

MINIMUM ADVERTISED PRICE (MAP) POLICY Effective Date August 1, 2017

DrTung's Products, Inc. (hereinafter DrTung's) is adopting this Minimum Advertised Price ("MAP") policy to preserve its strong reputation for providing customers with high value products and strong after-sales support, and to ensure its Reseller-product relationships are fair and consistent. DrTung's greatly values the efforts by all approved Resellers to distribute its products and this policy is designed to ensure that Resellers and Distributors have the incentive to invest resources into reaching DrTung's customers.

As a condition of being an authorized Reseller of DrTung's products, adherence to the following terms and conditions is required. Failure to abide by these terms and conditions will ultimately result in Reseller being discontinued as an authorized Reseller for DrTung's line of products. Any Distributor of DrTung's products must supply a copy of this MAP policy to any new or existing Reseller of the products.

- 1. The MAP policy applies to all locations for any DrTung's product including any and all online, internet and like electronic media. The MAP policy applies to all advertisements for any DrTung's products in any and all media, including - but not limited to - inserts, newspapers, magazines, catalogs, public signage, billboards, any other print media, television, radio, e-mail, internet websites or other ecommerce, flyers, posters, coupons, brochures, any use of hypertext protocol or internal links to a web-based shopping cart and any other electronic media. The policy is not applicable to any in-store advertising that is displayed only in a store location and not distributed to any customer.
- 2. The MAP policy specifies a maximum allowed advertised discount of up to twenty five percent (25%) off the established Manufacturer Suggested Retail Price ("MSRP") as indicated by DrTung's current published MSRP pricing. The exception will be any special promotion pre-approved in writing by DrTung's.
- The inclusion in advertising of free, discounted products or bulk or bundled packs with a product covered by this MAP policy, violates the MAP policy if it has the effect of discounting the advertised price of the covered DrTung's product more than allowed by paragraph 2.
- 4. Internet auctions may not display or have reserved bid or other acceptable prices below the advertised price allowed by paragraph 2.
- 5. Pricing listed on an internet site is considered an "advertised price" and is covered by this policy. However, once the pricing is associated with an intent to purchase (e.g. added to the buyer's shopping cart), the price becomes the selling price and is not bound by this MAP policy. Statements such as "add to cart for price," "call for price," and the like that do not include an advertised price are acceptable under the MAP policy.
- 6. This MAP policy does not establish maximum advertised prices. Resellers may advertise DrTung's products at any price in excess of MSRP or the MAP allowed in paragraph 2.

- 7. The final sales price remains fully at Reseller's discretion. The MAP policy applies only to the advertised price. At a retail location of Reseller or over the phone, a price communicated to an individual consumer remains within the Reseller's sole discretion. Reseller may sell DrTung's products at prices above, at, or below MSRP as it sees fit. Discounts applying to an entire order based on a customer's shopping history with Reseller do not violate this MAP policy.
- 8. This MAP policy is unilateral policy upon which DrTung's is willing to market its products, and therefore not subject to negotiation. Sales personnel have no authority to modify this policy. This MAP policy is not a contract or agreement, and DrTung's will not discuss your pricing, the pricing of others, or this policy beyond its terms.
- 9. DrTung's may periodically engage in promotions with respect to certain products. In such cases, DrTung's may, at its discretion, modify or suspend the MAP with respect to the affected products, and notify Resellers of such change. The policy does not apply to products designated by DrTung's as discontinued.
- 10. DrTung's retains the right to modify MSRP of all or certain products at any time and Resellers must implement the changes within 30 days of such modification.
- 11. This MAP may be adjusted by DrTung's at its sole discretion.
- 12. Such adjustments shall be uniformly applied to all DrTung's Resellers.
- 13. Current MSRP will always be available in writing or by email, or posted or supplied by your Distributor, or posted on drtungs.com. All Resellers are responsible for checking the current MSRP Listing and MAP policy for accurate information.
- 14. A violation of this policy is immediate grounds for termination of Reseller's relationship with DrTung's. DrTung's need not provide prior notice or issue warnings before taking any action under this MAP policy. The non-enforcement of this MAP policy in any instance shall not be deemed a waiver of DrTung's right to strictly enforce at any time. Any action taken by DrTung's under this MAP Policy shall be without liability to DrTung's.

This MAP policy has been established by DrTung's as a necessary component to help ensure its legacy as a top producer of premium products and to protect the reputation of its name, goodwill, standards, marks, and products.

Any questions about this policy should be strictly in writing and directed to DrTung's at <u>mapadmin@drtungs.com</u>. No oral communications about this MAP Policy are authorized.