



Unilateral Minimum Advertised Price Policy (MAP Policy)

September 1, 2020

Enzyme Science provides exceptional enzyme-focused supplements at the most therapeutic levels available in the natural products industry. It is imperative that the Enzyme Science brand image is perceived by practitioners, retailers, and consumers as one of integrity and superior quality.

Enzyme Science has determined that advertising Enzyme Science products at discount levels below MSRP undermines Enzyme Science's trade reputation, brand image, and marketing strategy, and also degrades profits available from the sales of Enzyme Science products to our practitioners and retailers.

In order to protect the Enzyme Science brand and its reputation for quality products, Enzyme Science will allow its practitioners and retailers to sell Enzyme Science in a physical store, health practitioner's office or place of business, via the internet, or elsewhere, on the condition that practitioners and retailers abide by the following Unilateral Minimum Advertised Price (MAP) Policy:

- 1. Practitioners and retailers may not advertise Enzyme Science at prices exceeding 0% and may not advertise Enzymedica at prices exceeding 25% off manufacturer's suggested retail pricing, and this applies to **all forms** of advertising including but not limited to store flyers, newspapers, signage, billboards, catalogs, mailings, internet, and electronic media.
- 2. This policy does not apply to internet advertised prices or "percentage off" figures that are displayed only on "checkout," or "shopping cart," pages that are linked to the main pages upon which our products are primarily displayed.
- 3. In addition, this MAP Policy does not apply to point of sale signs, hangtags, barcodes, and other physical markings on products.
- 4. This MAP Policy does not apply to the actual setting of prices, and only applies to the "advertised" price. Enzyme Science acknowledges that all accounts have the right to sell products at any price they choose.
- 5. Advertising that in any way suggests or implies a price lower than the MAP will be considered a violation of this MAP Policy. For example, policy violations of this type would include:
 - a. Buy one get one free (BOGO) or at some reduced amount below the MAP; or
 - b. Gift with purchase.
- 6. Free shipping or sales tax rebates offered in combination with a product that is otherwise advertised in accordance with this MAP Policy will **not** be considered a violation of this MAP Policy.
- 7. This MAP Policy will apply in situations of a practitioner or retailer's special promotions, annual or semiannual sales, seasonal transitions, and excess stock.
- 8. Enzyme Science may choose to offer time-limited product specials that include advertising in excess of the allotted 0% discount threshold. Enzymedica may choose to offer time-limited product specials that include advertising in excess of the allotted 25% discount threshold.
- 9. Sellers and/or Distributors who purchase product from Retailers must also adhere to these rules, <u>however it is the Enzymedica Retailer who purchases these products first who is responsible for the compliance of their third-party sellers.</u>
- 10. Sellers and/or distributors who purchase product from practitioners or retailers must also adhere to these rules, however it is the Enzyme Science practitioner or retailer who purchases these products first who is responsible for the compliance of their third-party sellers.

- 11. If any practitioner or retailer violates this policy the following non-compliance protocol will be implemented:
 - a. On a practitioner or retailer's first offense, Enzyme Science will issue a verbal and/or written warning. Upon receipt of the warning, the practitioner or retailer must correct the offense within 24 hours. If the offense is not corrected during this timeframe, this will be considered a "second offense" and treated according to the protocol below.
 - b. On a practitioner or retailer's second offense within a one-year period, Enzyme Science will discontinue all sales and shipments to that practitioner or retailer for period of not less than 30 days (thirty days). The practitioner or retailer must correct the offense prior to Enzyme Science resuming shipments.
 - c. On a practitioner or retailer's third offense within a one-year period, Enzyme Science will discontinue all sales and shipments to that practitioner or retailer for a period of not less than six months.
 - d. <u>Practitioners and Retailers are responsible for ensuring that their third-party sellers adhere to this policy.</u>
- 12. If any practitioner or retailer violates this policy the following non-compliance protocol will be implemented:
 - a. On the first offense, Enzymedica will issue a verbal and/or written warning. Upon receipt of the warning, the retailer must correct the offense within 24 hours. If the offense is not corrected during this timeframe, this will be considered a "second offense" and treated according to the protocol below.
 - b. On the second offense within a one-year period, Enzymedica will discontinue all sales and shipments to that retailer for period of not less than 30 days (thirty days). The retailer must correct the offense prior to Enzymedica resuming shipments.
 - c. On the third offense within a one-year period, Enzymedica will discontinue all sales and shipments to that retailer for a period of not less than six months.
 - d. Practitioners and retailers are responsible for ensuring that their third-party sellers adhere to this policy.
- 13. Selling products through Amazon and "like" ETAIL marketplaces is allowed; however, with the following provisions:
 - a. Distribution fulfillment through Amazon is only allowed by our contracted "fulfilled by Amazon" (FBA) partner.
 - b. Additionally, practitioners and retailers are forbidden from selling Enzyme Science or Enzymedica products directly to Amazon to be sold by and fulfilled by Amazon (i.e. "ships from and sold by Amazon").
 - c. Only Enzyme Science's contracted FBA Partner is permitted to sell Enzyme Science or Enzymedica products via "Amazon Prime." All other retailers are not permitted to sell Enzymedica products via "Amazon Prime" or FBA.
 - d. All product sold on Amazon must be listed under the official Enzymedica listings.
 - e. Creating any new ASINs, or listings with bundled items (Enzyme Science, Enzymedica, or non-Enzyme Science/Enzymedica) is not allowed.
- 14. We reserve the right at any time to modify this policy or to establish new or different policies. This policy shall remain in effect until modified or terminated by us in writing sent to you.
- 15. To ensure compliance of the MAP Policy, Enzyme Science practitioners and retailers are required to disclose the name of any and all online websites and URL's where Enzyme Science products are being marketed or sold. In addition, practitioners and retailers are also responsible for violations made by their third-party sellers and/or distributors. Please keep our Compliance Team or your Enzyme Science Sales Professional updated with additional company websites/names.

Please feel free to contact us if you have any questions or need clarification on our MAP pricing policy.

Enzyme Science & Enzymedica Compliance Team

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