## Atrium Professional Brands United States Minimum Advertised Price Policy

Effective September 1, 2021

Pure Encapsulations, LLC ("Atrium") has determined that advertising Atrium Professional Brands products at a price below levels that Atrium deems sufficient to support a high level of service discourages the commitment and investment of our customers in the brands and undermines Atrium's trade reputation, brands, and image within the target consumer population. To this end, Atrium has adopted this unilateral Minimum Advertised Price ("MAP") Policy (the "Policy"), which applies to all authorized sellers of Pure Encapsulations®, Douglas Laboratories®, Seroyal®, Genestra Brands®, Pharmax®, UNDA®, and Wobenzym® products (the "Products") in the United States (hereinafter "Resellers").

The MAP will be established solely by Atrium and communicated to Resellers of Products. The MAP for each product is equal to the retail price listed for each product on <a href="www.pureencapsulations.com">www.pureencapsulations.com</a>, <a href="www.douglaslabs.com">www.douglaslabs.com</a>, or <a href="www.seroyal.com">www.seroyal.com</a>, as applicable for each Product. If Atrium changes the MAP on any Product, it will endeavor to provide notice to Resellers before such change takes effect.

This Policy does not constitute an agreement between any Reseller or other party and Atrium. Each Reseller must independently choose whether to comply with the terms of this Policy. Atrium neither solicits nor will it accept any assurance of compliance with this Policy from any Reseller or other party. This Policy is not negotiable and will not be altered for any individual Reseller.

It is a violation of this Policy for a Reseller to advertise any Product(s) at a price lower than the published MAP.

This Policy applies to all advertisements of Products in any and all media as well as any advertising within brick-and-mortar and other selling venues. An "advertisement" includes any and all promotional or pricing information displayed via any type of media including, but not limited to, all website pages and banners, social media, emails, blogs, newspapers, catalogs, magazines, flyers, brochures, television, radio ads, billboards, electronic coupons, coupon codes, and any other marketing or promotional materials. Professionals who operate web-stores exclusively for their direct patients may advertise Products at prices below MAP only if the discounted price is not visible to any customer who is not logged in with a password-protected email. Additionally, passwords cannot be made available online, via a broadcast email, or through any other means by which a password is shared beyond the Professional's direct patients.

Notwithstanding the foregoing, "advertising" does not include pricing information displayed at the "Final Online Checkout Stage (which is the stage of a transaction when the Product is put into a shopping cart that contains the customer's name, shipping address, email address, and payment information). Please note that pricing information in the Final Online Checkout Stage must be obscured technically so that it is not retrievable by shopping and pricing engines, and not displayed on search page results within the Reseller's own website.

Direct or indirect attempts to circumvent this Policy will be considered a violation of this Policy. Such attempts may include, but are not limited to:

- i. Coupons, discounts, rebate offers, or other inducements that advertise a price lower than the MAP;
- ii. The advertising of any volume discount or other promotion that would cause the per unit sales price to be advertised at less than the MAP:
- iii. Bundling Products with other products or services when such bundling has the effect of reducing the advertised price of the Product below the MAP;
- iv. Statements or other indications on a website or in other promotional materials that indicate or imply that a lower price may be found at the Final Online Checkout Stage, including but not limited to, "See Price in Cart," "Add to Cart to See Price" or other similar features; and

v. Any other Reseller-initiated communication or form of advertisement that has the effect of advertising a price below the MAP, such as a price-off coupon, storewide sale, promotional code or other similar items that can be applied to Products or from which Products are not excluded. However, price-off coupons or promotional codes that are found on the products or their packaging and accessible only after a product has been purchased are not "advertising" under this Policy, and a Reseller's use of such promotional methods is not a violation of this Policy.

It is not a violation of this Policy to advertise that a customer may "call for price" or "email for price" or use similar language as long as no price is listed. Use of phrases that advertise "the lowest prices," "will match or beat competitor's prices," or similar phrases also do not violate this Policy so long as the Reseller does not include any advertised price below the MAP.

From time to time, Atrium may announce MAP holidays or promotions that are applicable to all Resellers, during which periods a Reseller that advertises a Product in accordance with the terms of the authorized promotion will not be deemed to have violated the Policy. These MAP holidays and/or authorized promotions will be identified on the Authorized Promotions Schedule, which may be reviewed at Atrium's brand websites. Further, any advertised prices on Atrium's consumer-facing websites, including any discounts, bundled-product discounts, or other promotions, are deemed to be consistent with MAP and compliant with this Policy. Resellers are responsible for reviewing the Authorized Promotions Schedule and Atrium's consumer-facing websites, and Atrium recommends Resellers do so on at least a quarterly basis.

This Policy does not affect the prices that a Reseller may charge for Products. Resellers are free to sell Products at any price they choose. This Policy applies only to Resellers' advertised prices, not selling prices.

Atrium reserves the right to impose penalties if Atrium, in its sole discretion, believes that:

- i. A Reseller has violated the provisions of this Policy; or
- ii. A Reseller has engaged in any activity that Atrium determines, in its sole discretion, is designed or intended to circumvent the intent of this Policy.

Specifically, Atrium will take the following actions, which apply to all Resellers, should a Reseller fail to comply with the Policy:

- i. For a Reseller's first violation of the Policy, Atrium will issue a warning notifying the Reseller of the noncompliance.
- ii. For a Reseller's second violation of the Policy, Atrium will place the account on shipping hold for 30 days.
- iii. For a Reseller's third violation of the Policy, Atrium will terminate its business relationship with the Reseller.

No Atrium employee or agent is authorized to modify, interpret, or grant exceptions to this Policy with any Reseller. No person has the authorization to modify this Policy or to solicit or obtain agreement of any person to this Policy, and any such modification or agreement is invalid. Any questions about this Policy should be submitted in writing and directed to Atrium's MAP Liaison at MAP@atrium-innovations.com.

The Policy will be enforced by Atrium in its sole discretion and without notice. Resellers have no right to enforce the Policy. Violations of this Policy may result in the aforementioned sanctions up to and including termination of our business relationship.

This Policy may be updated, revised, suspended, terminated, reinstituted, or modified at any time by Atrium in its sole discretion. Atrium shall make any such modifications available to all authorized Resellers.

Last updated: December 6, 2021

## **Authorized Promotions Schedule**

1. It is not a violation of the MAP Policy to advertise discounts for Products that are part of an ongoing subscription or auto-replenishment program offered by a Reseller, provided that (a) the discount offered through the subscription or auto-replenishment program will not result in a price lower than MAP less 5%; and (b) the advertisement does not display a price below MAP for any Product.