

HOG Scuba Resellers Guidelines

06 Dec 2024

HOG Scuba is committed to providing dive industry Retail Outlets, Dive Professionals, and their customers with a line of unique, high quality, performance-oriented products at a value-oriented price point. This makes us different from the typical dive manufacturer in many ways.

First, we strive to offer products we know your customers need. This results in equipment that is always in high demand. We innovate and re-design our products only when there is a compelling or performance related need to do so. We believe that function and form can never be evaluated without first considering its effect on pricing and value.

Second, we wish to partner with dive professionals of all facets; new, old, large, or small. If you operate a successful dive operation you will find working with us a welcome change of pace from other companies. We offer pricing and general policies that are easy to understand and create maximum value for your business. We never ask you to make an order commitment that would negatively impact your success.

Last, we operate a very lean organization, with no large ancillary support staff of designers and sales representatives. Only the staff necessary to bring our quality products to market and provide you with the support you need and deserve. When you communicate with us, you'll be speaking with those who help with product design, production, and sales.

HOG Scuba has distributors for the following areas: Canada, Mexico, Central and South America, Australia-New Zealand, Southeast Asia, Taiwan, and China. Terms, conditions, and pricing for areas outside the US are established and administered solely by the distributor in the relevant territory.

For information about these areas please contact: sales@hogscuba.com

Resellers: Dealers & Professional Affilates:

HOG Scuba's policy is to offer its products through dive industry resale professionals committed to serving the diving public in a consistent, reputable and value driven manner.

- Dealers are retail locations that have published set hours of operations at a published address.
- Resellers are required to provide their customers a detailed sales receipt that clearly outlines; sales date, each product code for warranty requests, and item sales price. Resellers are also expected to follow their required tax codes.
- Professional Instructors resellers must remain active, insured members of a recognized agency and be in good standing.
- Resellers must provide a combination of scuba training, dive equipment sales and optional dive travel.
- Resellers will market HOG Scuba products and services to their customer/student base.
- Resellers agree to order in accordance with specified company guidelines, to stock some items and present HOG Scuba in a positive ongoing manner.
- Resellers failing to order regularly as deemed necessary by HOG Scuba may be terminated.

Quantity, value, and equipment allocations will be established exclusively by HOG Scuba based on the needs of HOG Scuba.

The last two pages of this agreement are the Resellers Application and should be filled out and returned for review.



Possession of a price list does not constitute an offer of sale or sales level. Professional relationships will be offered, continued, and terminated solely at the discretion of HOG Scuba. This is based upon the nature of the business relationship and the perceived value of a continued relationship between both parties.

Purchasing Status:

In the US, HOG Scuba utilizes Tiered Levels and Package Builder Pricing for its products and recommends professional resellers carry addition liability insurance when reselling any dive equipment.

Purchasing Levels are:

- Pro Reseller Level is purchasing below \$4,999. (Some specials may be offered as exceptions)
- Tier One Established Dealers begin at T-1
- Tier Two begins at \$10,000
- Tier Three begins at \$15,000

Distributor Level begins at an agreed upon Buy-in for a specific marketing area.

If during the year, total purchases exceed the threshold for the next tier, pricing levels may be adjusted and will remain at that level until reviewed.

Annual Review:

At the end of each year, total purchasing volumes are reviewed.

Regular purchasing activity is necessary to maintain a mutually beneficial representation of HOG Scuba.

Right of Geographic Marketing:

HOG Scuba reserves the right to rescind at will any offer to market a geographic area of representation.

*Any offered geographic marketing area, including its size, shape, and any other relevant factor, will be determined based on the resellers past resales experience and ability to represent the HOG Scuba's line of products. Marketing results are reviewed yearly.

** Resellers requesting a specific general marketing area should be purchasing at a minimum Tier Three volume.

Websites:

It is suggested that all HOG Scuba resellers have websites and show they offer HOG Scuba equipment. It is also suggested that a link to the HOG Scuba website be shown to take advantage of the extensive information on HOG Scuba's product offerings. Resellers should e-mail their students the HOG Scuba PDF Catalog link.

Online Sales Policies:

Web based commerce is a reality of modern retailing and plays an increasingly important role in the success of businesses today. We encourage you to offer our dive gear products through your own web-based options.

*To operate an online sales medium, Tier 2 and above resellers, must request in writing and receive direct approval in writing from HOG Scuba prior to doing so.

• Using web-based marketplace exchanges (Ebay, Amazon, FaceBook Marketplace, etc.) or any other direct to consumer electronic offer for sale are not authorized.



Online marketing are sales or sales solicitations through any electronic medium communication.

HOG Scuba requires resellers representing our products in any online manner to do so representing themselves as the actual HOG Scuba retailer.

- Any offered sales made under aliases or identity representations other than the HOG Scuba reseller as maintained by HOG Scuba will be treated as secondhand sales and said gear will be treated as used gear sales.
- Resellers found to be representing HOG Scuba in this manner will have their account terminated.

Minimum Advertised Pricing:

To protect the perceived quality and value of HOG Scuba products, all resellers must utilize the Minimum Advertised Pricing (MAP) program. Any advertisement, offer, discount or program that effectively reduces the price of any HOG Scuba product below MAP will be found to be in violation of our MAP policy.

- Resellers that advertise the sale of any HOG Scuba product at pricing below MAP may at the sole discretion of HOG Scuba, have their accounts suspended or terminated without notice.
- HOG Scuba price lists, indicates that products either have or don't have MAP price. NO MAP doesn't fall within MAP Policy.
- HOG Scuba, in no way dictates what terms or what you may sell HOG products for under the execution of your sale.
- MAP pricing applies to any offers through web pages, web postings, email blasts, web store portals.
- Using web-based marketplace exchanges (Ebay, Amazon, etc.) or any other direct to consumer electronic offer for sale are not authorized.
- Offers of; "Call for better price", "Call for Quote" or any other manner of solicitation for the purpose of offering a sale price below MAP price may be viewed as a violation of MAP policy. All violations of the stated MAP policy should be reported to HOG Scuba. Upon reporting HOG Scuba will take appropriate corrective action.
- Reward programs that offer loyalty points or other rewards on future purchases of HOG Scuba equipment or other brand
 equipment are currently acceptable as they do not reduce the MAP value of any HOG Scuba product associated with that
 reward. Rewards that allow immediate redemption of the current product or other products are excluded as there is an
 immediate reduction of value in the MAP of the relevant products.
- Packaging of MAP and No MAP HOG Scuba products is acceptable and encouraged; however, the advertised value of any
 package must equal or exceed the combined value of all HOG Scuba products included in the package.
- These guidelines are not meant to be inclusive of all possible MAP issues, they represent general guidelines. The validity of
 MAP violations and consequences will be at the sole discretion of HOG Scuba. Action may include suspension or
 termination deemed appropriate by HOG Scuba. HOG Scuba reserves the right to add to or amend the MAP policies to
 support the continued positive brand development.
- Resellers reporting MAP violations are authorized to match violations until such time as the reported MAP violation has been remedied or until such time as Edge-Hog indicates matching is no longer authorized.



Orders:

Always use your account ID # in the subject line of any e-mail sent to us. * otherwise, e-mail may go to our spam.

To submit an order, use the example below.

Item Qty. Item Code, Item Description (include size and/or color) are required.

- Orders normally enter processing the business day after day of receipt (10-5pm EST). Processing means the order has entered our system and you will receive a confirmation e-mail with a CP processing #.
- After entry, orders are pulled, packaged and shipping determined. Carrier pick up occurs at the end of the business day.
- We do not provide same day shipping. Shipping by carrier for next day or 2 day air shipping can be requested.
- Orders for Regulators or BCDs that include quantities of 6 or more will receive Premier pricing.
- There is no minimum order requirement as of 01 Jan 2020.
- During order processing, we will attempt to inform you of items that may or will be back ordered.
- Back ordered items will be shipped when available and in the order of original order received.
- If you do not want items back ordered, please check the Do Not B/O block on Page 7 your application.
- We strive to ship all orders within 48 hours after the order is "confirmed", seasonal delays may occur.

Shipments:

To offer the lowest possible pricing structure possible HOG Scuba does not offer a free freight program.

- HOG Scuba uses United Parcel Service or the U.S. Postal Service whenever possible.
- Shipments are billed for shipping charges based on weights, dimensions, and ZIP code destination.
- Back ordered items will be billed appropriate shipping charges at the time they are shipped.
- Shipments must be checked against the packing slip within 48 hours of receipt. Any discrepancies or damage are handled on a case-by-case basis or under the general terms of the specific product warranty provided.
- Missing means: The part is shown on the packing list, is shown as packed, BUT is not in the box/package.
- Part/s shown on Packing list, but zeroed or B/O, are Not In Stock at the time of shipping.
- If you have checked the Please B/O any out of stock items on your Resellers application.
- * Per your application you requested that you Do Not want items to be placed on Back Order Status.
- Part/s not shown on list, are considered not in the order for some reason.
- Only items shown as packed and shipped, per the packing list, will be invoiced.
- Any items that are/were B/O'd once they become available, upon shipping will be invoiced.

Drop Shipments:

To provide the best consumer buying experience today, <u>in special circumstances</u>, it may be necessary for HOG Scuba to drop ship a product directly from our warehouse to your customer. To provide efficient fulfillment of products requested by your customers, we suggest resellers stock enough HOG Scuba products that they normally recommend to their customers.

HOG Scuba does authorize Tier 2 and above Resellers to create On-Line e-commerce through their websites, but Resellers must stock the items they list for sale. HOG Scuba does not act as a stocking warehouse for Resellers to

^{*}Resellers may receive either a confirmation or a clarification e-mail related to the submitted purchase order. Once orders are confirmed they will then be entered and processed the following day.



Drop-ship orders. Authorization must be requested in writing from HOG Scuba before offering sales.

Payments:

To offer the lowest possible pricing to our resellers and reduce administration costs Edge-Hog Dive Gear does <u>not to offer Open</u> Accounts.

- Resellers are required to maintain a CURRENT AND VALID form of payment on file linked to their accounts.
- Methods of payment accepted are: Visa, Master Card, Discover, Amex, PayPal transfer or Bank wire transfer.
- Orders that receive a DECLINED PAYMENT will be charged a \$ 15 RE-PROCESSING Fee.

It is the sole responsibility of the reseller to notify HOG Scuba at the time of placing any order if they wish to utilize an alternative form of payment or alternate shipping address than that they currently have on file.

- Payment in full, including all applicable shipping charges is due before shipment of requested items.
- Unless otherwise notified HOG Scuba will use the payment method on file to process all payments.

Pricing in the North American guide is quoted in US dollars and all sales are made in USD. Fees including wire transfer fees, COD, or other processing charges are the responsibility of the reseller ordering the goods and must be added to product and freight charges.

- * HOG Scuba reserves the right to pursue all allowed legal action in the collection of any debt owed.
- **HOG Scuba reserves the right to suspend and/or terminate any dealer with repeated or multiple payment issues.

Returns:

Resellers who sell products outside CONUS (Continental United States) that have warranty issues with those products are responsible for the return of those items into CONUS. HOG Scuba will not be responsible for return items outside CONUS. Any item returned to HOG Scuba must be accompanied by a printed Return Authorization form.

Student and Rental Equipment:

HOG Scuba recommends you use Package Builder pricing for your student and rental equipment.

- HOG Scuba does not publish a rental fleet or key man price list.
- Offering student use equipment to your customers at special pricing will help you with inventory stock-turn. This
 helps keep gear fresh and professional looking. It also keeps end of season maintenance cost to a minimum.

Servicing Regulators:

It is required during the first 12 months after your application has been approved you attend the HOG regulator service clinic. Being able to do basic trouble shooting and adjustment to equipment is a valuable skill.

Termination

All HOG Scuba resellers acknowledge, accepts, and agrees to abide by all terms and conditions outlined in this document and acknowledge that HOG Scuba reserves the sole right to terminate any agreement at any time and for any reason it deems appropriate to maintain the integrity, quality of experience, perception of brand, or any other relevant matter.

I understand all terms and conditions of this agreement and agree to abide by them.



Reseller authorized signature	Date

Reseller Application

Please PRINT the below information

BUSINESS OPERATING NAM	E:					
PRIMARY OWNER:						_
CONTACT PHONE:	CONTACT EMAIL:					
BILLING ADDRESS:	-					
CITY:			State:		_ZIP Code:	
If Different from billing add	ress					
SHIPPING ADDRESS:						
TYPE OF BUSINESS:	Corp	LLC	Partner	Sole Pro	oprietorship	
Credit Card Required YOU MAY CALL THIS INFORMATION IN IF YOU WISH						
Name on card :					-	
Type of card: VISA	Master-Card	Americ	can Express		Discover	
Credit Card Number :						
EXP Date: /	CVV #		Billing Zip Cod	le for card	d:	
Authorized Signature X						



Are You Qualified to Offer Repair	Services:	No, but I would like to	be
Repair Certificates From:	/	<u>.</u>	
HISTORY OF DIVING EXPERIENCE			
ACTIVE TRAINING AGENCIES:	/	INSTRUCTOR # :	/
INSURED By:		Policy #:	
ANNUAL AVG NUMBER OF CE	RTIFICATIONS:	TOTAL NUMBERS OF	CERTIFICATION: