

# E-commerce and I.M.A.P Sales Policy Wholesale Products for Stocking Distributors

Effective April 1, 2025

Liberty Pumps is dedicated to supporting our stocking distributors and upholding the value and reputation of our premium products. As many distributors expand into e-commerce, this policy ensures online sales align with our high standards of quality, service, and professionalism.

Participation in e-commerce sales of Liberty Pumps will be subject to approval by Liberty Marketing Management in its sole discretion according to its assessment of business competencies and meeting the standards of the Liberty Pumps brand. Liberty Pumps reserves the right to limit the number of active authorized e-commerce sellers at any time. Liberty Pumps will implement, interpret, and enforce this policy in its sole discretion and independent judgment.

## Scope and Applicability

- Eligible Distributors: Applies to all North American stocking distributors meeting qualifications (see "Stocking Distributor Policy").
- Legal Limits: Does not apply where prohibited or unenforceable by law.
- **E-commerce Approval:** Approved distributors may sell via their own online stores if compliant with this policy. Sales on third-party sites require prior approval from Liberty Pumps sales management.
- **Enforcement:** Liberty Pumps reserves the right to suspend sales to any distributor not meeting our market strategy, service expectations, or brand standards.

## **Shipping Guidelines**

- No Direct Shipping: Liberty Pumps will not ship directly to end users for distributor online orders.
- **Distributor Responsibility:** E-commerce distributors must stock products and manage their own shipping. Liberty Pumps operates as a manufacturer, not a high-volume, single-unit distributor.
- Due to certification, safety, electrical, and export compliance variations, distributors may not ship Liberty Pumps products outside the U.S. or Canada.

## Trademarks, Logos, and Images

- Guidelines:
  - Use only official assets provided by Liberty Pumps.
  - No modifications to trademarks or logos are allowed.
  - Corporate color schemes must be followed.
  - See Brand Identity Guide for full usage guidelines.
- Content Access: Contact the Liberty Pumps marketing department for authorization and digital assets.
- **Enforcement:** Liberty Pumps may require changes to non-compliant web content or promotional materials.

## **After-Sale Service Expectations**

- **Service Commitment:** Distributors must provide top-tier service for e-commerce customers, matching in-store standards.
- **Responsibilities:** Handle shipping damage, returns, replacements, defects, and warranty claims directly with end users.

## **Products Excluded from E-commerce**

The following commercial models/series are strictly prohibited from any form of online sales, advertising, or listing on any e-commerce-only websites, unless expressly authorized in writing by Liberty Pumps. This restriction includes, but is not limited to, displaying these products for sale, offering them as available inventory, or even listing them without pricing (e.g., as "call for price" or "out of stock") on websites solely dedicated to e-commerce transactions. Liberty Pumps Resellers are expressly forbidden from making these products visible or accessible in any capacity on online marketplaces, auction sites, shopping engines, or any other e-commerce-only platforms without prior written approval from Liberty Pumps. Violation of this policy, including the unauthorized listing of these products, will result in enforcement actions as outlined in this policy.

- Commercial Series Products
  - o LSG300-Series commercial grinders
  - LSG500-Series commercial grinders
  - LSS-Series sewage pumps
  - LSV-Series sewage pumps
- 2400-Series sewage packages
- 3000-Series sewage packages
- EPAK-LSG; EPAK-3036LSG; EPAK-3048LSG
- D3600-Series sewage packages
- Q4800-Series sewage packages
- ELV-VS & VST Auto-valve systems
- ELV-D & ELV-DT Duplex systems
- ELVFL63-VS; ELVFL63-VST; ELVFL63-D & ELVFL63-DT Auto-valve and Duplex systems
- X-Series explosion-proof pumps (Hazardous Location)
- RE/REX-Series pumps
- ISS and ISD intrinsically safe control panels

#### **Reseller Sales Practices**

- Each Liberty Pumps Reseller is expected to conduct its business in a reasonable, responsible, and ethical manner at all times and not engage in any deceptive, misleading, irresponsible, or unethical practices or advertising at any time.
- If a Liberty Pumps Reseller wishes to sell Liberty Pumps products on a third-party website (i.e., a website other than the Reseller's own website), each website must be expressly approved in advance by Liberty Pumps in writing.
- No Liberty Pumps Reseller may market, advertise, or sell any Liberty Pumps product, either directly or indirectly, via any online marketplace without Liberty Pumps' express written approval. "marketplace" means any e-commerce website where consumer transactions are processed by the marketplace operator and the products or services are provided by third parties.
- If a Liberty Pumps Reseller knows or reasonably should know that its customer is reselling Liberty Pumps products on the Internet, it will not sell Liberty Pumps products to that customer unless the customer has been approved by Liberty Pumps to do so.
- No Liberty Pumps Reseller shall sell any Liberty Pumps product to any third party if it knows or reasonably should know that the third party will likely advertise the product on any website at a price lower than the Minimum Advertised Price established for that product by Liberty Pumps.
- Upon request by Liberty Pumps, Resellers must provide full and accurate information to Liberty Pumps regarding any online purchaser who Liberty Pumps believes may be promoting products in violation of this Reseller Policy.
- Within 30 days of adding a new supplier, Resellers must provide information to Liberty Pumps regarding the person(s) or entity(ies) from which such company purchases Liberty Pumps products. In the event of a violation of this Reseller Policy, Liberty Pumps may request information about the company's current supplier(s), and the company must provide this information within 30 days or will face potential consequences, including termination of its reseller status.

#### **International Shipping Restrictions**

• **U.S. and Canada Only:** Due to certification, safety, electrical, and export compliance variations, distributors may not ship Liberty Pumps products outside the U.S. or Canada.

#### Internet Minimum Advertised Price (I.M.A.P.)

- **Pricing Standard:** Online advertised prices must not fall below 25% off current list price (x.75 multiplier), adjustable by Liberty Pumps without notice.
- Advertisements stating or implying that a Liberty Pumps Reseller will "beat any competitor's advertised price" on a listed product violate this Policy because they do not specify the advertised Price of the product.
- Advertising of any Liberty Pumps Product must NOT be at a Price below the MINIMUM Advertised Price (MAP) set for that Product.
  - **Percentage Off:** Advertisements offering a percentage off that results in a Liberty Pumps Product being priced below MAP are NOT permitted.
  - **Strikethrough Pricing:** The listed price of a Liberty Pumps Product cannot be displayed with a strikethrough.
  - Shipping: Advertising "Free Shipping" or providing a shipping credit is NOT a violation of this Policy UNLESS a specific dollar value is mentioned that causes the Product's net price to fall below the MAP.
  - **Bundling:** When a Liberty Pumps Product is bundled with or sold as part of a package that includes another Liberty Pumps Product, it is a violation of this Policy to sell or advertise the bundle or package at a price lower than the combined MAP of the bundled products.

#### **Verification and Compliance**

- **Transparency:** Distributors must sell under their own name and register any alternate seller names or domains with Liberty Pumps' Digital Marketing Specialist.
- **Analytics:** Upon request, provide 'ship-to' data (quantity, model, zip code, sell price) in Excel format for sales territory payments.
- Monitoring: Liberty Pumps will monitor online sales to ensure policy adherence.
- Enforcement Rights: Non-compliance may result in actions at Liberty Pumps' discretion, including termination of sales privileges, with or without warning.

#### I.M.A.P. Violation Consequences

- 1. **Warning:** Correct non-compliant materials within 7 days of notification of violation. If a warning is fixed within 7 days, no consequences are applied.
- 2. **Violation:** If break is not fixed within 7 days, a violation occurs triggering one of the following consequences:

If the account is a stocking dealer, the discount multiplier is adjusted to a non-stocking level on violating models. This consequence will start after the 7th day of warning notification and continue for 30 days after the violation has been corrected.

If the account is a non-stocking dealer, the shipments will not be made for, and discount multiplier is removed on violating models. This consequence will start after the 7th day of warning notification and continue for 30 days after violation has been corrected.

**Note:** If repeated violations occur, Liberty Pumps may decide to no longer do business with offenders.

Liberty Pumps reserves the right to update this policy as needed to protect our brand and distributors at any time without notice.