all orders for all of the EMRP-covered Products, for a period of 90 days.
- d. For the fourth violation of this policy, effective as of the date specified in a written notice of violation from CCA, CCA will reject all orders for all of the EMRP-covered Products, for an indefinite period of time, and CCA will discontinue some or all of the IP Support it previously provided to Reseller for the EMRP-covered Product, and all other EMRP-covered Products, for an indefinite period of time. "IP Support" includes but is not limited to the provision of Product information, images, and data, including ACES/PIES data. The type of IP Support being suspended, and the duration of that suspension, will be determined by GM in its sole discretion. That GM may continue to provide IP Support for a period for a period of time after the fourth violation does not preclude it from removing that IP Support at a later date.

The consequences for violations of this policy are non-exclusive and do not limit or waive in any way the legal, equitable, and/or other remedies available to CCA.

## **9. Number of Violations.**

- a. Continued Violations. If, after receiving notice of a violation of this policy, a Reseller fails to fully cease its violations of, and/or circumvention of, this policy, such failure will be treated as a new and separate violation of this policy.
- b. Violations After Fourth Violation. After the fourth violation of this policy, each act or failure to act by the Reseller that constitutes a violation of this Policy will receive the same treatment as if a new fourth violation had occurred.
- c. Cumulative Nature. Except as noted in paragraph 9(d), below, each violation of this policy is cumulative. The same act(s) or failure(s) to act may result in multiple violations.
- d. Expungement. In the event that a Reseller is deemed by CCA to have violated this Policy, after the consequences for such a violation are finished, then a Reseller's total number of violations will be reset to zero if it is in compliance with this policy for the following amount of time:
  - i. For one prior violation, 1 year of compliance;
  - ii. For two prior violations, 18 months of compliance; and

- iii. For three prior violations, 2 years of compliance.

A Reseller that has been found by CCA to be in violation of this policy four or more times (excluding any violations that have been expunged) will not be able to reset its total number of violations to zero by compliance with this policy.

10. **Non-Authorized Customers.** CCA has determined that particular persons or entities are engaged in sales practices that undermine the value of CCA's brands. Therefore, in addition to the violations set forth above, unless a Reseller is expressly authorized or directed by CCA in writing, it will also be a violation of this policy for a Reseller to sell, offer to sell, or provide Products to any entity or individual listed on Non-Authorized Customer List created by CCA that is provided to Resellers. For purposes of this EMRP policy, a "Non-Authorized Customer List" means any written notice from CCA that states (a) one or more individuals or entities are not authorized by CCA to promote or sell the Products, or (b) CCA has revoked the authorization of a Reseller to promote or sell Products to such individuals or entities. CCA will list individuals or entities on a Non-Authorized Customer List in its sole discretion and will not negotiate with Resellers regarding whether an entity or individual should or should not be listed on a Non-Authorized Customer List. Entities listed on the Non-Authorized Customer List shall not receive CCA data or marketing support. Resellers shall not provide CCA data or marketing support to an entity listed on the Non-Authorized Customer List or cause such data or marketing support to be provided to such an entity. From time to time, CCA in its sole discretion may authorize a Reseller to sell a limited amount of Products to entities or individual listed on such a Non-Authorized Customer List.
11. **Monitoring.** CCA will monitor Resellers' pricing and promotion practices for Products. If CCA has reason to believe that a Reseller has violated this policy, CCA may, in its sole discretion, request and review sales data from a Reseller regarding its sales of the Products to determine whether this policy has been violated. Failure to promptly provide information requested or providing false information in response to a request will be treated as a violation of this policy.
12. **Enforcement and Revision.** This policy will be enforced by CCA in its sole discretion and is not subject to negotiation or prior notice. CCA reserves the right to update, modify, suspend, reinstate, or terminate its EMRP price for any Product at any time and for any reason, in CCA's sole discretion.. CCA further reserves the right to exercise its sole discretion to modify, alter, or withdraw its designations concerning which Products, Resellers, Affiliates, or Channels are subject to his EMRP policy. CCA will make any such revisions to this policy available to Resellers. This policy is effective as of 12:00 AM Eastern Standard Time, January 1, 2020 and supersedes any prior policy

concerning minimum resale pricing or minimum advertised pricing of the Products.

13. **Notices and Announcements.** Each notice or announcement referenced in this EMRP policy will be made in writing and sent to Reseller in either hardcopy or electronic form. Such notices and announcements will be deemed received on the date that they are sent by CCA.
14. **Explanations/FAQs.** From time to time, in its sole discretion, CCA may provide Resellers with written or oral explanations of this Policy and its enforcement (e.g., written FAQs). For the avoidance of doubt, such written or oral explanations are intended to help answer questions about this policy, but are not a part of this policy. These written or oral explanations do not constitute either (a) a modification or amendment of this policy, or (b) an attempt to negotiate the terms of this policy. In the event of any disagreement over the interpretation of this policy, the view of CCA will control.
15. **Complaints Regarding Other Resellers.** If a Reseller believes that another Reseller has violated this policy, please direct any such complaints to CCA's Electronic Pricing Policy Liaison at [GMPartsEMRP@gm.com](mailto:GMPartsEMRP@gm.com). CCA reserves the right to independently monitor, investigate, and enforce compliance with this unilateral policy. No complaint should be construed as an agreement between CCA and any Reseller to enforce this policy against another Reseller.
16. **Questions.** All questions regarding this policy should be submitted in writing and directed to CCA's Electronic Pricing Policy Liaison [GMPartsEMRP@gm.com](mailto:GMPartsEMRP@gm.com). No answers to written questions should be construed as an agreement or offer of agreement concerning this policy.