



**HSP Diesel  
505 Memphis Ridge Rd  
Riley, MI 48041  
586-785-3110**

## **HSP Diesel™ (HSP™) Unilateral Pricing Policy 2022**

**Overview:** In an effort to retain brand value and a healthy distribution channel, HSP Diesel™ has implemented a Unilateral Pricing Policy.

The Unilateral Pricing Policy (UPP) sets a Minimum Retail Price (MRP) for all HSP Diesel™ products. While also setting levels of pricing that can be given to authorized dealers hereby known as dealer level 1, dealer level 2 and WD the new pricing levels will be given based on your dealer level. This policy is designed to curb price slashing among HSP Diesel™ retailers (IE: mass merchants, jobber stores, mail order, speed shops, online dealers, or any retail outlet), enabling them to remain profitable in this highly competitive business environment. In order to remain in good standing, HSP Diesel™ Resellers must advertise and sell all products at, or above, the MRP.

All HSP™ Diesel resellers will be required to sign up to become an authorized dealer. This will have information that is required to become an authorized dealer and will need to be completed in a timely manner from receiving this notice.

HSP™ Diesel will also be limiting all warranty claims from here on forward to only items sold by authorized dealers.

HSP Diesel™ will be monitoring all sales and overall brand information with the goal to administer and enforce the UPP. Violations or refusal to participate in the HSP Diesel™ UPP will result in the loss of rights to use HSP Diesel™ intellectual properties, the ability to purchase HSP Diesel™ products, and being added to the DNS (do not sell) list.

HSP™ Diesel reserves the right to require levels of sales to be met to continue with a specific dealer status. This can include but is not limited to total sales per quarter, a minimum number of stocking orders, and the minimum total cost of stocking orders.

Reseller defined: A reseller constitutes any merchant that sells to consumers. This includes, but is not limited to: jobbers, retailers, online dealers, warehouse distributors, auction sellers, or auction sites. A reseller is also considered to be anyone that uses HSP Diesel™ trademarks in connection

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with the advertisement, offering for sale, or sale of HSP Diesel™ goods, whether such use is with or without HSP™ Diesel's consent.

Furthermore, warehouse distributors (WD) are responsible for monitoring to whom they sell to and ensuring that the purchasing party is not violating the MRP. Failure to do so may result in penalties to both the reseller and the WD.

**Violations:** A violation is defined as the sale or advertising of an HSP Diesel™ product(s):

- Selling below the stated MRP; which are bundled together at a price below the aggregated MRP of the individual items; on a website with ambiguous pricing such as: "see price in cart", "make offer", "bid", rebate funds, customer-specific funds, or "instant message me for pricing"
- Failure to update pertinent information such as images, fitment, or descriptions by deadline stated on the newest information being released. All information can be received and updated at any time using SDC or request information directly from HSP Diesel.
- Selling products at the dealer level pricing tiers to non-authorized dealers. HSP Diesel can and will provide a list of all authorized dealers that can be obtained or requested at any time.

Promotions: HSP Diesel™ reserves the right to run National Promotions of their products. HSP Diesel™ will provide to resellers the promotional information, with adequate timing, to ensure continued compliance with the pricing policy. HSP Diesel™ encourages resellers to utilize the national promotions to their advantage while providing a high level of customer service to the end-user.

HSP Diesel™ encourages retail promotions and sales of our products. All retail promotions must be approved by HSP Diesel™ in writing 60 days prior. If the retail promotions do not meet the requirements of the UPP, they will be in violation, subject to enforcement and penalties.

Enforcement & Penalties: HSP Diesel will administer the UPP by sending resellers notifications of violations. Once a violation is discovered, the reseller will automatically be penalized for their violation in accordance with the penalties stated below. The reseller will have (2) business days from the date the notification was composed to correct an internet violation, and (3) business days to correct all other violations. If a violation is not reconciled within the time period allotted, the reseller will automatically receive the subsequent notification. HSP Diesel™ will make the final determination as to whether the violation will be withdrawn.

HSP™ Diesel does not recognize free shipping or shipping promotions as a violation of the UPP.

1. First violations will be given 72 hours to correct issues and be given a warning. Failure to correct the issue will result in: direct accounts will lose the privilege to purchase the product found to be in violation for (30) days. Non-direct accounts will be added to the warehouse distributor's do not sell list and lose the privilege to purchase the product found to be in violation for (30) days.
2. Penalty for second notification of violation: Direct accounts will lose the privilege to purchase the product found to be in violation for (90) days. Non-direct accounts will lose all rights to HSP Diesel™

intellectual properties and will have two days (2) business days to remove them from their website, and the privilege of being listed on the HSP Diesel™ dealer locator.

3. Penalty for third and final notification of violation: Direct accounts must take immediate action to remove all HSP Diesel™ products from the website. The following will be revoked immediately and remain in effect indefinitely. All HSP Diesel™ intellectual property rights privilege to purchase any and all HSP Diesel™ products, and the privilege of being listed on the HSP Diesel™ dealer locator. Non-direct accounts will immediately be placed on the HSP Diesel™ do not sell list. This includes all HSP Diesel™ products.

This policy may be modified or amended at any time by HSP™ Diesel. If any changes are to occur, HSP Diesel™ will distribute a (30) day written notice of any changes to its resellers. Most recent copy of this agreement can be requested at any time from the UPP program administrator.

**IF YOU HAVE BEEN MADE AWARE OF THIS UPP AND CONTINUE TO SELL HSP Diesel™ PRODUCTS, YOU CONSENT TO AND AGREE TO ALL OF THE TERMS AND CONDITION OF THIS UPP.**

We greatly appreciate your business and continued support of the HSP Diesel™ brands. Should you have any questions regarding this policy, please feel free to contact us.

For instructions on how to report a violation, please contact: MRP services reporting and contact email: [MRP@hspdiesel.com](mailto:MRP@hspdiesel.com)

For all other inquiries contact the HSP Diesel™ UPP Program Administrator (No person other than the program administrator is authorized to answer questions regarding this policy). This information can be found at the end of this agreement.

#### **Payment Terms**

- a. Credit card, ACH, or wire transfer for all stock orders.- When order ships
- b. Credit card required for drop shipments.

#### **Freight Policy**

- a. Free freight included for all orders over \$7,500.
- b. Freight charged on all other orders below minimum.
- c. 3<sup>rd</sup> party shipping allowed.

#### **Drop Shipments**

- a. Same day drop shipments on in-stock items if order placed by 1 PM EST.
- b. Drop ship fee can apply.

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**Purchase Orders**

- c. Must be emailed to [Customerservice@hspdiesel.com](mailto:Customerservice@hspdiesel.com)

**Stock Adjustments**

- d. Allowed once per calendar year, 2 for 1 offsetting order required.

**Returns**

- a. All returns must be pre-approved with an RMA number within 10 days of purchase.
- b. A restocking fee of 15% may apply.
- c. Shipping charges will not be refunded.
- d. All exchanges must be in NEW in the box, re-sellable condition.
- e. Any returned parts must be freight prepaid returned to HSP.
- f. Custom orders, including custom powder coat colors, are not returnable.

**Warranty**

- a. The customer must contact us within 10 days for a missing component.
- b. No warranty on product improperly installed.
- c. Lifetime warranty on all HSP manufactured parts.
- d. Must be sold by a HSP Diesel authorized dealer

**Contact Information**

- a. Purchase orders should be submitted by email to: [Customerservice@hspdiesel.com](mailto:Customerservice@hspdiesel.com)
- b. Accounting questions email [accounting@hspdiesel.com](mailto:accounting@hspdiesel.com)
- c. Customer service [customerservice@hspdiesel.com](mailto:customerservice@hspdiesel.com)
- d. UPP program administrator [croot@hspdiesel.com](mailto:croot@hspdiesel.com)

If you have not already, please take a minute to create your dealer account on <https://www.semadata.org/join-resellers> and request our data.

This will give you access to our product load sheets including images, videos, and instructions along with banners you can use on your site, 24 hours a day for free.

# Authorized Dealer Criteria

1. The purpose of the HSP Diesel™ authorized dealer network is to promote advertising, service, and support to customers. As part of the HSP Diesel™ authorized dealer network, HSP Diesel™ will provide resources to its authorized dealers to help them accomplish these goals. The MRP pricing policy is a unilateral policy for all HSP™ Diesel dealers, which means by signing the Dealer Agreement you have made the decision to sell HSP™ Diesel products in accordance with MRP pricing and Unilateral Pricing Policy (UPP).

2. To access the benefits of the HSP Diesel™ authorized dealer network, all potential dealers must sign an HSP Diesel™ Dealer Agreement and abide by its terms and policies.

3. Minimum requirements for an authorized dealer include:

- ▪ Maintaining a brick & mortar business or a website.
- ▪ Promote the sale and use of the HSP Diesel™ product line
- ▪ Maintaining valid tax and business licenses
- ▪ Use of only approved advertising programs
- ▪ Provide information necessary to be on the dealer locator

4. Approved Advertising:

- ▪ Ebay is permitted at a "buy it now" at or above MRP, NO AUCTIONING
- ▪ Advertised prices must be at MRP or higher on any website
- ▪ Advertised prices in any other form must be at or above MRP

5. Inventory

- Recommended to keep an adequate inventory this is an integral part of customer service.
- Dealers should keep an inventory of popular HSP Diesel™ part numbers to provide quick delivery and installation.
- HSP™ Diesel Wholesale Dealers are required to keep an inventory of HSP Diesel™ part numbers. Recommended orders can be provided to follow trends.
- Sales to unauthorized dealers below MRP is prohibited.

## 6. Legality

- U.S. antitrust law states that it is lawful for manufacturers to adopt a policy regarding resale prices and to deal only with resellers that independently choose to follow the policy.

The HSP Diesel UPP was created to give clear guidelines for our dealers. Because of this we will be phasing out Jobber pricing level and going to a 3 tier system of Dealer Level 1, Dealer level 2 and Wholesale Distributer.

Dealer levels will be able to sell at the levels below them and retail but at a required pricing structure.

- Example.  
Wholesale Distributors can sell to authorized dealers at either the Dealer level 2, Dealer level 1 or MRP level pricing.

Pricing will be given when signed up and will allow you to see the levels below your tier and your current pricing. We require all dealers to be signed up to get any pricing other than MRP. To find a current authorized dealer list please contact the UPP program administrator.

Confirming sales to an authorized dealer falls upon the responsibility of the dealer who is taking the sale. Breaking this pricing or requirement can result in a violation notice and sanctions against said dealer.

**The HSP Diesel UPP is required to be filled out and returned by May 31st 2022 for current dealers. Any dealers that do not have this turned the below required information will be turned off as a dealer and required to not only sign up again but can potentially be revoked of future dealer status. New dealers will be required to sign said agreement before product and dealer pricing information will be released.**

**By signing this Dealer Agreement, you acknowledge that all of the information you have provided is true and accurate to the best of your knowledge. You also agree to adhere to the MRP policy outlined in this document and understand that you must meet the annual volume requirements to maintain your pricing level. All HSP products must be offered/listed for sale to dealers/consumers.**

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HSP Authorized Personnel Printed Name		Dealer Company Name		
<hr/>		<hr/>		
Title		City	State	Zip
<hr/>		<hr/>		
HSP Personnel Signature	Date	Phone		Email
<hr/>		<hr/>		
		Owner/Authorized Buyer Printed Name		
<hr/>		<hr/>		
		Owner/Authorized Buyer Signature		Date

**EMAIL ALL FORMS TO SALES@HSPDIESEL.COM**

*HSP retains the right to change this document and procedures at any time without notice.*

**HSP Diesel DEALER APPLICATION COMPANY INFORMATION**

**Check One:**     Individual     Partnership     Corporation

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Full Legal Name of Applicant/Owner

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Full Legal Company Name & DBA's

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Company Website Address (if more than 1, please list all)

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Phone #                                  Fax #                                  Email

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Taxpayer ID # (TIN, FEIN, or SSN)

DUNS #

Street Address

Billing Contact

Billing Address

City

State

Zip

Principal(s) / Authorized Buyers

Title

Principals(s) / Authorized Buyers

Title

In Business since

Years of Incorporation

**WE REQUIRE COPIES OF THE FOLLOWING:** (EMAIL: sales@hspdiesel.com)

1. State Re-Sellers Permit
2. Business License
3. PNG Image of logo minimum of 800 pixels wide proportionate without background. (This is to be used for our dealer locator and authorized dealer lists)

Please find the link below to filling out this agreement and begin this process.

[LINK](#)

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