

Unilateral Pricing Policy

Effective September 2, 2025

Dear Valued Borla Customer,

Borla Performance Industries (“Borla”) has spent over 40 years building a premier brand and establishing itself as the world’s finest manufacturer of exhaust systems, air induction kits and related automotive parts. The high quality of BORLA® products is the direct result of our investment in design, innovation, and engineering. Selling BORLA products at unilateral price signals to consumers the value of BORLA products and helps maintain our reputation for premium products. In addition, Borla expects all its authorized resellers to promote and provide services for BORLA products that satisfy our customers and maintain the value of our brand. The company understands that it is costly for resellers to provide such support. Selling BORLA products at unilateral price allows our authorized resellers to support our products both before and after the sale.

To that end, Borla has established the following Unilateral Pricing Policy (“UPP”).

Overview of Policy

All BORLA products must, at all times, be both advertised and sold at a price that is no less than the unilateral price (in USD) set by Borla for the product. Distributors may advertise and sell any BORLA products at a price that is higher than the unilateral price set by Borla, at their discretion, without violating the UPP.

If two or more BORLA products are advertised or sold together at a single price, the total price must not be lower than the sum of the unilateral price for the individual BORLA products. In addition, resellers must not advertise or sell any BORLA products in conjunction with any discounted services (e.g., installation). Listing BORLA products for sale on any online platform using “make offer”, “bid”, “see price in cart”, “add to cart” or similar types of options that can result in the price for a BORLA product being below the unilateral price is a violation of this UPP.

No rebates, coupons, or other means of providing discounts may be advertised or provided to purchasers if such elements would result in a sale price (as modified by the offer) below the unilateral price.

Borla reserves the right to permit, in its sole discretion, sales of its products below the unilateral price in connection with certain authorized promotions. These promotional opportunities are exceptions to this policy. Notice of your eligibility to participate in authorized promotional opportunities will be provided to you by Borla.

This policy applies to all resellers of BORLA products in the United States without exception, including but not limited to all retailers, jobbers, dealers, online dealers, and warehouse distributors. Resellers should take all steps necessary to ensure that those to whom they sell BORLA products do not subsequently advertise or resell BORLA products below the unilateral price. Should an entity purchasing BORLA products from a reseller subsequently advertise or resell those products below the unilateral price set by Borla, both that entity and the original Borla reseller may be found in violation of the UPP.

Consequences of Non-Compliance

If Borla determines that a reseller has violated this UPP, Borla may take the following actions (in its sole discretion):

1st offense – The violating seller (“Reseller”) will be placed on Borla’s “Do Not Sell” list, and Reseller will not be sold or shipped any BORLA products for a period of 30 calendar days. During this period, the Reseller will be removed from Borla’s dealer locator and lose the right to use any Borla intellectual property in the advertising and/or sale of BORLA products. Reseller is subject to having all pending orders cancelled, and no future orders will be accepted during this period. If additional violations occur during this period they will be considered a “2nd offense” from the time of the new violation(s) as detailed below. If the original violation has been resolved and no further violations of any Borla policy have occurred during this period, Reseller may resume doing business with Borla and will be removed from the “Do Not Sell List” on the 31st day.

2nd offense – Reseller will be placed on Borla’s “Do Not Sell” list, and Reseller will not be sold or shipped any BORLA products for a period of 90 calendar days. During this period, Reseller will also be removed from Borla’s dealer locator and lose the right to use any Borla intellectual property in the advertising and/or sale of BORLA products. Reseller is subject to having all pending orders cancelled, and no future orders will be accepted during this period. If during this period additional violations occur, they will be considered a “3rd offense” from the time of the new violation(s) as detailed below. If the original violation has been resolved and no further violations of any Borla policy have occurred during this period, Reseller may resume doing business with Borla and will be removed from the “Do Not Sell List” on the 91st day.

3rd offense – Reseller will be placed on Borla’s “Do Not Sell” list, and Reseller will not be sold or shipped any BORLA products for a period of 365 calendar days. During this period, Reseller will also be removed from Borla’s dealer locator and lose the right to use any Borla intellectual property in the advertising and/or sale of BORLA products. Reseller is subject to having all pending orders cancelled, and no future orders will be accepted during this period. If during this period additional violations occur the 365-day period for a 3rd offense will begin again at the time of the new offense. If the original violation has been resolved and no further violations of any Borla policy have occurred during this period, Reseller may resume doing business with Borla and will be removed from the “Do Not Sell List” on the 366th day.

Notwithstanding the above, if Borla determines, in its sole discretion, that a reseller is habitually non-compliant with the UPP, Borla reserves the right to place the reseller on permanent Do Not Sell status until Borla, at its sole discretion, determines otherwise.

A copy of the current “Do Not Sell” list is enclosed. The Do Not Sell list will be periodically updated and made available to distributors, is available upon request, and it will also be accessible on Borla.com.

Additional Terms

Borla will unilaterally administer the UPP. Only Borla may decide if a violation of this UPP has occurred. Borla alone is responsible for enforcing this policy and determining if and when the UPP has been violated. Please do not forward to Borla, directly or indirectly, any information regarding alleged violations of the UPP by other resellers. Any such information that is forwarded to Borla will be disregarded.

Notwithstanding anything to the contrary in the UPP, Borla reserves the right at any time for any reason, in Borla's sole discretion, to decline to accept all or part of any order, to cancel orders, and to terminate any resale agreement as a whole.

The UPP is not a contract, nor an offer to form a contract. Borla does not ask for, and will not accept, any agreement from a reseller regarding its compliance with or acceptance of the UPP. Borla employees are not authorized to amend, waive, or negotiate any terms of the UPP. The UPP may be modified, extended, suspended, discontinued, or rescinded in whole or in part by Borla at any time.

Questions

All questions or requests for additional information regarding the UPP should be directed solely to me at the physical or email address in my signature below.

Respectfully,



David Borla
Chief Marketing Officer

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