

# NATURE'S ANSWER

## MINIMUM ADVERTISED PRICING POLICY

### **Intention of the Policy**

Nature's Answer (the Company) believes that the demand for its products, and the Company's market position, are enhanced by establishing and maintaining a pricing structure that positions the Products as a high quality premium brand rather than as generic commodities attractive primarily based on low cost. Nature's Answer intends to discourage its resellers in all marketing channels from diminishing the quality and image of its products through advertising and sales that are not reflective of that image, and ultimately to discontinue selling its products to resellers that disrespect the Company's stated marketing philosophy.

### **Policy Terms and Scope**

It is Company's policy that products distributed by Company to an end consumer may not be advertised, including any sales on a Customer's or Third Party's internet site, at prices lower than those established by Company. Specifically, no reseller shall advertise any Nature's Answer branded product to any such customer at a discount less than thirty-five percent (35%) from the Nature's Answer published manufacturer suggested retail price (MSRP).

The advertising covered by this policy is any communication with prospective purchasers through any sales channel where the advertised price is accessible to purchasers. This includes, but is not limited to, print advertisements, newspaper advertisements, mail, catalogs, or sale flyers radio advertisements, television advertisements, the World Wide Web, e-mail, device apps, RSS, ATOM, IRC, instant messaging, social-networking, social media services and microblogging services whether across public or private networks.

Website features that indicate or imply that a lower price may be found at the online checkout stage are prohibited. Examples of such features include, but are not limited to:

- "Click here for lower price"
- "See Price In Cart"
- "Add to Cart for Lower Price"
- "Check Cart for Lower Price"
- "Mouse over for Price"
- "Email for a better Price"
- "Call for Lower Price" or "Call for Price"

and any other feature that Company determines, in its sole discretion, is designed or intended to circumvent the intent of this policy.

The inclusion in advertising of free or discounted products with a product covered by this policy is prohibited if it has the effect of discounting the advertised price of Company product below the then-current minimum suggested retail price established by Company.

This policy does not prohibit the following promotions or incentives so long as they apply to all products offered on a reseller’s website and not only to Company products:

- Free shipping
- Promotion or coupon codes which are applied on the checkout page
- Site-wide discounts, so long as such promotions are for a limited time (e.g. Black Friday, Cyber Monday, anniversary sale, etc.)

From time to time, Company may choose to offer special promotions on certain products. In that event, we reserve the right to modify or suspend this policy in whole or in part by notifying all distributors of the duration and nature of the change.

This policy does not require distributors to advertise prices on their websites, nor does it establish maximum advertised prices.

Distributors must supply a copy of this policy to any new or existing reseller.

**Enforcement of the MAP Policy**

Company will enforce the MAP (Minimum Advertised Price) Distribution Policy as follows:

<b>Event</b>	<b>Trigger</b>	<b>Enforcement</b>
1st Violation	Distributor pricing is not in compliance with the current MAP	Company shall provide a written “1 <sup>st</sup> violation” notice to the distributor that identifies the SKU(s) involved
2 <sup>nd</sup> Violation	One week (7 days) or more after the 1 <sup>st</sup> violation notice, the distributor is not in compliance with the MAP for the SKU(s) cited in the 1 <sup>st</sup> violation	Company shall provide a written “2 <sup>nd</sup> violation” notice to the distributor and stop shipping the SKU(s) cited in the 1 <sup>st</sup> violation
Chronic Violators	For chronic violators of this MAP Policy, Company may discontinue all sales of products to such distributors	

**Online Channel Regulations**

Company distributors are authorized to resell Company products on the internet via their own websites or other outlets provided that the pricing for any such site is in compliance with this Policy. Company distributors shall not advertise Company products in violation of this policy through other marketplace websites including but not limited to eBay, Walmart, Amazon Marketplace, etc. All such actions are strictly prohibited, and Company reserves the right to pursue any available remedies against reseller for a violation of the terms of this Policy.

### **Sales to Online Resellers**

Company distributors shall not sell Company products to customers that resell on the internet in violation of this MAP policy after notification from Company of the violation committed by such person or entity.

### **Questions about the Policy**

No Company employee or agent is authorized to discuss, negotiate, or enter into any agreement with any reseller concerning this policy. All questions concerning this policy should be submitted in writing and addressed to Nature's Answer, Attn: Legal Department, 85 Commerce Drive, Hauppauge, New York 11788.