

www.purityproducts.com

Promotions Department: 1-800-595-9462

Purity Products ("Purity")

Minimum Advertised Price ("MAP") Policy

I. <u>Policy Statement</u>

Purity Products' advertising and branding goals mandate all customers, dealers, retail distributors and resellers (together and individually called "Authorized Resellers") provide:

- superior service and proper product presentation
- promote the Purity premium brand image
- communicate product features and benefits compliantly

To properly promote and maintain Purity's strong brand image and coordinated pricing strategy requires that all its Authorized Resellers agree to following the MAP Policy (see "Covered Products" in Exhibit 1).

To properly address these concerns, Purity has adopted this <u>MAP Policy</u>. Purity has unilaterally determined that as of December 1, 2015, Purity reserves the right to discontinue doing business with any Authorized Reseller that advertises any Covered Purity Product at a price lower than the MAP or in any other way violates the terms of this MAP Policy.

II. Authorized Reseller Price Guidelines

Authorized Reseller <u>may not advertise</u> any Covered Product at a price <u>more than \$5 off</u> the Purity Products' **Super Saver** price (hereafter known as the "MAP Price"). The Super Saver price is listed for each product on <u>www.PurityProducts.com</u>.

- Some exceptions may apply. See exceptions listed on Exhibit 1 hereto.
- Purity reserves the right in its sole discretion to modify these terms at any time.

The MAP Policy applies to advertised prices only and not to actual unit sale prices. This MAP Policy does not apply to the price at which Covered Products are actually sold or offered for sale to an individual in-store, over the telephone or through the Internet. Each Authorized Reseller is expected to unilaterally and independently determine the price at which it sells the Covered Products.

III. <u>Authorized Reseller Advertising Guidelines</u>

Authorized Reseller shall ensure that it (i) properly represents and promotes the quality image and superior goodwill associated with the Covered Products, (ii) does not sell or market the Covered Products in any way that disparages or injures Purity or its products or the products or services of any other affiliated company, (iii) does not engage in any form of advertising or advertising practices that violate any federal, state or local laws or ordinances, including without limitation "bait and switch" and (iv) clearly identities the specific product being advertised.

Marketing copy and creative used to promote the covered products must be compliant and responsibly communicated using appropriate FDA structure function language.

Purity Products does not currently have an authorized reseller program. Adherence to MAP Policy does not constitute an officially authorized dealer arrangement. No such language should be used in promotional materials.

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The MAP Policy applies to all advertisements of Covered Products in any and all media, including but not limited to flyers, posters, coupons, mailers, inserts, newspapers, magazines, catalogs, television, radio, and public signage, as well as Internet sites, social media sites, apps, or any other electronic media.

The MAP Policy does not apply to on-premises or in-store advertising as long as it is not distributed to customers.

Website features such as "click for price", automated "bounce-back" pricing e-mails, pre-formatted e-mail responses, forms, and automatic price display for any items prior to being placed in a customer's shopping cart, and other similar features, are considered to be communications initiated by the Authorized Reseller (rather than by the customer) and thereby constitute "advertising" under this MAP Policy; *however*, it shall not be a violation of this MAP Policy to advertise that a customer may "call for price" or "email for price", or to use similar language, specifically with respect to Covered Products; provided, that no price is listed in such advertisement.

It shall not be a violation of this MAP Policy to advertise in general that the Authorized Reseller has "the lowest prices" or will match or beat its competitors' prices, or to use similar phrases; so long as the Authorized Reseller does not include any advertised price below the MAP Price and otherwise complies with this MAP Policy.

"Bundling" or the inclusion in advertising of free or discounted products (whether made by Purity or another manufacturer) with a Covered Product would be contrary to the MAP Policy if it has the effect of discounting the advertised price of the Covered Product below the MAP Price.

From time to time, Purity, in its sole discretion, may offer added-value promotional products, in the form of discounts, coupons, gift cards, or other similar incentives. The Authorized Reseller may include in any advertising for Covered Products an additional discount, coupon, gift card, or similar incentive, not part of an authorized Purity promotion; however, the application of such discount, coupon, gift card, or similar incentive to the advertised price shall not have the cumulative effect of reducing the advertised price of any Covered Product below the MAP Price.

This MAP Policy also applies to any activity which Purity determines, in its sole discretion, is designed or intended to circumvent the intent of this MAP Policy, such as solicitations for 'group purchases' and the like.

This MAP Policy will remain in force for one year from effective date listed on the first page of this MAP Policy and is automatically renewed for successive one year periods, unless amended, withdrawn or replaced by Purity, which it may do in its sole discretion without notice. This MAP Policy supersedes all previous policies that were in effect prior to its effective date. This MAP Policy may be unilaterally modified, extended, waived, suspended, discontinued, or rescinded in whole or in part by Purity in writing at any time.

The MAP Policy is a unilateral statement of Purity's preferences concerning the type of Authorized Reseller through which Purity chooses to distribute the Covered Products. It is not the intent or purpose of the MAP Policy to restrict, coerce, force or reach agreement with a retailer to charge a particular price for any products, including, without limitation, the Covered Products. The MAP Policy is not a contract or an offer to form a contract, agreement or any other form of mutual understanding. Rather, the MAP Policy describes the terms under which Purity may, in its sole discretion, choose to sell the Covered Products subject to the MAP Policy. Purity does not ask for, has not asked for and will not accept any agreement to comply with the MAP Policy.

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IV. <u>Policy Enforcement</u>

An advertisement that either expressly states or implies that a Covered Product is being offered at a price below the MAP Price violates the MAP Policy. It is a violation of the MAP Policy for an advertisement to include language or graphics that state or suggest that a Covered Product is being promoted at a price less than the MAP Price. By way of example only, this shall include showing the price of the Covered Product with a slash line through it in a manner that states or suggests that the advertised offer is less than the MAP Price.

Each Authorized Reseller may establish their own resale prices without consulting or advising Purity; however, Purity, without assuming any liability, may take one or more of the following actions immediately and unilaterally following a determination by Purity's to its satisfaction that a violation of the MAP Policy by the Authorized Reseller has occurred:

<u>First Violation</u>: The Authorized Reseller shall receive notification by letter, email or other means of the violation and explaining the consequences of continuing violations.

<u>Second Violation</u>: If the Authorized Reseller commits a second violation or fails to cure any prior violations, then effective as of the date specified in the second notice from Purity to such Authorized Reseller, Purity shall cease supplying Covered Products to Authorized Reseller for a minimum of no less than thirty (30) days.

<u>Third Violation</u>: If the Authorized Reseller commits a third violation or fails to rectify any prior violations, then effective as of the date specified in the third notice from Purity to such Authorized Reseller and continuing until Purity provides notice to such Authorized Reseller otherwise, the authorization of such Authorized Reseller to purchase any or all of the Covered Products shall be immediately revoked by Purity, so that all pending orders (even if accepted) will be cancelled and no new orders will be accepted or processed from such Authorized Reseller for any or all of such Covered Products.

Authorized Resellers have 24 hours from the receipt of any notice of violation (as set forth above) to cure any violation. Each violation of this MAP Policy is cumulative. The consequences of the violations are cumulative and take effect regardless of whether the consequences of the preceding violations are still in effect. If an Authorized Reseller continues to violate the MAP Policy (as determined by Purity and if the violation can be remedied) after receiving notice thereof from Purity, Purity will treat such violation as a subsequent violation, so that the same act(s) or failure(s) to act may result in multiple violations.

If an Authorized Reseller violates this MAP Policy at any store location, or on any associated website, then Purity will consider this to be a violation by the Authorized Reseller in total.

Purity reserves the right to cancel any pending orders, restrict future orders, or suspend Authorized Reseller's account if Purity reasonably believes that

- (i) an Authorized Reseller intends or threatens to deliberately violate this MAP Policy; or
- (ii) an Authorized Reseller has violated previous provisions of this MAP Policy.

Purity monitors all advertised prices of its Authorized Resellers. Authorized Resellers are expected to provide reasonable cooperation in any Purity investigations regarding possible violations of the MAP Policy. Hindering, obstructing, delaying, or otherwise failing to cooperate with a Purity MAP Policy investigation is considered a violation of this MAP Policy.

The MAP Policy will be enforced by Purity certain authorized third parties at its sole discretion. Violations of this policy may result in any of the aforementioned sanctions up to and including termination of our business relationship, as well as any available remedies at law. All questions related to this MAP Policy shall be directed to: MAP-POLICY@purityproducts.com.

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Miscellaneous

No representative of Purity has the authority to speak to or to modify the terms and conditions of this MAP Policy. This MAP Policy may only be modified in writing and the only authorized communication regarding the MAP Policy will be through the above-referenced email address.

Purity does not and will not discuss the business dealings of any Authorized Reseller with any other Authorized Reseller. Purity does not seek and will not accept any complaints or comments about the advertising or pricing policies of any other Authorized Reseller. Purity reserves the right to change or discontinue the MAP Policy at any time, and no Authorized Reseller has the right to rely on the continued existence of the MAP Policy or Purity's enforcement of the MAP Policy. Purity reserves the right to choose any Authorized Resellers with which it will do business and reserves the right to accept or reject any purchase order from any Authorized Reseller at any time.

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Exhibit 1

Authorized Reseller <u>may not advertise</u> any Covered Product (formulas sold by Purity) <u>at more than \$5 off</u> the Purity Products' Super Saver price (the "MAP Price"). The Super Saver price is listed for each product on <u>www.PurityProducts.com</u>.

There are a few exceptions to the MAP Policy Authorized Reseller Price Guidelines, which are set forth below:

A. Products required to be advertised for more than the Purity Products' Super Saver price:

Note: the <u>lowest</u> price that the following products may be advertised is \$0.01 <u>more</u> than Purity Products' Super Saver price, which is listed on <u>www.PurityProducts.com</u>:

- Krill Omega 50+
- Krill Omega 50+ with CoQ10
- Green Tea CR
- Green Tea CR Elite Formula
- Certified Organic Juice Cleanse OJC™ Plus Berry Surprise
- Certified Organic Juice Cleanse Apple Pie Greens
- Certified Organic Juice Cleanse Peach Matcha Greens

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