



# **Independent AMSOIL Dealer Policies and Procedures**

Effective Oct. 1, 2022

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## **1.0 PURPOSE AND INTRODUCTION**

The Policies in place are intended to create a rewarding business opportunity, ensure fairness and maintain a distinction between independent AMSOIL Dealers and AMSOIL INC. These Policies allow the freedom to build your Dealership by selling AMSOIL products directly to new customers and by registering new online/catalog 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, AMSOIL Dealers may not sell to previously existing customers, international customers, online resellers, big-box stores, wholesale oil distributors or large industrial businesses that require a higher level of service, technical acumen and liability, such as wind-power companies and original equipment manufacturers. While independent AMSOIL Dealers are the primary method of selling and distributing AMSOIL products in North America, only AMSOIL can sell to international distributors, wind-power companies and other large industrial operations due to complex and expensive business practices common to those markets. AMSOIL reserves the right to sell its products in any manner it chooses and in accordance to its own business judgment.

The Independent AMSOIL Dealer Policies and Procedures (“Policies”) define and establish certain principles to be followed in the development and maintenance of an AMSOIL Dealership and the rights, duties and responsibilities of each Dealer. These Policies are designed to preserve the benefits available to all Dealers. AMSOIL and its Dealers have a contractual relationship. The terms and conditions of that relationship are set forth in the Independent Dealer Agreement and these Policies are incorporated therein.

Full details are included in the following Policies. Please review them carefully as they provide the guidelines Dealers must observe when conducting their business. 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 AMSOIL 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 AMSOIL Dealer Agreement**

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

Unless otherwise defined herein, capitalized terms used in these Policies shall have the meanings specified in Section 14.

### **2.3 Interpretation of Policies and Procedures**

1. AMSOIL retains the right to decide all matters regarding interpretation and enforcement of all Policies contained in this and other AMSOIL publications. Any requests regarding special exceptions, enforcement of the Policies or Dealer disputes should be submitted in writing to the AMSOIL Review Committee ([reviewcommittee@amsoil.com](mailto:reviewcommittee@amsoil.com)).

2. No AMSOIL employee has the right to verbally grant any special exceptions to the Policies. An authorized manager must provide such written authorization (see section 2.7 “No Waiver”).

## **2.4 Enforcement of Policies**

1. The Policies protect the AMSOIL Dealer opportunity and brand. Violations can adversely influence the opinions of regulators, the media and the public about AMSOIL, 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 known and legitimately suspected violations of the Policies to AMSOIL ([reviewcommittee@amsoil.com](mailto:reviewcommittee@amsoil.com)) in order to protect the goodwill and reputation of AMSOIL and its Dealers. AMSOIL 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 AMSOIL, its customers and the Dealer opportunity for all Dealers. Violations of the Policies are considered serious and may subject a Dealer to disciplinary action. AMSOIL 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.
  - Cancellation of new or pending product orders.
  - Involuntary cancellation of the Dealership.
2. AMSOIL has the right to take disciplinary action against a Dealer at any time, with or without prior notice, whenever AMSOIL reasonably determines it 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**

A Dealer may appeal the withholding of compensation, suspension or termination by sending a written notice of appeal to the Review Committee addressing why the disciplinary action should not be taken. The Dealer shall include copies of all relevant documents, including emails and photos, with the notice of appeal. 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**

AMSOIL reserves the right to revise, modify, amend and change (collectively, “Change”) its Policies and all terms and conditions of your AMSOIL Dealership Agreement, including (not limited to) the calculation of commissions and commission credits, at its sole and absolute discretion. AMSOIL will provide at least thirty (30) days written notice of Policy and Agreement Changes 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. AMSOIL may make any other Changes to the Dealer program and its operations at any time.

## **2.6 Severability**

If any provision of the Policies or your Agreement, in its current form or as may subsequently be changed, is found to be legally invalid or unenforceable for any reason, only those invalid or unenforceable 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 Policies or Agreement.

## **2.7 No Waiver**

AMSOIL does not consent at any time to the waiver of its right to insist on compliance with the terms of the Policies and your 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 Policies or your Agreement, or to insist on strict compliance by Dealers with the Policies, your Agreement and applicable laws, shall constitute a waiver of the right of AMSOIL to demand such compliance. Waiver of any right 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**

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/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**

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 signed Agreement.
- Have the Agreement accepted by AMSOIL.
- Pay the Dealer fee.

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

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

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 25 or more retail establishments.
- Businesses that primarily resell products online or through 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**

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 commissions, if eligible.
- Ability to sponsor customers, Dealers and accounts and earn commissions, if eligible.
- Ability to participate in the AMSOIL Compensation Plans.
- Ability to receive AMSOIL communications and literature.

### **3.4 Cancellations and Changes**

1. A new Dealer may cancel his/her application at any time by submitting written notice to customerservice@amsoil.com. To receive a full refund for membership fees, 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/her own expense, complete and in good condition, to AMSOIL within thirty (30) days of the application date, and the money paid for membership fees will be promptly refunded.
3. An AMSOIL Dealer may change sponsors by voluntarily canceling his/her AMSOIL Dealership and remaining inactive (i.e., no purchases of AMSOIL products, no sales of AMSOIL products, no recruiting or sponsoring, no participation in any other form of AMSOIL Dealer activity and no 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 a new 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**

Only individuals or spouses may jointly register as an AMSOIL Dealer. Only one Dealership will be recognized for a married couple 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.

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

1. AMSOIL Dealers may add a spouse to, or remove a spouse from, the Dealership by submitting an Add/Remove Spouse Form available in the Dealer Zone (Digital Library>Literature>Dealer Literature) to customerservice@amsoil.com. If false statements are made in the Add/Remove Spouse Form or if the form is submitted for malicious or unethical reasons, AMSOIL may suspend or terminate the Dealership.
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. If false statements are made in the Change Social Security/Social Insurance Form or if the form is submitted for malicious or unethical reasons, AMSOIL may suspend or terminate the Dealership.

### **3.7 Divorce**

1. If a married couple who jointly owns a Dealership starts divorce proceedings, arrangements must be made to ensure 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 lawfully entered 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 Add/Remove Spouse Form to customerservice@amsoil.com to remove his/her name from the Dealership. The form is available in the Dealer Zone (Digital Library>Literature>Dealer Literature).
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 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 Form (G35) and supporting documents to customerservice@amsoil.com. The form is available in the Dealer Zone (Digital Library>Literature>Dealer Literature).
2. AMSOIL will not issue commissions to an Entity that qualifies as an AMSOIL commercial or retail account.

### **3.9 Independent Contractor Status**

An AMSOIL Dealer operates his/her Dealership 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 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/her Dealership annually. Renewal includes signing the annual 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 who prepaid the Fee with a "lifetime," "10-year" or "5-year" renewal option have the Fee waived for the lifetime of the registered Dealer, 10 years or 5 years, respectively. Prepaid membership fees are not refundable.
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 expiration date, or the last day of the expiration month for Dealers who prepaid membership fees, shall result in termination of the Dealership, including all privileges and rights relating thereto. The Dealership's downline customers and Dealers, if any, will transfer in accordance with the terms of these Policies.
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 "Autopay" 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 must sign the Dealer Agreement before auto payment will be processed. Dealers may enroll in the Dealer Zone (my.AMSOIL.com) or by calling AMSOIL Customer Service at 1-800-777-7094. To stop auto payment, 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 or your Agreement may result in the termination of your AMSOIL Dealership.

## **4.0 DEALER RESPONSIBILITIES**

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

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.
- Market AMSOIL products and the Dealer opportunity accurately and truthfully in accordance with what is stated in official AMSOIL literature and advertisements.
- Respect the privacy of others and keep their personal information and earnings private.
- Direct all media inquiries to AMSOIL.
- Treat AMSOIL employees, other Dealers and AMSOIL competitors professionally.
- Adhere to the Agreement.
- Respect all applicable laws, rules and regulations.

### **4.2 Non-Disparagement**

AMSOIL Dealers shall not disparage AMSOIL or any other company or person affiliated with AMSOIL, including (not limited to) Dealer recognition levels, product profit values, bonuses or other compensation, other AMSOIL Dealers, AMSOIL products, the sales compensation plans, the Agreement, the Policies or AMSOIL employees. Disparagement may result in termination of your Dealership.

### **4.3 Anti-Harassment**

AMSOIL maintains strict anti-harassment policies. "Harassment" could be pestering, intimidating, 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 employees, AMSOIL Dealers, customers or prospective customers shall result in immediate corrective action, up to involuntary cancellation of your rights as an AMSOIL Dealer.

### **4.4 Update Contact Information**

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' advance 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 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 in writing 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/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 Use of Reasonable Business Judgment**

Dealers shall exercise reasonable business judgment while operating their Dealership. This includes (not limited to) taking reasonable measures to ensure orders are not intended for resale online, fraudulent or designed to circumvent these Policies. Dealers shall look for suspicious customer behavior and other warning signs, including new customers seeking to place very large orders, orders for products not recommended for the customer's known applications, unprofessional communications from the prospect/customer that indicate foreign activity and a shipping address that doesn't belong to the customer. When in doubt, Dealers should alert AMSOIL to any suspicious order before the order ships. AMSOIL shall terminate any Dealer that knowingly or negligently assists any third-party in reselling AMSOIL products online.

#### **4.7 Customer Bill of Rights**

1. To provide the best customer service possible, 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 12.0 "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 rewards 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 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.

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

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 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.

#### **4.9 Consent**

No Dealer shall register an individual as an AMSOIL Preferred Customer, account or online/catalog customer without the individual's or business's prior knowledge and express consent. Dealers may register consenting individuals or businesses only via the appropriate application in the Dealer Zone or by calling Customer Service at 1-800-777-7094.

#### **4.10 Change of Sponsoring Dealer**

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

#### **4.11 Assigned Customers**

1. Many new customers and Dealers buy directly from AMSOIL without providing Dealer referral information. Such Dealers, customers and accounts are assigned to Dealers who meet the appropriate certification requirements. See the Dealer Zone for certification details.
2. Normally when a Dealer position is vacated, previously assigned customers are transferred to the sponsoring Dealer. However, previously assigned customers are not automatically transferred to the sponsor if a Dealer's membership is not renewed or is terminated. Likewise, previously assigned customers are not automatically transferred if a Dealership is sold or transferred to an heir.

#### **4.12 Titles and Interests**

1. AMSOIL shall pay commissions to Dealers on the sales made to customers Dealers register with AMSOIL in accordance with these Policies. 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, reject 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.

#### **4.13 No Exclusive Franchises or Territories**

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 soliciting other Dealers' registered AMSOIL Dealers, Preferred Customers, customers and accounts.

#### **4.14 AMSOIL Distribution Centers**

Dealers cannot solicit sales or potential customers at any AMSOIL distribution center.

#### **4.15 No Program Manipulation**

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. Similarly, Dealers may not use third parties to circumvent any Policies.

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

If any person within a Dealer's immediate household participates in any action that, if performed by the Dealer, would itself violate any of the 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.

#### **4.17 No Claims to Special Favor**

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

#### **4.18 Conflicts of Interest**

1. AMSOIL Dealers are free to participate in other sales, network-marketing ventures, political, religious, non-profit or other organizations. Dealers, however, shall take reasonable measures to separate such personal activities from the AMSOIL brand. 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 programs or selling AMSOIL products.
3. No Dealer may contact any business partner of AMSOIL unless pre-authorized by AMSOIL 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, social media sponsors, event promoters and trade associations. Unauthorized contact with such parties is strictly prohibited.

#### **4.19 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 or sales team. Dealers may not use an alternative name, including (not limited to) a spouse, relative, DBA name, assumed name or fictitious name to evade these Policies. 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 or negligently 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.

#### **4.20 Position Roll-Ups**

1. Dealer positions normally roll up automatically when vacated. In extremely rare circumstances where the Dealer is terminated for fraudulent reasons, then the Dealer position may not automatically roll up. It 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 the network 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 Dealer network 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 sole 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 registered with another AMSOIL Dealer. Though AMSOIL Dealerships are not granted exclusive territories, a Dealer's registered 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 fair for all Dealers, AMSOIL established these Policies, as well as a framework for enforcement.

## 5.1 Examples of Interference

Interference can occur anytime you encounter another Dealer's customer. Interference includes (not limited to) discussing AMSOIL products and programs, 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 their windows or AMSOIL products on their 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/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 his/her 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 prospective new Dealer, customer or account, ensure the customer is eligible and unprotected. This means he/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 customer elects to become a Dealer, Preferred Customer or retail or commercial account, he/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/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/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 politely thank them for their time and move on to your next prospect.

### **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 Dealer must submit a Review Request Form (G2195), available in the Dealer Zone (Digital Library>Literature>Dealer Literature).
2. Only directly affected Dealers should submit requests. For example, a Dealer should submit a review request if another Dealer interfered with his/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 the Policies, price lists and all other pertinent AMSOIL publications. Committee members are well-versed on the Policies, are unbiased and act with the goal of protecting the AMSOIL opportunity for all Dealers.

## 5.8 Corrective Action

1. The following 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 may result in Dealership termination.

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-\$500 Fine & Warning
	Products Sold	Corrective Communication & Return Commissions	Return Commissions & Warning	Return Commissions, \$100-\$500 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

## 5.9 Reporting Interference Violations

1. Dealers who become aware of an interference issue by another Dealer should make a written report of the incident to [reviewcommittee@amsoil.com](mailto: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 end-users. These customers require high levels of support and services that cannot reasonably be delivered by independent Dealers. AMSOIL reserves the right to step in and replace any Dealer who is soliciting a company whose needs exceed the capabilities of that Dealer. Dealers should not pursue any companies or business opportunities that exceed their technical capabilities and professional experience.
2. Dealers are prohibited from contacting any direct industrial AMSOIL customer 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 approved 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 business 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**

Dealers must be aware of and abide by all applicable federal, state, provincial and local laws relating to promoting the Dealer opportunity and sale of products, including business licenses, truth in advertising, 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 their Dealership.
2. AMSOIL shall collect and pay all applicable federal, state/provincial and local taxes on Dealer and customer orders. The Dealer is responsible for collecting and paying any other applicable tax. Refer to the AMSOIL Wholesale Price List (G3500, G8500 Canada) for current tax information.
3. When claiming tax exemption, a signed Uniform Sales Tax and Use Certificate (G495, G495C Canada) must be sent to AMSOIL (customerservice@amsoil.com).

### **6.3 Product Orders**

1. Dealers and customers are required to pre-pay for all orders prior to shipment. Customers with approved credit limits are the only exception.
2. Credit card, debit card, PayPal or another electronic form of payment is required for orders placed online and by telephone.
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 the account's prior written approval. You must provide a copy of written approvals to AMSOIL upon request.
6. A Dealer may also purchase products from another AMSOIL Dealer. See section 9.3 "Volume 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 hold, reject or cancel orders and otherwise limit sales. An order is an offer that AMSOIL reserves the right to accept or deny.
10. Online/catalog customers must have orders shipped and cannot pickup at an AMSOIL distribution center.

#### **6.4 Pricing Changes**

AMSOIL maintains the right to adjust product prices and product availability without notice. However, whenever reasonably possible, AMSOIL will notify Dealers of price adjustments 5 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 [AMSOIL.com/StoreFront/ShippingInformation.aspx](http://AMSOIL.com/StoreFront/ShippingInformation.aspx) or [AMSOIL.ca/StoreFront/ShippingInformation.aspx](http://AMSOIL.ca/StoreFront/ShippingInformation.aspx) or consult the shipping terms outlined in the Wholesale Price Lists (G3500, G8500 Canada).
2. AMSOIL reserves the right to select the distribution center of origin and carrier for normal, ground shipping.

#### **6.6 Product Guarantee**

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

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

1. Online/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% 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 Dealer who is terminating his/her Dealership 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 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 and acceptance of the returned products, AMSOIL shall return the Dealer's cost of the product minus a 10% restocking fee and all commissions previously paid on the products.
3. The AMSOIL Distribution Center manager shall determine whether any returned products comply with the requirements under this section.

## 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 laws and regulations and with the policies and procedures enumerated below in paragraphs 2-21:
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 content (articles, blog posts, podcasts, 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 or independent AMSOIL Direct Jobber in the ad, editorial content or message.
4. At no time may a Dealer represent him or herself as an AMSOIL employee, 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, AMSOIL.ca or ALTRUMonline.com (collectively, "AMSOIL Websites") 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 Websites are the official AMSOIL corporate websites to benefit all Dealers. Dealers may not use terms to advertise or present their authorized AMSOIL Dealer websites such as (not limited to) "Official AMSOIL website," "Official AMSOIL store," etc.
7. 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 AMSOIL MAP policy. See section 7.2 "AMSOIL Unilateral Minimum Advertised Price Policy" for details.
8. 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.
9. AMSOIL Dealers may advertise "free shipping" using only the language used in AMSOIL advertisements with links/referrals to AMSOIL Websites for full details and exclusions.
10. No Dealer shall advertise incentives of obvious monetary value as inducements to solicit sales or Dealer, Preferred Customer or account registrations in any national advertising medium.
11. 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.
12. Tampering with advertising campaigns of other Dealers or AMSOIL is prohibited.
13. Advertising may not be targeted toward or intended to recruit customers from outside the 50 United States and Canada.
14. Advertisements may not be placed in magazines, websites or other mediums that don't uphold the corporate image or reputation of AMSOIL. AMSOIL reserves the right to enforce the removal of AMSOIL content from any website containing sexual, political, religious, discriminatory or any other content that AMSOIL deems inappropriate.
15. Paid online advertisements (Google ads, Facebook ads, etc.) must clearly link to an independent Dealer website or social media page/site.

16. 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.
17. While Dealers are encouraged to share AMSOIL INC. social media posts, videos, articles, testimonials, literature, promotional graphics posted in the Digital Library of the Dealer Zone and other content to support their sales efforts, Dealers shall not reproduce social media posts, YouTube videos, magazine or newspaper articles, stories, literature or graphic images on their websites or elsewhere created by other parties without the express written consent of the author, creator, copyright owner and trademark owner. No portion of another website other than AMSOIL Websites may be linked to or shared without permission. Audio, including copyrighted music, and video materials may not be reproduced in any digital form without prior written permission from the content owner.
18. Dealers shall make no claims concerning AMSOIL products or the Dealer opportunity other than those on the product label, AMSOIL.com, AMSOIL.ca or contained in official company literature.
19. Only current, authorized logos, slogans, graphs, statistical comparisons, non-confidential items and product information may be used in the promotion of an AMSOIL Dealership. Dealers shall promptly remove outdated and discontinued content from websites. AMSOIL reserves the right to have a Dealer website taken down for trademark violations if it contains outdated, false, misleading or inappropriate content.
20. A Dealer is responsible for his/her verbal and written statements concerning the Dealer opportunity, 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.
21. Dealers shall not suggest, imply, promise or guarantee, either directly or indirectly, that any Dealer prospect can earn specific levels or amounts of income, profit or earnings from the Dealer opportunity. Misleading statements regarding Dealer income are illegal and damage the image of AMSOIL.

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

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 monitors the marketplace for improper, inconsistent or inappropriate use of its intellectual property, including trademarks, logos, slogans and copyrights, among other things.

### **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 logo that identifies AMSOIL as the source of the products and services being sold and provided by Dealers. For example, the AMSOIL logo is a registered trademark in over 60 countries. Some product brands are also 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 Industrial” is a trade name. 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 (Digital Library>Literature>Dealer Literature).
2. AMSOIL reserves the right to withdraw its consent to use its trademarks, trade names and trade dress at any time.

### **7.1.4 Trade Secrets**

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**

Dealers may use AMSOIL Intellectual Property solely for the purpose of promoting their AMSOIL business. Dealers may not use AMSOIL Intellectual Property to promote unrelated businesses, political causes or produce any products for resale (e.g., Dealers may not create AMSOIL-branded apparel 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**

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**

Dealers may not use copyrighted materials, trademarks, trade names, product names, images, videos, music 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**

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/she is no longer an independent AMSOIL Dealer. Continued use of AMSOIL Intellectual Property without a license constitutes infringement and AMSOIL will take appropriate legal actions to stop infringement.

### **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 authorized independent 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 be posted online only by AMSOIL INC.
3. This MAP policy applies to all U.S. and Canadian independent AMSOIL Dealers and retailers without exception.
4. This 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 current Price Lists. Dealers and retailers must update any advertised prices within thirty (30) days of any announced pricing change.
6. This MAP policy covers (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) included in the bundle. 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. This 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 this 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.
4. If a Dealer sells directly to a retailer/reseller who violates this MAP policy, AMSOIL shall consider each instance a violation by the Dealer.

### **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 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. 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 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. Only AMSOIL INC. may post AMSOIL product pricing online. 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 false impression they are located in any other locations.
3. Dealers shall not publish the names, locations, Dealership names or other information on their websites of other AMSOIL Dealers with the intention of capturing Internet users who are searching for information about other Dealers or their Dealerships.
4. 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." Dealers must comply with the disclaimer.
5. 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 (Business Tools>Marketing Your Dealership>My Dealer Website). Dealers must comply with the privacy statement.
6. AMSOIL Dealers may use AMSOIL trademarked logos, artwork and language for the sole purpose of promoting AMSOIL products and the business opportunity.

7. Only AMSOIL products and Dealership 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).
8. 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 AMSOIL Websites.
9. Policies apply to all content on website pages, including META tags, keywords, page titles, databases and any content used in mass media.
10. 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 sales team or any other Dealer outside of their sales team.

### **7.8 Domain Names**

1. The name of an individual business may not include the AMSOIL 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](http://www.amsoil(your name).com)
  - [www.\(your name\) samsoildealership.com](http://www.(your name) samsoildealership.com)
  - [www.amsoil-motor-oil-dealer.com](http://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](http://www.synthetic.com/amsoilproducts)
  - [www.oilandlubespecialists.com/ordering-amsoilproducts](http://www.oilandlubespecialists.com/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**

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/province), 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 (Business Tools>Marketing Your Dealership>My Dealer Website).

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

1. 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](http://my.AMSOIL.com), visit Business Tools>Marketing Your Dealership>My Dealer Website.
2. Authorization of a website does not indicate the content on the site complies with these Policies. It is still the Dealer's responsibility to periodically review and ensure that the content is and remains in compliance with all applicable laws, the 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 false, misleading, unprofessional or offensive to the general public.

2. Dealers shall not engage in verbal abuse, commercial messaging (spamming), harassment, discrimination, fraudulent activities or other actions that reflect poorly on AMSOIL 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 affiliation, opportunities or products.
  - Posting negative comments about another AMSOIL Dealership.Such activities and any other forms of fraudulent and destructive behavior will not be tolerated and are grounds for suspension or termination.
4. Dealers must also 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 and the image of AMSOIL.
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 Inside Track as a way to communicate with Dealers, customers and the general public. No Dealer may comment on AMSOIL social media sites or the AMSOIL Inside Track with the intention of promoting his/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 Inside Track.

### **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, select the "Contact Us" menu. 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 employees is inappropriate as it wastes employee 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 "Discussions" and "Messages" areas of 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. The Dealer that registered these accounts is primarily responsible for enforcing compliance with this policy. Dealers who ignore violations by their accounts risk punishment, including reassignment of their registered accounts.
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. The Dealer that registered these accounts is primarily responsible for enforcing compliance with this policy. Dealers who ignore violations by their accounts risk punishment, including reassignment of their registered accounts.
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 AMSOIL.com or AMSOIL.ca 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 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 for any event they wish to work, paying any associated fees 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/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 these 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 Trade Show Co-op Program Form (G2075) in the Dealer Zone for details (Digital Library>Literature>Forms).

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

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 or AMSOIL Direct Jobber.

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

Dealers may host a locator service for their personally sponsored Dealers and retail accounts provided the actual location of the Dealers or retail accounts are accurate and clearly identified on each page. Every page or map shall specifically identify “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**

A Dealer shall be deemed to consent to AMSOIL using his/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 AMSOIL employees, other Dealers, Preferred Customers or accounts without express written consent from those third parties.

# **8.0 SPONSORSHIP**

You can help others start their own AMSOIL Dealership. You help them learn about AMSOIL, guide them in building a solid Dealership foundation and, in turn, build your sales team. You can earn commissions on their personal purchases and the products their customers purchase. New Dealers can register by visiting [joinAMSOIL.com](http://joinAMSOIL.com) or [joinAMSOIL.ca](http://joinAMSOIL.ca). Ensure your Dealer number is entered in the referral field so you are recognized as the sponsoring Dealer.

## **8.1 Training Sponsored Dealers**

Dealers who sponsor or enroll another Dealer must act in a supervisory capacity to ensure they and their sponsored Dealers are properly operating their AMSOIL Dealership. Dealers should train their sponsored Dealers in product knowledge, effective sales techniques, compliance, AMSOIL marketing programs and all other AMSOIL policies. Dealers must monitor their sponsored Dealers to confirm each is operating in a professional, ethical, legal and effective manner. As a Dealer grows within the AMSOIL business and develops his/her team, training, monitoring and motivational responsibilities toward his/her team of Dealers must increase.

# **9.0 HOW DEALERS MAKE MONEY**

1. A Dealer must be active and in compliance with all AMSOIL Policies and Agreement terms to earn money.
2. As an AMSOIL Dealer, you are able to buy products at Wholesale (Dealer) Cost and sell them to your customers to potentially earn a retail profit.
3. Dealers must fulfill all requirements (together with the other responsibilities described in the Independent Dealer Policies & Procedures) to qualify for earnings.
4. Direct deposit or prepaid Visa cards are the primary method for paying earnings. Dealers are responsible for maintaining Visa cards and accurate banking information for direct deposits. Dealers who registered prior to August 2017 may choose to be paid by mailed check but must pay an additional \$10/year service fee due to increased administrative costs. AMSOIL may withhold check payments totaling less than \$10 for up to three months to minimize handling.
5. 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.
6. Dealers must deposit or cash commission checks within six (6) months from their date of issuance. Checks not cashed within six months are 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.
7. Any credit accumulated on a Dealer’s account shall be refunded on the next earnings payment.

8. Product cash commission, commission credit, profit and Leadership Bonus values are established by AMSOIL. Refer to the online Profit Lookup in the Dealer Zone (Business Tools>General Business Tools>Profit Lookup), TN50 Profit List (G3779) or the Legacy Plan Profit List (G3501).
9. Values may vary where an AMSOIL Dealer or commercial/retail account requests and receives written approval for special assistance from AMSOIL.
10. Effective Oct. 1, 2022, there will be two compensation plans: *The Next 50* Compensation Plan and the Legacy Compensation Plan. *The Next 50* Plan applies to Dealers, Preferred Customers, online/catalog customers, retail accounts and commercial accounts registered on or after Oct. 1, 2022. The Legacy Plan applies to Dealers, Preferred Customers, online/catalog customers, retail accounts and commercial accounts registered before Oct. 1, 2022. Each plan is explained in detail in section 10.0 "Earning Money Under *The Next 50* Compensation Plan," and section 11.0 "Earning Money Under The Legacy Compensation Plan."
11. If an online/catalog customer who registered under the Legacy Plan changes to Preferred Customer status AND his/her sponsoring Dealer is changed to a Dealer who registered after Oct. 1, 2022, the Preferred Customer shall be transferred to *The Next 50* Compensation Plan.
12. If a Dealership expires for any reason or is converted to Preferred Customer or online/catalog customer status and the former Dealer decides to re-register/renew as a Dealer, he/she shall generate commissions on his/her personal purchases according to the following rules:
  - If fewer than 12 months have passed since the Dealership expired or converted, he/she shall generate earnings on personal purchases under the compensation plan in effect at the time of initial registration.
  - If 12 months or more have passed since the Dealership expired, he/she shall be registered under *The Next 50* Compensation Plan.
13. For Dealers with customers or accounts under both *The Next 50* Compensation Plan and the Legacy Plan, the following rules apply:
  - Commission percentages, profit tier levels and other qualifications shall be based on total monthly sales for customers in both plans.
  - AMSOIL shall determine actual earnings based on the specific plan that applies to each individual customer or account.
  - AMSOIL shall report earnings on a single monthly commission statement and pay earnings via a single monthly commission payment.
14. Only registered AMSOIL Dealers, their registered retail accounts and the qualified resellers to whom they directly sell are authorized to resell AMSOIL products. Dealers may not sell to a Preferred Customer who intends to resell products.
15. 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 upon 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, address and shipping address if the products were shipped to a location other than the customer's address.
16. AMSOIL products must be sold in their original packaging or installed in end-user's vehicles and equipment.
17. No Dealer has the right to sell literature or sales aids (including apparel or software) unless the literature and sales aids have been purchased directly from AMSOIL for resale or resale has been specifically preapproved by AMSOIL in writing.



18. 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 Pricing Lookup in the Dealer Zone or AMSOIL Wholesale Price List (G3500, G8500 Canada). Dealers may sell to individual outlets of businesses 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 sell 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
  - businesses with centralized distribution, more than 24 retail locations or 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.
19. AMSOIL reserves the right to investigate Dealers' sales of products directly to customers to ensure compliance with these Policies and to protect the Dealer opportunity for all Dealers. Dealers must reasonably cooperate with any such investigation. Upon request, Dealers must provide all sales records and other information including (not limited to) customer names, addresses, prices and product selection.
20. No Dealer may sell or ship products, either directly or indirectly, outside the 50 United States and Canada.
21. 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. Dealers who fail to reasonably screen customer orders, engage in high-risk transactions or negligently place fraudulent orders may be held financially responsible for unpaid products.
22. Names, addresses, email addresses and phone numbers of AMSOIL customers and leads are confidential. Dealers must take reasonable measures to protect personal identifying information. 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 referred, transferred or assigned customers for any reason whatsoever.

### **9.1 Commissions Recovery**

1. In addition to other legal rights, the company has the right to adjust unpaid earnings and to require Dealers to repay any earnings wrongly paid to you as a result of any of the following:
  - Returned products
  - Orders with revoked or insufficient payments
  - Sales that directly or indirectly resulted from any Policy violation
  - Sales that resulted from, or related to, unlawful conduct or unethical behavior
  - Earnings mistakenly paid by the company
2. The company may use any legal means necessary to recover wrongly paid earnings, including requiring direct payment from the Dealer or withholding the amount owed from future paid earnings.



## 9.2 Payment Corrections

1. It is your duty to verify that customer assignments and earnings are paid correctly. If you discover an error in your monthly commission statement, 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.

## 9.3 Volume Transfers

1. AMSOIL Dealers may receive commissions and bonuses each month on their personal purchases, their customers' purchases, the purchases of their sponsored 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 (General Business Tools>Volume Transfers) or the Dealer Business System (DBS). When transfers are submitted, the proper commissions can be paid
3. Volume transfers for the purpose of qualifying new Preferred Customers is only allowable to record the actual sale of products.
4. No Dealer is required to sell products to Dealers or Preferred Customers. However, if such sales are made, the selling Dealer must submit a Volume Transfer and provide a receipt to the customer.
5. Failure to comply with the above policies shall result in disciplinary action up to and including the termination of the Dealership.

## 9.4 Business Month

1. Dealer, Preferred Customer and online/catalog 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 paid commissions in the month that invoices are paid in full.

## 9.5 Manipulation of Policies and Procedures Governing Compensation

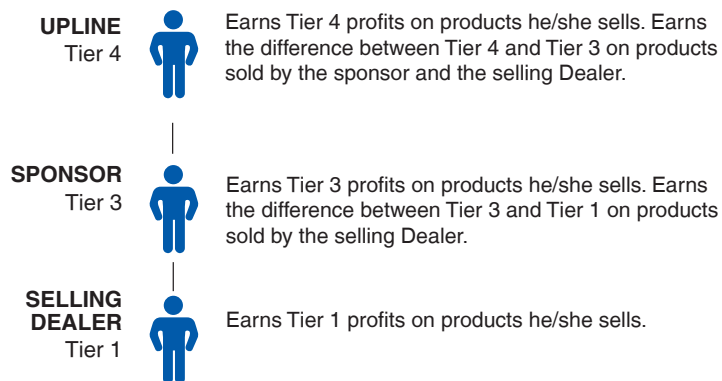
If AMSOIL reasonably determines that a Dealer's action was taken in an effort to circumvent compliance with any provisions of the Policies, the action taken by the Dealer shall be null and void. Dealers may not use false names, false identification, third parties, false Dealerships or accounts, buy additional product for the sole purpose of maintaining a specific level of achievement, warehouse products or use any other form of manipulation that violates the terms, conditions, spirit and intent of the Policies or Dealer Agreement. To ensure compliance with the Policies, AMSOIL may impose sanctions against offending Dealers, up to termination of the Dealership.

## 10.0 EARNING MONEY UNDER *THE NEXT 50* COMPENSATION PLAN

1. You are entitled to earn commissions each month on your personal purchases and the purchases of your customers and accounts [provided you and your customers and accounts registered under The Next 50 Compensation Plan (see 9.0.5)] according to the AMSOIL Profit Tier Schedule (see section 10.1 "Profit Tier Schedule"), provided you meet the following qualifications:
  - Be Customer Certified to earn at the Tier 4 profit level.
  - You sell at least 70% of the total amount of product purchased during the month. 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% policy allows you to build additional inventory.
2. Eligible Dealers earn the Product Profit Value on their personal purchases and the purchases of their customers and accounts [provided the Dealer and his/her customers and accounts registered under The Next 50 Compensation Plan (see 9.0.5)]. Find those values in the Profit Lookup in the Dealer Zone (my.AMSOIL.com) or the TN50 Profit List (G3779).

3. Monthly personal and team sales for determining tier-level qualifications are calculated using U.S. wholesale pricing.
4. Dealers can potentially increase their earnings by sponsoring other AMSOIL Dealers. The Personal Sales of your personally sponsored Dealers and their personally sponsored Dealers who are earning Tier 1, Tier 2 or Tier 3 profit (two levels) are added to your Personal Sales to comprise your Total Team Sales. Your Total Team Sales determine the profit tier at which you earn.
  - For example,\* if you accumulate \$1,200 in personal sales in a month and your personally sponsored Dealer accumulates \$400 in the same month, the two values are added. Your Total Team Sales would be \$1,600, qualifying you to earn Tier 2 profit on your personal sales.
5. To earn Tier 2, Tier 3 or Tier 4 profits, a minimum of \$500 of your Total Team Sales must be in the form of Personal Sales.
  - For example,\* if your Total Team Sales this month are \$1,600, at least \$500 of that total must be in the form of Personal Sales to earn Tier 1, 2 or 3 profits.
6. When a Dealer makes a sale, the Sponsor is paid the difference between the profit tier at which he/she is earning and the profit tier at which the selling Dealer is earning. The Upline is paid the difference between the profit tier at which he/she is earning and the profit tier at which the Sponsor is earning. See the example below:

### **The Next 50 Compensation Plan Example**



7. A maximum of three Dealers are eligible to earn on any sale: the selling Dealer, the Sponsor and the Upline.
8. All earnings available under The Next 50 Compensation Plan result directly from product sales and purchases, and never from the act of recruiting a new Dealer. You are compensated only if and when a new Dealer sells and purchases, and not for registering a new Dealer.
9. Purchases of all products apply toward personal and Total Team Sales at U.S. Wholesale Price for each product. See the Product Pricing Lookup in the Dealer Zone (my.AMSOIL.com) or U.S. Wholesale Price List (G3500) for product prices. Not all products generate commissions or include a Product Profit Value, including (not limited to) literature, apparel and bypass replacement parts. See the Profit Lookup in the Dealer Zone or the TN50 Profit List (G3779) for commission values and Product Profit Values.

*\* Building a successful Dealership takes skill, hard work and time. There are no guarantees you will earn any money. Like any opportunity, some Dealerships will succeed while others will not.*

## 10.1 Profit Tier Schedule

### PROFIT TIER SCHEDULE

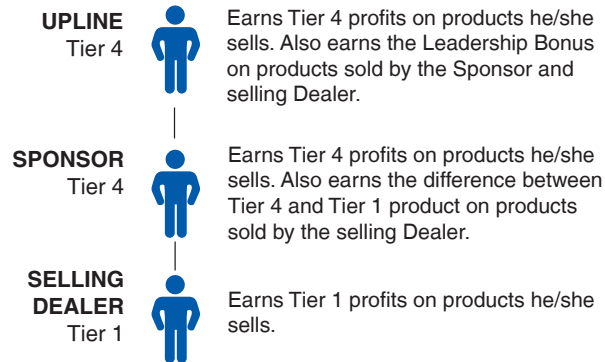
Profit Tier	Min. Total Monthly Team Sales
Tier 1	–
Tier 2	\$1,500
Tier 3	\$3,000
Tier 4	\$5,000

- Minimum \$500 personal sales required to qualify for Tier 2, 3 or 4 profits.
- Must be Customer Certified to earn Tier 4 profits.

## 10.2 The Next 50 Compensation Plan Bonuses

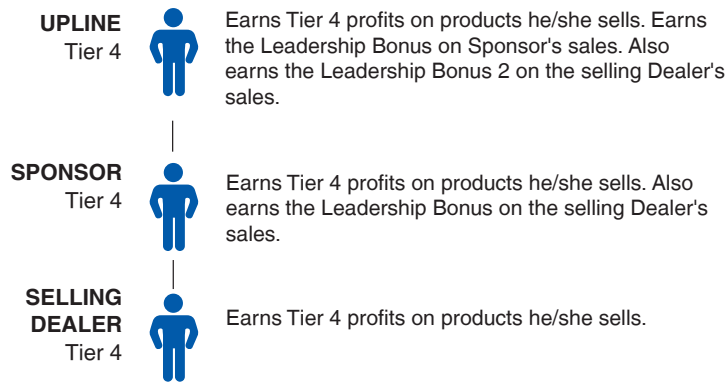
- 1. New Preferred Customer Bonus:** Dealers earn a \$10 bonus for every personally sponsored new Preferred Customer they register who purchases \$100 or more (U.S. wholesale value) in AMSOIL products within their first year as a Preferred Customer.
- 2. Leadership Bonus:** Dealers who qualify for Tier 4 profit earn a bonus on sales made by Dealers on their team who qualify for Tier 4 profit and their personally sponsored Dealers who are part of their sales team. Each AMSOIL product is assigned a Leadership Bonus value, which is published in the Profit Lookup in the Dealer Zone (my.AMSOIL.com) and the TN50 Profit List (G3779).

### Leadership Bonus Example



- 3. Leadership Bonus 2:** Dealers who qualify for Tier 4 profit earn a bonus on Personal Sales made by Dealers on their team who qualify for Tier 4 profit and who are personally sponsored by Dealers who qualify for Tier 4 profits. Each AMSOIL product is assigned a Leadership Bonus 2 value, which is published in the Profit Lookup in the Dealer Zone (my.AMSOIL.com) and the TN50 Profit List (G3779).

## Leadership Bonus 2 Example



**4. Becoming a Direct Jobber:** To become a Direct Jobber, you must accumulate \$100,000 in annual team sales within a calendar year. You will retain DJ status indefinitely.

### 10.3 The Next 50 Sales Achievement Program

1. *The Next 50* Sales Achievement Program is an annual program that rewards total team sales growth during the calendar year (January - December). As you progress, you can reach new achievement categories (known as "Cups") and levels.
2. AMSOIL recognizes Dealers who reach new achievement categories and levels through digital messages in the Dealer Zone and awards.
3. Customer-Certified Dealers receive a one-time cash reward with their regular earnings payment for the month each new level was achieved. See the table below for cash reward values (subject to change).
4. In *The Next 50* Sales Achievement Program, Dealers qualify for new Cups and levels within the program by meeting each level's specified threshold for annual total team sales. For example, if a Dealer's highest amount of annual team sales is \$25,000, he/she qualifies for Bronze Cup level 5. To achieve Silver Cup level 1, he/she must exceed \$35,000 in annual team sales within a calendar year and is paid a cash reward of \$525 if he/she is Customer Certified.

## 10.4 The Next 50 Sales Achievement Program Levels

Annual Sales	Sales Achievement Category	Sales Achievement Level	Cash Reward*
\$1,000	<b>Bronze Cup</b>	1	\$40
\$2,500		2	\$50
\$5,000		3	\$100
\$10,000		4	\$175
\$20,000		5	\$350
\$35,000	<b>Silver Cup</b>	1	\$525
\$50,000		2	\$525
\$75,000		3	\$875
\$100,000		4	\$875
\$125,000		5	\$875
\$150,000	<b>Gold Cup</b>	1	\$875
\$175,000		2	\$875
\$200,000		3	\$875
\$250,000		4	\$1,750
\$300,000		5	\$1,750
\$350,000	<b>Platinum Cup</b>	1	\$1,750
\$400,000		2	\$1,750
\$500,000		3	\$3,500
\$600,000		4	\$3,500
\$700,000		5	\$3,500
\$800,000	<b>Diamond Cup</b>	1	\$3,500
\$900,000		2	\$3,500
\$1,000,000		3	\$3,500
\$1,250,000		4	\$8,750
\$1,500,000		5	\$8,750
\$2,000,000	<b>Titanium Cup</b>	1	\$10,000
\$3,000,000		2	\$20,000
\$4,000,000		3	\$20,000
\$5,000,000		4	\$20,000
\$6,000,000		5	\$20,000
\$8,000,000	<b>Ambassador Cup</b>	1	\$30,000
\$10,000,000		2	\$30,000
\$12,000,000		3	\$30,000
\$14,000,000		4	\$30,000
\$16,000,000		5	\$30,000

\*Must be Customer Certified to receive cash reward.  
Values subject to change.

## 11.0 EARNING MONEY UNDER THE LEGACY COMPENSATION PLAN

1. Dealers registered under the Legacy Plan are entitled to earn a commission on their purchases each month according to the AMSOIL Commission Schedule (see section 11.1 "Commission Schedule"), provided:
  - You sell 70% 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% policy allows you to build additional inventory.
2. You can increase your earnings by sponsoring new AMSOIL Dealers. You may earn a commission on both your individual purchases and on the individual purchases of Dealers you have sponsored, provided you fulfill the minimum personal requirement.
  - The minimum personal 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 the Section 11.1 commission schedule results directly from product sales and purchases, and never from the act of sponsoring a new Dealer. You are compensated only if and when a new Dealer generates sales and purchases, and not for registering a new Dealer.
3. Dealers earn commissions and commission credits from purchases made by retail and commercial accounts registered in the Legacy Plan. Cash commissions and commission credits are detailed in the Legacy Plan Profit List (G3501) and in the Profit Lookup in the Dealer Zone (Business Tools>General Business Tools>Profit Lookup). As with all terms and conditions of your Dealership, commission values are subject to modification, amendment and change.
4. 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/customers/accounts in their group. See the Commission Schedule in section 11.1.
5. A 20% 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.

### 11.1 Commission Schedule

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

\*\* 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 Becoming a Direct Dealer

1. You become a "Direct Dealer" any month you have 3000 or more personal group commission credits and meet the personal minimum requirements. You will retain this status 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.

## 11.3 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.
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.

## 11.4 Earning Performance Commissions

1. AMSOIL will pay a 5-9% 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 11.3 "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.
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.)
3. A 5% 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% 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.

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	5½	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																	



## 11.5 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.

## 11.6 Upline Performance Commission Guarantee

1. The Performance Commission is paid to a Qualified Direct Jobber by AMSOIL based on his/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% 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/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.

## 11.7 Legacy Plan Bonuses

1. Registering new buying customers, training Dealers and retaining customers are three primary components in building a successful AMSOIL Dealership. The following bonuses encourage registering, training and retention.
2. **Qualification Bonus** – Earn \$10 for every qualified Dealer, Preferred Customer or account you personally register in the Legacy Plan who purchases \$100 or more (U.S. Wholesale value) in AMSOIL products within the first year. The bonus shall be paid the month of qualification
3. **Duplication Bonus** – Earn \$5 for every qualified Dealer, Preferred Customer or account registered in the Legacy Plan 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 of \$100 or more (U.S. Wholesale value) in AMSOIL products within the first year.

## **12.0 REGISTERING COMMERCIAL AND RETAIL ACCOUNTS**

1. Dealers assist their retail and commercial accounts in completing the Account Application. AMSOIL conducts online research to confirm existence of a qualifying business. 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.
2. 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 (Business Tools>Registrations & Renewals).
  - Dealers can order the Retail Program Packet (G1001, G8001 Canada) or the Commercial Program Packet (G1007, G8007 Canada), 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 [AMSOIL.com/business-opportunities](http://AMSOIL.com/business-opportunities) or [AMSOIL.ca/business-opportunities](http://AMSOIL.ca/business-opportunities). The business must complete the application and accept the Agreement.
3. 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.

### **12.1 Commercial Account Registration Requirements**

1. A Commercial Account is a government, commercial or small 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 online documentation, including 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 business (e.g. home-based) qualifies as a commercial account, 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.
5. AMSOIL must be informed within 30 days whenever an existing AMSOIL commercial account is closed or sold. New orders will not be accepted. A new commercial account application must be submitted if the new owner wants to continue purchasing AMSOIL products as a commercial account.

### **12.2 Retail Account Registration Requirements**

1. A Retail Account is a business that operates out of a brick and mortar 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 full-time 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, Fred Meyer).
  - Businesses that primarily sell products online through apps, social media or catalogs.
  - Businesses that are primarily engaged in the distribution of oil or fuel.
  - Businesses that distribute auto/truck/equipment supplies to retailers.
  - Event vendors that operate on a temporary basis at events.
  - Pawn, thrift, consignment and other stores that don't primarily or consistently sell associated merchandise.
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 account 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 (see section 12.2.4).

### **12.3 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. AMSOIL reserves the right to reject or limit account orders to prevent program or policy manipulation. Examples include (not limited to) preventing a retail/commercial account from placing small orders as a Preferred Customer to get free shipping and large orders as an account to get discounts, advertising co-op credit or other benefits.
5. An AMSOIL Dealer cannot purchase products through a commercial/retail account for

either his/her own use, resale, to extend protected status or qualify an account. To do so is a violation of the AMSOIL Policies. All orders must be placed and authorized by the account.

6. 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.
7. 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.
8. AMSOIL Dealers are not authorized to enter into agreements that commit AMSOIL to supply a specific volume of products or delivery products under special pricing or terms. Dealers must contact the AMSOIL Dealer Sales Department (715-392-7101) at least 10 business days prior to submission deadlines or scheduled appointments concerning customer bids; requests for information/proposal/quotation; contracts and vendor agreements that stipulate special payment terms, pricing, discounts, shipping methods, ordering processes or invoices. AMSOIL reserves the right to approve, modify, negotiate or deny requests for special assistance and to modify commissions and earnings accordingly.
9. If an AMSOIL Dealer sells products purchased through his/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 Canada). No Dealer may supply products, either directly or indirectly, to businesses or individuals 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.
10. 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.
11. Products purchased by a commercial/retail account are for use or resale only in the country in which they were purchased.
12. 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.
13. 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.
14. AMSOIL retains the right to decide all matters regarding interpretation and enforcement of all Policies contained in this and other AMSOIL publications. Any requests regarding special exceptions, enforcement of the Policies or Dealer disputes should be submitted in writing to the AMSOIL Review Committee (reviewcommittee@amsoil.com). No AMSOIL employee has the right to verbally grant any special exceptions to the Policies. An authorized manager must provide such written authorization (see section 2.7 "No Waiver").

#### **12.4 Retail Co-op Program**

AMSOIL offers a Retail Co-op Program to assist certain retail accounts in their advertising efforts. Retail stores and powersports dealerships 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.

## **12.5 Installer Volume Discount**

1. AMSOIL offers a volume discount for quick lubes, independent service garages and other businesses that service vehicles (“installers”). Installers are eligible to receive a discount based on the previous year’s purchases. Because installers are eligible for a volume discount, they are ineligible for the Retail Co-op Program.
2. AMSOIL has the exclusive right to designate a retail account as a retail store, powersports dealership or installer.

## **12.6 Service Line Newsletter**

Commercial and retail accounts that have registered or ordered within the prior 15 months are kept informed about important events and current product news through the quarterly AMSOIL Service Line print newsletter and the bimonthly Service Line email. You can find copies for review in the Dealer Zone (Digital Library>Literature>Publications>Service Line).

## **13.0 WINDING DOWN A DEALERSHIP**

1. AMSOIL is committed to providing first-rate customer service. That commitment doesn’t end when an independent Dealer winds down his/her Dealership. The process of transferring a Dealership to an heir or selling it to an unrelated third party should occur as quickly and seamlessly as possible to ensure customers continue to receive the high 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/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 buying 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.
6. If AMSOIL is required to manage or operate a Dealership during a prolonged legal dispute (i.e., probate or divorce proceeding) then AMSOIL may retain all earnings during that period to offset its costs or may elect to reassign some of all of the customers to other Dealers.

### **13.1 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 preferred that a Dealership be sold to the sponsoring Dealer.
4. If the sponsoring Dealer isn’t interested in purchasing the Dealership, selling to a personally sponsored Dealer is the next best option.
5. If neither of those options work, selling to another Customer-Certified AMSOIL Dealer is an option.
6. AMSOIL retains the exclusive right to approve or deny any sale or transfer of a Dealership.
7. A Dealership may only be sold to a Customer-Certified AMSOIL Dealer. A non-Dealer who wants to buy an AMSOIL Dealership must first apply to become a Dealer, sign the Agreement, become a registered AMSOIL Dealer and earn Customer-Certification status before being eligible to purchase a Dealership.

8. The buying/acquiring Dealer must be prepared to continue providing, at minimum, the same level of support and 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 (80 km) 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 (320 km) 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. The purchasing Dealer shall be assessed a \$100 administrative service charge.
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/she decides to return to the business with a different sponsor.
13. The selling Dealer's Qualified Customer count shall not apply to the buying Dealer's Customer Certification status.

### **13.2 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/her inability to administer the Dealership. AMSOIL reserves the right to request a certificate of death or other documentation prior to taking any action.
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 enforceable testamentary plan is in place and a Customer-Certified Dealer is named as the heir or beneficiary.
  - It's generally best to transfer the Dealership to the sponsor or to a personally sponsored Dealer.
  - It's possible to transfer to a non-personally sponsored Customer-Certified Dealer. Special requirements apply.
5. 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, conditionally 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.
6. Within 60 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. A \$100 service charge shall be assessed to the designated Customer-Certified Dealer.
7. AMSOIL reserves the right to work with the designated Customer-Certified Dealer who wants to inherit the business to finalize plans to transfer customers and ensure continuity of service to customers.
8. If the transfer of the Dealership is approved, assigned, transferred and referred commercial accounts and retail accounts shall be reassigned unless the beneficiary Dealer resides within 50 miles (80km) of the account or an acceptable plan to service customers is presented and accepted in writing for beneficiary Dealers who reside up to 200 miles (320 km) away from the account.



9. 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 immediately terminated and all customers transferred. See section 3.11 for details.
10. The heir/beneficiary must be prepared to continue providing at least the same level of service the deceased Dealer's customers have come to expect.
11. If the purchasing Dealer is the heir/beneficiary's sponsor or is sponsored by the heir/beneficiary, the Dealerships shall be combined.

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## 14.0 DEFINITIONS

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

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

**Agreement:** The annual contract between AMSOIL and each independent Dealer, which incorporates 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:** A group of AMSOIL managers who review and investigate Dealer complaints, appeals, customer complaints and 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 Canada). See the Dealer Zone (Digital Library>Literature>Price Lists & Catalogs) for the current version.

**Arm's-Length Relationship:** A business deal in which parties act independently without one party influencing the other. All parties should act in their own self-interest and not be subject to pressure from the other party.

**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, inactivity or failure to accept the annual Dealer Agreement.

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

**Co-op Advertising Credit:** Retail stores and powersports dealerships 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.

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

**Commissions:** The earnings and bonuses paid on personal-group commission credits and activity generated by customers and accounts registered under the Legacy Plan and/or earnings and bonuses paid based on total team sales and activity generated by customers and accounts registered under *The Next 50* Compensation Plan.

**Commission Credits:** The value placed on each product for which commissions are paid. Refer to the current AMSOIL Legacy Plan Dealer Profit List (G3501) in the Dealer Zone (Digital Library>Literature>Price Lists & Catalogs).

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

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**Customer-Certified Dealer:** A Dealer who has met the requirements to be assigned buying customers from AMSOIL. To become Customer Certified, you must meet the following qualifications based on how long you've been a Dealer:

Complete Customer Basic Training

**Plus**

**Dealers in Their First 24 Months**

Have 2 or more new qualified customers annually

**Dealers After Their First 24 Months**

Have 4 or more new qualified customers within the past 12 months

**Or**

Have 24 or more active, buying customers and 2 or more new qualified customers in the past 12 months

**Or**

Have more than \$10,000 in personal product purchases plus 5 or more active buying customers and 2 or more new qualified customers in the past 12 months

For details, view the "Getting Customer Certified" program in the Dealer Zone ([my.AMSOIL.com](http://my.AMSOIL.com)).

**Dealer:** A qualified person or persons 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 Wholesale Price List (G3500, G8500 Canada), TN50 Profit List (G3779), Dealer Guide (G3472) and product samples to help them start their Dealership.

**Dealer Number:** The identification number assigned to each Dealership at the time of registration with AMSOIL. It's the same as the Dealer's account number.

**Dealer Opportunity:** The business systems, models and programs that comprise a Dealership within the AMSOIL Dealer Network that includes (not limited to) AMSOIL products, marketing programs, compensation plans, policies & procedures and agreement

**Dealer Personal Group:** All the Dealers, online/catalog 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. It's the official source of current product prices, profit values and company policies.

**Direct Dealer:** A Dealer under the Legacy Plan 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:**

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

**Under The Next 50 Plan:** A Dealer who has exceeded \$100,000 in total annual team sales in a calendar year.

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**Direct Jobber Personal Group:** All the online/catalog 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 Dealer's downward line of sponsorship.

**Earnings:** All commissions, profits, 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 online/catalog customers, Preferred Customers, retail accounts and commercial accounts purchasing AMSOIL products.

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

**Installer Discount Schedule:** A product-pricing discount for qualified retail installer accounts of 5% or 10%, depending on the account's total annual purchases. See Retail Basic Training in the Dealer Zone for details.

**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.

**Leadership Bonus:** Bonus paid on qualified sales made by Dealers on your team who qualify for Tier 4 profits and their personally sponsored Dealers who are on your team. Only paid to one Dealer per sale. Must be earning at Tier 4 to earn the Leadership Bonus.

**Leadership Bonus 2:** Bonus paid on personal sales made by Dealers on your team who qualify for Tier 4 profits and are personally sponsored by Dealers who qualify for Tier 4 profits. Must be earning at Tier 4 to earn the Leadership Bonus 2.

**Legacy Plan:** The compensation plan under which Dealers who registered prior to the implementation of *The Next 50* Compensation Plan on Oct. 1, 2022 and who meet the appropriate qualifications can earn money on their personal purchases and the purchases of their sponsored Dealers, customers and accounts registered under *The Next 50* Compensation Plan.

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

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

**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.

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**Personal Sales:** Your personal purchases and sales to personally sponsored accounts and customers. Based on U.S. wholesale prices.

**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 online/catalog 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/she has directly registered.

**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.

**Preferred Customer Bonus:** A one-time \$10 bonus paid for each qualified Preferred Customer.

**Product Profit Values:** The amount listed in the TN50 Profit list (G3779) that a Dealer will earn for each AMSOIL product sold. Each AMSOIL product has defined profit values in *The Next 50* Compensation Plan. Profit values do not change according to customer type (retail, commercial, P.C., Dealer, online/catalog).

**Profit Tier Schedule:** Schedule that defines monthly sales volumes at U.S. wholesale pricing required to achieve higher product profit tiers under *The Next 50* Compensation Plan.

**Qualified Commercial/Retail Account:** A new commercial account or retail account that makes cumulative purchases in their first year of at least \$100 (U.S. wholesale) value.

**Qualified Customer:** A personally sponsored Preferred Customer, Dealer or account who makes cumulative purchases in their first year of at least \$100 (U.S. wholesale) value.

**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 number customers who purchase directly from AMSOIL provide. AMSOIL uses that number to identify the proper sponsor.

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

**Resalable:** Products and sales aids are "resalable" if each of the following requirements 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 he/she has personally referred or whom AMSOIL has assigned to him/her.

**The Next 50 (TN50) Compensation Plan:** The compensation plan that applies to the purchases of all Dealers, customers and accounts that are registered or sponsored on or after Oct. 1, 2022.

**Total Team Sales:** Personal sales plus total sales of personally sponsored Dealers and their personally sponsored Dealers. Sales made by Dealers who qualify for Tier 4 profits under *The Next 50* Compensation Plan and their team members are excluded. Based on U.S. wholesale price of products sold.

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**Transferred Customers:** Customers 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:** Dealer directly above the Sponsor.

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

**U.S. Wholesale Price:** The pricing at which earnings are calculated under *The Next 50* Compensation Plan for U.S. and Canadian Dealers.