

Exclusive USA Importer:

Penn Herb Company, Ltd. 10601 Decatur Rd, Philadelphia, PA 19154 Phone: 800-523-9971 Fax: 215-632-7945

May 1, 2017

Dear Valued Customer,

Effective May 1, 2017, Penn Herb Company, Ltd. has adopted a MAP (Minimum Advertised Pricing) Policy for all resellers of Olbas® Herbal Remedies Brand products. Included in this document:

- MAP (Minimum Advertised Pricing) Policy for Olbas® Herbal Remedies Brand products
- EXHIBIT A: OLBAS® HERBAL REMEDIES MAP PRICING

You can also find the MAP Policy online here: http://Olbas.com/MAP-Policy

Sincerely,

Karen Page National Sales Manager Olbas[®] Herbal Remedies 800-523-9971 Ext: 317 Email: karen@olbas.com

PENN HERB COMPANY, LTD. OLBAS® HERBAL REMEDIES MAP (Minimum Advertised Pricing) POLICY Effective May 1st, 2017

Penn Herb Company, Ltd. relies upon direct distribution, its network of distributors, brokers, and retailers to purchase, distribute, market, and sell Olbas[®] Herbal Remedies Brand Products. Penn Herb Company has taken the utmost care, and devoted substantial resources, toward cultivating positive customer recognition of the Olbas[®] Herbal Remedies Brand Products brand name, trademarks and innovative products. In order to maintain its brand position and ensure high quality presentation of these premium products, Penn Herb Company unilaterally adopts this Minimum Advertised Price Policy ("Policy"). The Policy is also designed to incentivize the efforts of our distributors, brokers and retailers (collectively, "resellers") to invest resources in creating a great experience for our customers.

PLEASE NOTE THAT THIS MAP POLICY APPLIES TO ADVERTISING ONLY AND IN NO WAY LIMITS THE RIGHT OF ANY RESELLER TO SET ITS OWN PRICES. THIS POLICY IS DISSEMINATED FOR INFORMATIONAL PURPOSES ONLY AND SHOULD NOT BE CONSIDERED A BINDING AGREEMENT BETWEEN PENN HERB COMPANY, LTD. AND ANY RESELLERS.

Policy Statement

Penn Herb Company, Ltd. unilaterally establishes and enforces at its sole discretion this Minimum Advertising Price policy on Olbas[®] Herbal Remedies Brand Products and reserves the right to discontinue doing business with any reseller that advertises any product(s) covered by this MAP Policy at a price lower than the MAP price.

Official Policy and Guidelines:

- 1. MAP pricing applies to retail pricing only; it does not apply to prices displayed or published by distributors to wholesale customers. MAP pricing <u>does</u> apply when a distributor is selling at the retail level.
- 2. Distributors of Olbas[®] Herbal Remedies products will provide a copy of this MAP Policy to all Olbas[®] Herbal Remedy Dealers that the distributor services.
- 3. This MAP Policy shall apply to all the products listed in Exhibit A ("MAP Products"). Penn Herb Company, Ltd. reserves the right to update or modify this list at any time. Penn Herb Company, Ltd. will also maintain a list of MAP Products online here: http://Olbas.com/MAP-Policy
- 4. The Policy applies to all advertisement of MAP Products in any and all media, including but not limited to flyers, coupons, mailers, inserts, newspapers, magazines, catalogs, mail order catalogs, internet or similar electronic media, websites, forums, social media sites, apps, email newsletters, email solicitations, television, radio and public signage.
- 5. This Policy includes advertising of any rebates, membership discounts, banner discounts, store-wide or department sales (20% off, buy-one-get-one-50% off), gift card or free gift with purchase, bundled product discounts or any other advertised discount on the MAP Products that has the effect of discounting the advertised price of a MAP Product below the MAP price. An advertisement that bundles or includes free or discounted MAP products is covered by this Policy and will be considered in

- violation of this Policy if it has the effect of discounting the advertised price of the MAP Products below the MAP price.
- 6. The MAP Policy applies only to advertised prices and not to the price at which MAP Products are actually sold or offered for sale to an individual within the store location of any reseller, through the internet or over the telephone. The MAP Policy does not apply to any physical in-store advertising that is not distributed to customers.
- 7. Pricing listed on an internet site is considered an "advertised price" and must adhere to the MAP policy. Website features such as "click for price," "bounce-back" pricing e-mails and automatic price display are considered advertising under this MAP policy. Once the price is associated with the purchase (i.e., product is placed in the shopping cart), the price becomes the selling price and is not bound by this MAP policy.
- 8. It shall not be in violation of this MAP Policy to advertise in general that the reseller has "the lowest prices" or will match or beat its competitors' prices, or to use similar phrases; so long as the reseller does not include any advertised price below the MAP Products' price and otherwise complies with this MAP Policy.
- 9. Penn Herb Company, Ltd. has unilaterally decided that, upon verifying that a reseller has advertised a MAP Product below the applicable MAP Price, Penn Herb Company, Ltd. will cancel all orders and refuse to accept any new orders from that reseller and/or the distributor that sells to that reseller for that MAP Product for an indefinite period of time no less than 90 calendar days. The reseller may continue to order, and Penn Herb Company, Ltd. will continue to sell, other products that have not been advertised in violation of this Policy. If a reseller with multiple store locations violates this MAP Policy at any particular store location, Penn Herb Company, Ltd. will consider this to be a violation by all of resellers' locations.
- 10. Any decision to reinstate a reseller's ability to purchase a MAP Product after the reseller has advertised that Product below the applicable MAP price will be at the sole discretion of Penn Herb Company, Ltd. Penn Herb Company, Ltd. does not ask for, and will not accept, any assurances of future compliance with this Policy as a condition of reinstatement. If Penn Herb Company, Ltd. determines that there is a high frequency of violations, Penn Herb Company, Ltd. at its sole discretion may terminate all shipments to that reseller.
- 11. In its sole discretion, Penn Herb Company, Ltd. monitors the advertised price of resellers, either directly or via the use of third party agencies or tools. Third party agencies retained by Penn Herb Company, Ltd. may engage in monitoring of any advertisements.
- 12. Penn Herb Company, Ltd. will not respond to questions or comments from one reseller about the activities or advertising of any other reseller. It is neither the duty nor the role of any reseller to attempt to enforce this Policy against another reseller.
- 13. Penn Herb Company, Ltd. employees, sales representatives, brokers and distributor representatives are NOT permitted to modify, waive, or in any way amend this MAP Policy or make any agreements or assurances with respect to Penn Herb Company, Ltd.'s policy regarding reseller advertising of its

- Olbas[®] Herbal Remedies products. This also includes any consumer promotion that affects MAP Products.
- 14. Penn Herb Company, Ltd. will appoint a MAP Policy Administrator who shall be solely responsible for determining whether a violation of the policy has occurred, communicating decisions to resellers regarding the policy and receiving any communication regarding sanctions imposed under this MAP policy. Resellers have no right to enforce the MAP Policy.
- 15. Penn Herb Company, Ltd. believes this policy is clear and unambiguous. Should you have any inquiries regarding this Policy, however, please direct them **in writing** to the Penn Herb Company, Ltd. MAP Policy Administrator, Keith Page, c/o Penn Herb Company, Ltd. 10601 Decatur Road, Philadelphia, PA 19154, or by email: keith@olbas.com.
- 16. Penn Herb Company, Ltd. may suspend this and any subsequent MAP policies at any time, without notice, for any reason it deems necessary.

EXHIBIT A

PENN HERB COMPANY, LTD. OLBAS® HERBAL REMEDIES MAP (Minimum Advertised Pricing) POLICY OLBAS® HERBAL REMEDIES MAP PRICING

CODE/ITEM #	DESCRIPTION	MSRP	MAP	UPC
LL10	Olbas [®] Oil – .32 fl. oz. Bottle (10ml)	\$9.50	\$7.41	71548650011
LL28	Olbas [®] Oil – .95 fl. oz. Bottle (28ml)	\$19.95	\$15.56	71548650022
LL50	Olbas [®] Oil – 1.65 fl. oz. Bottle (50ml)	\$32.95	\$25.70	71548650031
LSA	Olbas [®] Analgesic Salve – 1oz Tube (30g)	\$9.95	\$7.76	71548650211
LCS4	Olbas [®] Cough Syrup – 4 fl. oz. Bottle (118ml)	\$9.50	\$7.41	71548650420
LBA4	Olbas [®] Bath – 4 fl. oz. Bottle (118ml)	\$9.50	\$7.41	71548650310
LBA8	Olbas [®] Bath – 8 fl. oz. Bottle (236ml)	\$16.95	\$13.22	71548650320
LIN	Olbas [®] Inhaler – 0.01 oz. (285mg)	\$5.95	\$4.64	71548650510
LTEA	Olbas [®] Herbal Tea – 7 oz. Can (200g)	\$18.95	\$14.78	71548650710
LOZ	Olbas [®] Lozenges – 24 Lozenges	\$6.95	\$5.42	71548650620
LPS	Olbas [®] Pastilles – 1.6 0z. Box (45g) (27 count)	\$6.95	\$5.42	71548650610