

BRAND POLICY ON BRAND IMAGE & ADVERTISED PRICES FIREARMS

Effective as of June 6, 2018

Beretta USA Corp. ("Company") recognizes the value to end users of retailers providing the services of stocking, promoting and supporting the Company's firearm Products (hereinafter "Products" or "Product".) The Company desires to promote such services with advertising that focuses on high quality, superior performance, unique features, customer service and similar attributes that convey the superior brand image associated with the Company, its brands and its Products. In the Company's opinion, advertising or promoting discounts erodes the perception of the Company's Products and brand in the view of end users and reduces the incentive of retailers to support and sell the Company's Products.

Effective as of June 6, 2018, the Company has adopted a policy on brand image and advertised prices described below to promote advertising that best supports the Company's superior brand image. The Minimum Advertised Price (or MAP) Policy is a unilateral policy of the Company and is not a part of or incorporated into any agreement that the Company has with any distributor, dealer or retailer. The Company applies its MAP Policy to any distributor, dealer or retailer who purchases and resells Company Products in the United States ("Dealer").

Section 1: ADVERTISED PRICES

The Company's MAP Policy provides that Dealers not advertise any Company Product at a price below the then-current minimum advertised price for the Product in the Company's current published Dealer price list or on the Company's proprietary ecommerce site (the "Minimum Advertised Prices"). The Company, in its sole discretion, may adjust the Minimum Advertised Prices at any time. A violation of the MAP Policy occurs at any time a Dealer advertises expressly or by implication a Company Product in Covered Advertisements (as defined below), including in all cases on any website, at a price below the applicable Minimum Advertised Price. The MAP Policy is not intended to and shall not be deemed to set or limit the prices at which Dealers resell the Company Products to retail consumers, and Dealers shall have complete discretion to determine the prices they charge retail consumers for the Company's Products.

"Covered Advertisements" shall mean all forms of advertising for the Company Products in any media, including without limitation: catalogs, newspapers, print ads, inserts in magazines, handbills, flyers and other print publications; billboards, other outdoor ads and signage inside a Dealer's retail location if intended to be viewed from outside the location; broadcast ads via radio, television, web pages, webcasts, social media sites, mobile apps and other forms of electronic transmission; and direct ads or any other communication delivered to multiple recipients via mailers, email or facsimile transmission or otherwise distributed outside a Dealer's retail location.

The MAP Policy provides that no promotions of any Company Product at a price below the Minimum Advertised Price may be run via a Dealer's or its affiliates' promotional or rebate sites, including for a Dealer's loyalty program. Notwithstanding this policy, Covered Advertisements that describe a loyalty program's use of points or other accrued benefits earned as a member of such program are not viewed as a MAP Policy violation in connection with a transaction involving Company Product; provided that the retail price of the Product in the transaction (before applying any accrued benefit) is at the Minimum Advertised Price, and that any accrued loyalty program benefit applied by the Dealer must have been available for use prior to, and not dependent upon, the transaction in which the Company Product is sold. Any loyalty program advertisement would be considered in violation of this MAP Policy if it provides that a member could earn points or other program benefits at an increased rate on the purchase of Company Products as compared to other Products offered as part of the loyalty program.

Any Covered Advertisement that expressly or by implication advertises a Company Product below its Minimum Advertised Price is considered a violation of the MAP Policy, including any reference to a Company Product being on sale, offered at a discount or eligible for a promotion (or any comparable reference which implies a price below the Minimum Advertised Price), whether or not a specific price is displayed. Under this MAP Policy, a Dealer must exclude Company Products from Covered Advertisements, including web pages, which advertise Dealer discounts, coupons, sale offers or any other

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advertisement that promotes a reduced price for Dealer's Products, by prominently stating that the Company's brand or brands are excluded. The MAP Policy provides that a Dealer must not advertise in any Covered Advertisement, including any web page, that Company Products are included in any promotions, including bundled Product promotions, or other promotions that imply a price on a Company Product below the Minimum Advertised Price, or promotions which, with the purchase of Company Product, include a gift of more than nominal value or a gift card for redemption at Dealer's retail location or website or any other retailer.

Section 2: ADDITIONAL ONLINE ADVERTISING POLICIES

Resale of Company Products by a Dealer at any location or on any website other than those disclosed to Company and receiving prior written approval of the Company pursuant to a separate agreement with Dealer is strictly prohibited. A Dealer is not allowed to advertise Company Products for sale, directly or via referral, on any third-party e-commerce websites, internet forums, discount websites, or online auction sites, including, but not limited to, eBay, Amazon, Etsy, Craigslist, etc.

If a Dealer is authorized by the Company to sell online pursuant to a separate agreement, additional MAP Policy provisions apply to Dealer's online advertising activity. A Dealer will violate the MAP Policy any time the Dealer (1) keywords or advertises a sale, discount or promotion of any kind in connection with online advertisements for Company Products or (2) feeds prices below the Minimum Advertised Price for any Company Product to third-party websites of any kind, including through the use of paid keyword campaigns, feeds to pricing aggregators or search engines or such advertisements on any other third-party website. However, advertising free or reduced cost shipping on an approved website is not a violation of this MAP Policy as long as such advertising is not used to imply a price on Company Products below the Minimum Advertised Price.

The terms of the MAP Policy apply to any website on which a Dealer advertises (including the display of prices) or resells the Company Products. Prices displayed by a Dealer on any web page that can be accessed directly by a consumer through any hypertext link, or by any other method which uses the hypertext transfer or any comparable protocol, shall be considered a Covered Advertisement under the MAP Policy. As a result, Dealers are not permitted to display prices on these web pages below the Minimum Advertised Prices.

Except as provided in the last sentence of this paragraph, the Company's MAP Policy is that a Dealer shall not, **at any time**, bid through any paid search engine marketing or keyword campaigns (e.g., pay-per-click or Product listing ads) available on any website, including without limitation any online marketplace site or social media site, on the following terms or on any variation or misspelling of such terms: Brand or Company words or other protected intellectual property which Dealers are prohibited from using. Notwithstanding the foregoing, Dealer may bid on, or use digital marketing campaigns, using [specific Brand Product terms]; provided that such actions are taken in connection with an offer to sell such Products or on search engines dedicated to assisting consumers shop.

"Beretta"®, "Sako" ®, and "Tikka" ® are registered trademarks of the Company. A Dealer may not use "Beretta", "Sako", "Tikka" or any other trademark, service mark, trade dress, trade name, logo, copyright or other intellectual property right of the Company to solicit sales except to the extent such use is in strict compliance with any Dealer Agreement or other Sales Agreement executed between the Company and a Dealer, as such may be amended or otherwise revised from time to time.

Section 3: ADVERTISING AND BRAND IMAGE

Under the MAP Policy, Dealers must not use, advertise or promote Company Products in an illegal or deceptive manner, as such actions would have a negative impact on the brand image of the Company and

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the Company's Products. The Company shall have the right to respond to any such Dealer advertisements or promotions by taking any of the actions outlined below for violations of this MAP Policy.

Section 4: THE COMPANY'S RESPONSE TO MAP POLICY VIOLATIONS

If the Company determines in its sole discretion that a Dealer has violated a provision of this MAP Policy and so notifies the Dealer, then in addition to a warning and reissuance of this MAP Policy to the Dealer, together with a request that the violation be remedied in a timely manner, the Company may immediately and without notice (1) fully suspend any marketing support or other sales package benefit for the current season or calendar year to which Dealer would have been entitled, and at the Company's discretion, and such support or benefit for the following season or calendar year; (2) refuse to accept orders from Dealer on Company Products for a specified period of time; (3) require that Dealer forfeit any marketing, merchandising or other advertising benefit generally made available to Dealers. In addition to these responses, the Company may terminate any agreement with, or suspend or decline to make any further sales to, any Dealer who violates any terms of the MAP Policy, if by nature of the violations the Company believes its relationship with Dealer is no longer in the best interest of the Company or its brands, subject to such warnings and advance notice as the Company may provide, in its sole discretion, on a case by case basis.

Section 5: GENERAL TERMS

The Company is not limited by the terms of the MAP Policy in its selection of the Dealers for its Products, and the Company has the right to exercise its own judgment in determining the Dealers with which it will do business, subject to the terms of any agreement with such Dealers.

Notwithstanding anything to the contrary contained herein, the MAP Policy is a unilateral policy of the Company and is not a contract or agreement with or by any Dealer.

Beretta U.S.A. Corp. wishes to emphasize that anyone who sells Beretta, Sako and/or Tikka firearms may do so at whatever price that person or company chooses. The decision concerning how to price any Beretta Product is a decision that is made by the Distributor or Dealer alone and cannot be the subject of any agreement between that account and Beretta U.S.A. Corp., its employees or representatives.

The Company, in its sole discretion, is responsible for interpreting and enforcing the MAP Policy and may modify, suspend or terminate the MAP Policy at any time. The Company has in the past and may also in the future, in its sole discretion, announce MAP "Holidays," which refer to a specified period of time during which the MAP Policy will be temporarily modified in a defined manner and could include, as an example, a special offer to purchasers of Company Products across channels in connection with the purchase of Company Products during the MAP Holiday.

Dealers should email questions regarding the MAP Policy to brandprotection@berettausa.com overseen by the Company's brand enforcement team. All interpretations and representations in respect of the Company's MAP Policy shall be made by the Company's brand enforcement team. No other representative of the Company is authorized to make any representations or interpretations in respect of the MAP Policy, and any such attempted representation or interpretation is unauthorized and invalid.

The MAP Policy applies to Dealers located in the United States and its territories, and the terms of the MAP Policy do not apply to the extent any state or United States territory by statute or other applicable law expressly prohibits policies on minimum advertised prices.

The MAP Policy is confidential and Dealers should not disclose the MAP Policy or communications on the MAP Policy to any other person or entity.