

Douglas Laboratories

Corporate Internet Reseller Policy

I. Introduction and Rationale

The Douglas Laboratories Internet Reseller Policy governs the internet resale of products from Douglas Laboratories, a healthcare professional nutritional supplement company. This policy is provided to all new and existing healthcare professional (HCP) customers as a privilege and benefit of being a valued customer of Douglas Laboratories. Douglas Laboratories believes the guidance of a qualified and approved health professional is essential in order to maximize the effectiveness of our professional strength supplements; therefore, with few exceptions, only approved licensed healthcare professionals may order directly from Douglas Laboratories. All HCPs must submit their current license, degree or health practitioner certificate for Douglas Laboratories' review prior to being granted approval to establish an account. In addition, Douglas Laboratories chooses to promote its supplements and provide special wholesale pricing only to those healthcare professionals who advertise pricing that Douglas Laboratories deems sufficient to support a high level of service and to encourage the commitment and investment of our customers in the brand. Douglas Laboratories reserves the right to deny any application or revoke purchasing privileges at any time. Decisions regarding this policy are Douglas Laboratories' alone, and this policy can be amended at any time. Such amendments will be communicated via mail and/or email to all involved parties.

II. Policies and Restrictions

a. Authorized Resellers: Only authorized healthcare professionals are allowed to sell Douglas Laboratories branded products through their website. An acceptable HCP reseller is someone who maintains and has submitted a current medical license, degree or certificate for Douglas Laboratories' verification and approval. Such approved licensed HCP customers may resell HCP exclusive products through a website where he/she is accessible. Please note a "storefront" on Amazon.com is not considered an HCP website under this policy. Sale of Douglas Laboratories' products on Amazon.com violate agreements with third parties and is strictly prohibited (See II.j. below).

b. The HCP Internet Sales Channel: The internet is a means of communication, and opening the Douglas Laboratories brand to internet sales does not change the nature of the sales channel from an HCP channel to a DTC (direct to customer)/ retail channel. The internet virtualizes the traditional pattern of the HCP-patient relationship. HCP customers shall sell products in unit volumes appropriate for individual personal



use only.

c. Copyright and Trademark: The philosophy and integrity of the Douglas Laboratories brand must be consistently protected at all times. Content displayed on the Douglas Laboratories website, in brochures, advertisements, product packaging, product information sheets and other marketing materials are copyrighted and trademarked. All content appearing on or associated with all privately labeled product, is copyrighted and trademarked as well.

d. Brand Representation: The unauthorized use of copyrights, trademarks, logos, manufacturing images, product images, copy or other Douglas Laboratories information on the internet without expressed consent is prohibited. All photos, images, and product and/or company description content pertaining to or describing Douglas Laboratories must be current and obtained from Douglas Laboratories directly. This information cannot be pulled from the Douglas Laboratories website or other internet sources, unless specifically directed in writing by Douglas Laboratories. This information may be updated and amended at any time. Such amendments will be communicated via mail and/or email to all involved parties.

e. Internet Landscape: When listed on a website or online storefront for sale, the Douglas Laboratories name or logo and all associated product information shall be displayed and classified as a “Healthcare Practitioner Brand”. Examples of this include but are not limited to displaying the Douglas Laboratories brand on a distinct page of the website entitled, “Healthcare Practitioner Brands”, or designating it as such through a symbol or abbreviation when listed in the brand index.

f. Information Disclosure: All individuals or companies intending to resell Douglas Laboratories products through the internet agree to disclose all ownership or association of any kind with other affiliated websites of any type. Douglas Laboratories must be notified of any website or online storefront url changes, launches, and/or storefront name changes prior to implementation. Websites where Douglas Laboratories products are sold or advertised must provide access to the current and approved licensed HCP account holder, including his/her complete phone number, email and office address contact information.

g. International Restrictions: Products are for distribution in the United States only. Due to international supplement regulations and policies governing such products, and to protect the integrity and rights of our international distributors, products cannot be shipped internationally.

h. Compliance with Laws: The HCP customer is solely responsible to comply with all applicable laws and regulations where it advertises or sells Douglas Laboratories products.

i. Payment and Returns: Customers are to submit either prepaid check or credit card as method of payment. Account terms are not permitted. Additionally, returns and/or credits will not be granted.

j. Amazon.com: Douglas Laboratories maintains an agreement with one exclusive Amazon.com retailer. Therefore, Douglas Laboratories products may not be advertised or sold on Amazon.com and any of its affiliates by anyone except for this retailer. Customers who violate this exclusive agreement are subject to immediate and permanent suspension of purchasing privileges.

k. Pricing Provisions: Authorized approved HCPs must abide by the Minimum Advertised Price (MAP) Policy, as outlined in section III of this document when advertising the resale of Douglas Laboratories products.

III. Minimum Advertised Price (MAP) Policy

a. Liability: The Minimum Advertised Price (MAP) Policy applies to all customers including those that own, operate or manage websites, online clinics and pharmacies. The MAP policy applies to all printed and electronic advertisements of Douglas Laboratories products including but not limited to catalogs, brochures, websites, email solicitations, special offers, newsletters and electronic coupons or coupon codes. HCP customers agree to assume all liability and responsibility for the resale of products through the internet.

b. Advertising: Through the purchase of Douglas Laboratories products, customers agree not to advertise through any medium of mass communication any product at less than the Suggested Retail Price (SRP) for each respective product as listed on the Douglas Laboratories professional product list in effect at the time of the advertising. This policy prohibits the advertising of any volume discount or other promotion that would cause the per unit sales price to be advertised at less than the SRP. Similarly, any language referring to or speaking of inferred discounts that a customer may receive through a website is prohibited. This does not apply to advertising within a practitioner's office setting. The "practitioner's office setting" is defined as the physical location where patients are medically seen and treated by the licensed HCP approved by Douglas Laboratories.

IV. Failure to Comply

In order to preserve brand integrity, Douglas Laboratories requires compliance with the terms and conditions outlined in this policy. If a customer fails to comply with the terms of Section II., a. through k., Douglas Laboratories shall notify them via phone, email or standard mail of the violation and immediately place the customer's account on hold until the customer has come into compliance. Failure to comply with the MAP policy in Section II., k., and Section III., may result in temporary revocation of the customer's wholesale purchasing privileges, suspension of the account or termination of the account. Douglas Laboratories reserves the right to revoke the customer's wholesale price purchasing privileges and/or



terminate the account of any customer in violation of any of the terms or conditions outlined in this policy with or without prior notice. Violation of any such terms automatically forfeits the account holder's ability to purchase products in any capacity.