

Dear Reseller,

At Pure Encapsulations, LLC (“Atrium”), we are committed to you—the professionals who have helped our company become an innovative leader in the development, manufacturing, and commercialization of science-based nutritional health products. To protect the Pure Encapsulations®, Douglas Laboratories®, Seroyal®, Genestra Brands®, Pharmax®, UNDA®, Klean Athlete®, and Wobenzym® brands and support your business, we are notifying you of an update to our Authorized Reseller Program applicable to the above brands.

Your obligations under the updated program are outlined in the attached **Atrium Professional Brands Authorized Reseller Policy, which will be effective on September 1, 2021, and supersedes our previous, brand-specific Authorized Reseller Policies for the Pure Encapsulations®, Douglas Laboratories®, and Seroyal® brand families.** We hope that this consolidation and alignment of terms between all Atrium professional brand products will, in part, help ensure our expectations of Authorized Resellers under the Authorized Reseller Program are clear and consistent.

**The Key Terms of the Authorized Reseller Policy Generally Remain Unchanged:**

- **Where and to Whom You May Sell Atrium Professional Brand Products:** Atrium is committed to maintaining the integrity of its authorized distribution channels and to stopping the diversion of its professional brand products to unauthorized sellers. To this end, the Authorized Reseller Policy requires that you sell Atrium’s professional brand products solely to end users and not to persons or entities who intend to re-sell the products. In addition, Atrium professional brand products may not be marketed for sale or shipped outside of the United States without our prior written consent.
- **Internet Sales:** The Authorized Reseller Policy states that **you are not permitted to sell Atrium professional brand products online without prior written consent from Atrium.** This prohibition includes sales on websites you own or operate and sales on third-party marketplace websites such as Amazon or eBay. Resellers who previously signed brand-specific agreements authorizing online sales of Atrium professional brand products will receive a separate communication regarding their continued authorization to sell online in light of the updated Authorized Reseller Policy. If you are interested in selling any of the Atrium professional brand products online and have not previously received such an authorization, please contact Jeff Pokrajac at [jpokrajac@atrium-innovations.com](mailto:jpokrajac@atrium-innovations.com) to learn more about how to become approved.
- **Ensuring Product Quality and Satisfaction:** To ensure that the consumers who purchase our products have the best experience possible, we have outlined our expectations for the service you will provide to your customers. The Authorized Reseller Policy also describes certain steps you must take to maintain the quality of Atrium professional brand products until they reach consumers.

In addition, as with the Authorized Reseller Policy, we have made updates to our unilateral minimum advertised price policies, reflected in the attached **Atrium Professional Brands United States Minimum Advertised Price Policy** and **Klean Athlete United States Minimum Advertised Price Policy**, which apply to all resellers of any Atrium professional brand products in the United States. As of September 1, 2021, these policies replace any brand-specific MAP policies applicable to the Pure Encapsulations®, Douglas Laboratories®, Seroyal®, Genestra Brands®, Pharmax®, UNDA®, Klean Athlete®, and Wobenzym® brands. A copy of the MAP policies are attached for your review.

Thank you for your careful attention to the attached documents and for your continued support of the Pure Encapsulations®, Douglas Laboratories®, Seroyal®, Genestra Brands®, Pharmax®, UNDA®, Klean Athlete®, and Wobenzym® brands.

Sincerely,

Pure Encapsulations, LLC

## ATRIUM PROFESSIONAL BRANDS AUTHORIZED RESELLER POLICY

Effective Date: September 1, 2021

This Atrium Professional Brands Authorized Reseller Policy (“Reseller Policy”) is issued by Pure Encapsulations, LLC (“Atrium”) and applies to Authorized Resellers of products in the United States of America. By purchasing products in Atrium’s professional family of brands, including Pure Encapsulations®, Douglas Laboratories®, Seroyal®, Klean Athlete®, Genestra Brands®, Pharmax®, UNDA®, and Wobenzym® (“Product(s)”), from an Atrium Authorized Distributor for retail sale, you (“Reseller”) agree to adhere to the following terms. Until such status is otherwise revoked by Atrium in Atrium’s sole and absolute discretion, Reseller shall be considered an “Authorized Reseller” hereunder. Atrium may review Reseller’s activities for compliance with this Reseller Policy and Reseller agrees to cooperate with any investigation, including, but not limited to, permitting inspection of Reseller’s facility and records related to the sale of the Products.

1. **Authorized Customers.** Reseller is authorized to sell Products to End Users. An “End User” is a purchaser of the Products who is the ultimate consumer of the Products and who does not intend to resell the Products to any third party. Reseller shall not sell or transfer Products to any person or entity Reseller knows or has reason to know intends to resell the Products. Reseller shall not sell or transfer a quantity of the Products to any individual greater than that typically purchased for personal use. Reseller shall not sell, ship, invoice, or promote the Products outside the United States of America without Atrium’s prior written consent.

2. **Online Sales.** Reseller shall not offer for sale or sell Products on or through any website, online marketplace (including, but not limited to, Amazon, eBay, Walmart Marketplace, Target+, or Sears Marketplace), mobile application, or other online forum without the prior written consent of Atrium, granted through execution by Atrium of the Atrium Professional Brands Authorized Online Seller Agreement. Any Reseller that violates this restriction is subject to immediate and permanent revocation of its status as an Authorized Reseller and purchasing privileges.

3. **Sales Practices.** Reseller shall conduct its business in a reasonable and ethical manner at all times and shall not engage in any deceptive, misleading, or unethical practices or advertising at any time. Reseller shall not make any warranties or representations concerning the Products except as expressly authorized by Atrium. Reseller shall comply with any and all applicable laws, rules, regulations, and policies (a) applicable to Reseller’s business and/or (b) related to the marketing and sale of the Products. This requirement includes any and all consumer safety- or consumer protection-related laws, including, but not limited to the California Safe Drinking Water and Toxic Enforcement Act of 1986, as amended, AKA California Proposition 65 (“California Proposition 65”). Reseller shall represent the Products in a professional manner and refrain from any conduct that is or could be detrimental to the reputation of Atrium or the Products.

4. **Product Care, Customer Service, and Other Quality Controls.**

(a) Reseller shall comply with all instructions provided by Atrium regarding the storage, handling, shipping, disposal, or other aspect of the Products, including instructions provided on Product labels. Reseller shall store the Products in a cool, clean, dry place, away from direct sunlight, extreme heat, and dampness.

(b) Reseller shall sell Products in their original packaging. Relabeling, repackaging (including the separation of bundled Products or the bundling of Products), and other alterations are not permitted. Reseller shall not remove, translate, or modify the contents of any label or literature on or accompanying the Products. Reseller shall not tamper with, deface, or otherwise alter any serial number, UPC code, batch or lot code, or other identifying information on Products or their packaging. Reseller shall not alter or dilute Products.

(c) Reseller shall not resell any Product that has been returned opened or repackaged.

(d) Promptly upon receipt of the Products, Reseller shall inspect the Products and their packaging for damage, defect, broken seals, evidence of tampering, or other nonconformance (a “Defect”). If any Defect is identified, Reseller must not offer the Product for sale and must promptly report the Defect to Atrium at [customerservice@pureencapsulations.com](mailto:customerservice@pureencapsulations.com) with respect to Pure Encapsulations Products, [customerservice@douglaslabs.com](mailto:customerservice@douglaslabs.com) with respect to Douglas Labs and Klean Athlete Products, or [sales@seroyal.com](mailto:sales@seroyal.com) with respect to all other Product brands.

(e) Reseller shall inspect its inventory regularly for expired or soon-to-be expired Products and shall remove those Products from its inventory. Reseller shall not sell any Products that are expired or within 90 days of

expiration. Reseller shall destroy or dispose of expired or soon-to-be expired Products in accordance with instructions provided by Atrium.

(f) Reseller shall be familiar with the special features of all Products marketed for sale and must obtain sufficient Product knowledge to advise customers on the selection and safe use of the Products, as well as any applicable warranty, guarantee, or return policy. Reseller must be available to respond to customer questions and concerns both before and after sale of the Products and should endeavor to respond to customer inquiries promptly.

(g) Reseller shall cooperate with Atrium with respect to any Product tracking systems that may be implemented from time to time.

(h) Reseller shall cooperate with Atrium with respect to any Product recall or other consumer safety information dissemination efforts.

(i) Reseller shall report to Atrium and assist in investigating any customer complaint or adverse claim regarding the Products of which it becomes aware.

(j) Reseller shall cooperate with Atrium in the investigation and resolution of any quality or customer service issues related to Reseller's sale of the Products, including disclosing information regarding Product sources, shipment, and handling.

5. **Intellectual Property.** Reseller acknowledges and agrees that Atrium or its licensors own all proprietary rights in and to the Pure Encapsulations®, Douglas Laboratories®, Seroyal®, Klean Athlete®, Genestra Brands®, Pharmsax®, and Wobenzym® brands, names, logos, trademarks, service marks, trade dress, copyrights, and other intellectual property related to the Products (the "**Atrium IP**"). Reseller is granted a limited, non-exclusive, non-transferable, revocable license to use the Atrium IP solely for purposes of marketing and selling the Products as set forth herein. This license will cease upon termination of Reseller's status as an Authorized Reseller. All goodwill arising from Reseller's use of the Atrium IP shall inure solely to the benefit of Atrium or its licensors. Reseller's use of the Atrium IP shall be in accordance with any guidelines that may be provided by Atrium from time to time ("**Brand Guidelines**") and must be commercially reasonable as to the size, placement, and other manners of use. Atrium reserves the right to review and approve, in its sole discretion, Reseller's use or intended use of the Atrium IP at any time, without limitation. Upon request by Atrium, Reseller shall be required to submit samples of any manner of its display of the Atrium IP and samples of the Products. Reseller shall not create, register, or use any domain name or any mobile application that contains any Atrium product name or any trademark owned by or licensed to Atrium, nor a misspelling or confusingly similar variation of any Atrium product name or any trademark owned by or licensed to Atrium.

6. **Termination.** If Reseller violates this Reseller Policy, Atrium reserves the right to terminate Reseller's status as an Authorized Reseller with written or electronic notice. Upon termination of a Reseller's status as an Authorized Reseller, Reseller shall immediately cease (i) selling the Products; (ii) acting in any manner that may reasonably give the impression that Reseller is an Authorized Reseller of the Products or has any affiliation whatsoever with Atrium with respect to the Products; and (iii) using all Atrium IP.

7. **Modification.** Atrium reserves the right to update, amend, or modify this Reseller Policy with written or electronic notice. Unless otherwise provided, such amendments will take effect immediately and Reseller's continued use, advertising, offering for sale, or sale of the Products, use of the Atrium IP, or use of any other information or materials provided by Atrium to Reseller following notice of the amendments will be deemed Reseller's acceptance of the amendments.

8. **Confidentiality.** This Reseller Policy, and its attachments, if any, constitute confidential, proprietary information of Atrium and shall not be used for any purpose other than the authorized advertising and sale of the Products nor disclosed to any third party without the prior written consent of Atrium.

9. **MAP Policy.** Atrium has unilateral Minimum Advertised Price ("MAP") policies that apply to all resellers of Products located within the United States. This paragraph is intended to inform you of the MAP policies. It does not constitute consideration for any part of this agreement between you and Atrium, and does not separately constitute an agreement between you and Atrium regarding the prices you will charge your customers for the Products. Atrium does not seek, nor will it accept, from Reseller any assurance of compliance with the MAP policies.

**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 [www.pureencapsulations.com](http://www.pureencapsulations.com), [www.douglaslabs.com](http://www.douglaslabs.com), or [www.seroyal.com](http://www.seroyal.com), 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.

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.

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](mailto: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, reinstated, or modified at any time by Atrium in its sole discretion. Atrium shall make any such modifications available to all authorized Resellers.

Last updated: September 1, 2021