

### Minimum Advertised Price (MAP) Policy

Country Life, LLC ("Country Life") implemented a Minimum Advertised Price (MAP) Policy (the "Original Policy") effective as of February 1, 2013. To accommodate certain changes to the Original Policy, this revised version (this "Policy") will replace the Original Policy effective as of October 24, 2017 (the "Policy Effective Date"). Until the Policy Effective Date, the Original Policy remains in full force and effect, and violations under the Original Policy will be addressed according to its terms. In addition, violations accumulated under the Original Policy will be carried over to this Policy on the Policy Effective Date.

This Policy is applicable to each reseller authorized by Country Life and located in the United States of America that sells Country Life products to end-users (individually, a "Retailer" and collectively, "Retailers").

#### **Purpose**

The products sold by Country Life are of the highest quality with an image of purity and integrity earned through almost 50 years of success in supplements and sports nutrition. Some Retailers have taken or may take advantage of this fact by advertising such products as loss leaders or by promoting unfair discounts. In an effort to protect the reputation of Country Life, insure the long-term viability of its brands and help protect the investment of those Retailers that provide valuable services to end-users, Country Life has adopted this Policy, which establishes a minimum advertised price ("MAP") for each of certain Country Life products by setting the maximum advertised discount that is implicit in such price. The affected brands include Country Life®, Biochem®, Iron-Tek®, Nutricology®, and Desert Essence™.

#### MAP

The MAP that corresponds to each of the Country Life products covered by this Policy (individually, a "MAP Product" and collectively, the "MAP Products") is the same as the MAP for such product as shown on the then-current price list(s) or product list(s) made available to such Retailer by Country Life. In general, the MAP reflects a maximum advertised discount of thirty-five percent (35%) from the manufacturer's suggested resale price (MSRP). However, the maximum discount may vary, so only the MAP shown on the then-current version of such list(s) or that otherwise announced by Country Life applies.

## Violations of this Policy

If a Retailer exceeds the maximum discount by advertising a MAP Product over the Internet ("Internet Advertising") at less than its MAP or uses certain terms in Internet Advertising, such Retailer has violated this Policy. However, this Policy pertains only to Internet Advertising and does not affect actual sales prices, so each Retailer remains free to advertise Country Life products as it wishes in other media and to sell such products at any prices it chooses.

#### **Violation Examples**

Among other ways, a Retailer may violate this Policy by: (a) displaying or using in Internet Advertising (i) a price that is lower than the relevant MAP, including without limitation an out-of-the-cart or an in-the-cart price; (ii) a percentage reduction from a reference price that results in a price less than the relevant MAP; (iii) a price for a bundle of Country Life products that is less than the sum of each MAP for the corresponding products; (iv) "call for best price," "click for lower price," "a lower price may be available," "enter your e-mail for lower price," "10% off everything at checkout using coupon," "10% off all sales over \$200—order must be placed over the phone," "the "lowest price available," "no one beats our prices," "price too low to show" or the substantive equivalent of any of these terms as determined by Country Life; (v) a price for one or more Country Life products combined with one or more free or reduced-priced goods or services that is less than the sum of each relevant MAP and the fair market value (as determined by Country Life) of such free or reduced-price goods or services; (b) using e-mail blast coupons of any sort applicable to any or all of the MAP Products; or (c) offering a discount applicable to any or all of the MAP Products in return for a Facebook "Like."

#### **Application**

This Policy applies to all forms of advertising and promotion by or on behalf of a Retailer using the Internet. Among other things, this means that price information relating to one or more of the MAP Products on a website which can be accessed directly through any hypertext link or by any other method which uses the hypertext transfer protocol (http) or, in the view of Country Life, is the substantive equivalent, is considered to be Internet Advertising for purposes of this Policy.

#### **Exceptions**

Each of the following is not considered Internet Advertising which is subject to this Policy: (a) an e-mail, fax or telephone call in direct response to a specific end-user inquiry and (b) the display of price over the Internet at checkout. In addition, a Retailer may offer free or reduced-price shipping and handling without it being considered a discount.

A Retailer does not violate this Policy by offering any or all of the MAP Products at a price that is less than each applicable MAP if such offer is subject to a discount that is part of an ongoing subscription replenishment program offered or provided by such Retailer to potential or actual customers, as long as: (i) such Retailer has received written notice from Country Life expressly approving in advance the participation of each of the Country Life products eligible for such program (collectively, the "Eligible Products") and (ii) the application of such discount takes the price for any or all of the MAP Products offered which is or are included in the Eligible Products to no less than ninety-five percent (95%) of each respective MAP, unless Country Life has expressly approved in advance a larger deviation.

#### **Violation Consequences**

Each violation of this Policy is cumulative, and the same act(s) or failure(s) to act may result in multiple violations if not addressed as required by this Policy, so, during the period that this Policy is in effect:

- (a) For the first violation: Such Retailer will remove or cause to be removed the offending reference(s), text or term(s) no later than two (2) business days after receiving notice thereof from Country Life.
- (b) For the second violation: If (i) the offending reference(s), text or term(s) that caused the first violation is or are not so removed or (ii) such Retailer violates this Policy a second time with the same item(s) of the MAP Products or violates this Policy with any other item(s) of the MAP Products or displays any other offending reference(s), text or term(s), effective as of the date specified in notice from Country Life to such Retailer and continuing until Country Life provides notice to such Retailer that it is in compliance with this Policy, the authorization of such Retailer to purchase any or all Country Life products is immediately revoked by Country Life, so that all pending orders (even if accepted) will be cancelled and all new orders will not be accepted from such Retailer for any or all Country Life products.
- (c) For the third violation: If such Retailer violates this Policy a third time with the same item(s) of the MAP Products or violates this Policy with any other item(s) of the MAP Products or displays any offending reference(s), text or term(s), effective as of the date specified in notice from Country Life to such Retailer and continuing until Country Life provides notice to such Retailer otherwise, the authorization of such Retailer to purchase any or all Country Life products is immediately revoked by Country Life, so that all pending orders (even if accepted) will be cancelled and all new orders will not be accepted from such Retailer for any or all Country Life products.

# The Nature of this Policy

This Policy: (a) supersedes each other policy from Country Life, if any, regarding the subject matter hereof and (b) is unilateral and expresses the terms upon which Country Life will deal with Retailers. Country Life will not discuss any conditions of acceptance related to this Policy. In addition, Country Life neither solicits, nor will it accept, any agreement with respect to or assurance of compliance with this Policy. Notwithstanding anything to the contrary which may be expressed or implied in or by one or more agreements between a Retailer and Country Life, nothing therein or herein shall constitute an agreement by the Retailer to comply with this Policy. In the event of a disagreement over the interpretation or enforcement of this Policy, the view of Country Life will control.

Notice from Country Life under this Policy may be provided in writing or electronically (by e-mail, fax or other means designated by Country Life). Any or all of this Policy may be modified, extended, suspended, discontinued or rescinded or compliance waived in whole or part at any time by notice from Country Life (including, without limitation, during any Country Life promotional period(s)), with such action(s) effective immediately or as otherwise described by Country Life. This Policy: (i) remains in effect unless Country Life provides notice to Retailers otherwise and (ii), except as otherwise permitted by this Policy, cannot be superseded by any other announcement, policy or agreement, unless Country Life expressly states therein that either or both of this Policy has or have been superseded.

Only the Policy Administrator or the Policy Administrator's designated representative(s) is or are authorized by Country Life to answer questions or comment regarding this Policy or to accept information regarding potential violations, so all questions or communications regarding this Policy should be put in writing and addressed to:

Ms. Tabatha Johnson, Policy Administrator Country Life, LLC 180 Vanderbilt Motor Parkway Hauppauge, NY 11788

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