



2021 Minimum Advertised Price (MAP) Policy

To Our Valued Distributors, Retailers and Resellers,

In order to maintain the integrity of the *Lafe's Natural Bodycare* brand, we've established a **Minimum Advertised Price (MAP) Policy** for resellers of *Lafe's Natural Bodycare* products. This policy has been established to protect and support all resellers, as well as consumers of *Lafe's Natural BodyCare*. The intention is not to interfere with the businesses of our resellers, but rather to enable customers to have sustainable business practices by allowing for a reasonable profit margin.

KEY POINTS:

- 1) MAP = Suggested Retail Price (SRP). Resellers of a Lafe's Natural BodyCare product including Earthly Delight branded products may NOT advertise a price lower than the Suggested Retail Price (SRP) for that product.
- 2) PRICING EXCEPTIONS. The ONLY exception is during promotional periods authorized by Lafe's Natural BodyCare. Discount amounts are set by Lafe's and cannot be lower than those authorized.
- 3) Discounts can only be shown by specific product not overall brand.
- 4) All displayed images must be current product images (see lafes.com for current images). Outdated, old, corrupted images must be removed.
- 5) Previous versions/packaging or out of date products (see lafes.com) cannot be displayed without company authorization.
- 6) Prices below MAP cannot be advertised in any medium, including print, internet, radio, TV, etc. except for company approved promotions;
- 7) Sales of Lafe's products is prohibited on any and all 3rd party reseller sites including but not limited to: Amazon.com, Walmart.com, eBay, Bonanza, Jet.com, and Kroger. Any listing or sale of Lafe's products on such marketplace is a direct violation of our MAP policy.

Effective October 15, 2016, we require that all retailers be MAP compliant.

- Sales of Lafe's products is prohibited on any and all 3rd party reseller sites including but not limited to: Amazon.com, Walmart.com, eBay, Bonanza, Jet.com, and Kroger. Any listing or sale of Lafe's products on such marketplace is a direct violation of our MAP policy.
- Resellers of a Lafe's Natural BodyCare product may NOT advertise a price lower than the Suggested Retail Price (SRP) for that product. The ONLY exception is during promotional periods authorized by Lafe's Natural BodyCare. Discount amounts are set by Lafe's and cannot be lower than authorized. Discounts can only be shown by specific product not the overall brand.
- All images of Lafe's products must be the current images; outdated, old or corrupted images must be removed.
- Out of date products (based on lafes.com images) cannot be displayed without company authorization.
- When the MAP formula yields an amount with fractions of a cent, the MAP is rounded down to the nearest whole cent.
- Prices below the MAP cannot be advertised in any medium, including print, internet, radio, television, etc.
- Temporary sales, discounts, and promotions that effectively lower the retail price of the product below MAP are impossible to enforce, and therefore acceptable (i.e. 10% discount on order totals exceeding \$200). However, these discounts must not be applied directly to the advertised price; the advertised price cannot be below the MAP.
- Permanent discounts and promotions that effectively lower the retail price below the MAP—for example, extraordinary discounts on shipping—are unacceptable. Aggregating the product price and shipping price to satisfy the MAP policy is also unacceptable. The Lafe's Natural BodyCare MAP Policy applies the advertised price of a product before shipping, handling, or additional charges are levied.
- Lowering the price of an item below MAP for the purpose of a clearance or liquidation is acceptable; however, Lafe's Natural BodyCare will record this in our system and this reseller will never be supplied with that product again. If a pattern of this behavior is recognized, Lafe's Natural Bodycare will be forced to take further action in accordance with our rights as a manufacturer.
- Resellers must disclose valid names, contact information, and domain addresses for any and all websites on which Lafe's Natural BodyCare products are sold. This includes Amazon storefronts, any subsidiaries affiliated with your business, and any other online resellers your business may be supplying.
- Lafe's Natural BodyCare will hold distributors, and resellers who sell to other resellers, responsible for the MAP policy compliance of their customers and any business entities whom they are supplying.
- Lafe's Natural BodyCare reserves the right not to sell to any reseller found to be in violation of this policy and/or the wholesale terms and conditions. However, Lafe's Natural BodyCare will not be held responsible for enforcement of this policy or lack thereof. Lafe's Natural BodyCare will act accordingly when deemed necessary and when legal.

Lafe's Natural BodyCare
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MAP Enforcement Policy

When necessary and legal, Lafe's Natural Bodycare will take the following steps to enforce its MAP policy:

- The first time Lafe's Natural BodyCare finds a reseller to be in violation of the MAP policy, Lafe's Natural BodyCare will send a warning message to the reseller notifying them of the MAP policy violation(s). The reseller is required to remedy the situation by increasing all infringing prices to be at or above the MAP within one week (five business days) of the first warning message.
- If the reseller is found to be in continued violation of the MAP policy in excess of one week (five business days) after the first warning message is sent, Lafe's Natural BodyCare will immediately place the account on a six month shipping hold and all pending purchase orders/backorders will be cancelled. Lafe's will also request distributors adhere to this policy and not sell to any MAP violators.
- Lafe's Natural BodyCare will continue to monitor online prices for the duration of the shipping hold. The reseller must remain in compliance with the MAP policy throughout this entire period in order to resume business at the end of six months.

Thank you.

Best Regards,

Lafe T Larson | CEO & Founder
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