

Kährs Minimum Advertised Price (MAP) Policy

Kährs International, Inc. has unilaterally adopted this Minimum Advertised Price ("MAP") policy applicable to all advertising of Kährs products by Kährs' distributors and retailers. This MAP policy has been established by Kährs to help ensure the legacy of Kährs as a top producer of high quality products and to protect the reputation of its name and products. This MAP policy is also designed to avoid destructive intra-brand conflict and to ensure that distributors and retailers have the incentive to invest resources into services for Kährs customers.

Kährs may unilaterally impose sanctions, as described in this MAP policy, against distributors and retailers who advertise applicable Kährs products at prices below those specified herein. Kährs will not discuss any conditions of acceptance related to this MAP policy, as it is non-negotiable, and will not be altered for any reseller. Kährs neither solicits, nor will it accept, any assurance of compliance with this MAP policy. Nothing in this MAP policy or in any other contract or agreement with Kährs shall constitute an agreement between Kährs and its distributors or retailers that they will comply with this MAP policy.

This MAP policy applies only to minimum advertised prices and does not apply to the price at which the products are actually sold. Distributors of Kährs products must supply a copy of this MAP policy to any new or existing retailer for their records.

Price Advertising Policy

Policy concerning advertised prices:

The current listing of products and applicable minimum advertised prices for the products are listed on the attached <u>Schedule A</u>. Kährs distributors and retailers may not advertise prices for Kährs products below these minimum prices, except as noted below.

Kährs products and the minimum advertised prices may be changed from time to time at Kährs' sole discretion. Kährs distributors and retailers will be notified in writing of any changes and given ten business days to comply.

For purposes of this policy, "prices" mean the actual advertised cost of a Kährs product together with any other inducements to purchase Kährs products which Kährs deems significant.

Advertising covered by this policy:

This MAP policy covers any communication about Kährs products that may be read or heard by someone outside of the dealer's physical location. The policy covers communication by any form of print, electronic or broadcast media including, without limitation, flyers, posters, coupons, mailers, inserts, newspapers, magazines, catalogs, mail order catalogs, Internet or similar electronic media, search engine (PPC) advertising, email marketing, online display advertising, social media marketing, search engine optimization (including page titles and descriptions), shopping feed and comparison shopping engine advertising, affiliate marketing, print advertising, radio advertising, TV advertising, cataloging, direct mail marketing, and couponing.

Kährs International, Inc. Corporate Headquarters 940 Centre Circle, Suite 1000 Altamonte Springs, FL 32714

Phone: 1 800 800 5247 Fax: 407 260 9933



Exceptions to MAP Policy

This MAP policy does not apply to in store signage or displays that are visible only within the store.

Pricing listed on an internet site is considered an "advertised price" and must adhere to this MAP policy. Once the pricing is associated with an intent to purchase only (such as added to the shopping cart or the checkout pages of the website), the price becomes the selling price and this MAP policy does not apply.

From time to time, Kährs may choose to offer special promotions on certain products. In such an event, we reserve the right to modify or suspend this MAP policy in whole or in part by notifying all distributors and retailers of the duration and nature of the change. Such changes shall apply equally to all distributors and retailers.

Policy on Use of Trademarks and Copyrighted Images

Limited license:

Kährs is granting its approved distributors and retailers (the "Licensees") a limited, nonexclusive, revocable license to use the current versions of Kährs trademarks, trade names, copyrighted images, logotypes, designs and distinctive advertising marks (collectively the "Licensed Marks") provided that:

- a) the Licensed Marks are used solely in connection with advertisements, promotions and sale of Kährs products, and
- b) Licensees use the Licensed Marks in advertising in compliance with all applicable policies, instructions and guidelines from Kährs as then in effect. The right to use the Licensed Marks is contingent on strict compliance with those policies, instructions and guidelines.

Rights retained by Kährs:

Kährs is and will remain the sole owner of the Licensed Marks and retains all rights in and complete control over their use. Any and all goodwill associated with the Licensed Marks that may be created as a result of the actions of either Kährs, its distributors or retailers will inure to the benefit of Kährs. All internet web sites and other media featuring or including Kährs products are subject to the approval of Kährs. Kährs reserves the right to deny, limit or withdraw this approval and to terminate this license at any time and for any reason. This license is non-transferable and may not be sub-licensed or assigned by any person or entity.



Further Limitations

The Licensees:

- a) may not engage in any activity that diminishes the value of the Licensed Marks;
- b) may only use the Licensed Marks in accordance with all applicable local, state and federal laws;
- c) must use the correct symbol designations (i.e. TM, SM or ®) as directed by Kährs in connection with the Licensed Marks and must properly mark all labels, packaging, tags, advertising and promotional materials;
- d) may not register, nor attempt to register, any trade name or trademark which, in whole or in part, incorporates or is confusingly similar to the Licensed Marks; and
- e) may not publicly use any variation of any approved forms of the Licensed Marks without the prior written consent of Kährs, which such approval will not be unreasonably withheld.

Enforcement

This MAP policy is enacted solely at Kährs' unilateral discretion. Kährs will determine independently and its sole judgment whether a Kährs distributor, or retailer has violated this MAP policy. Intentional and/or repeated failure to abide by this MAP policy will result in sanctions unilaterally imposed by Kährs. The level of sanctions will be determined by Kährs in its sole discretion and may include indefinite termination as an authorized dealer or retailer of Kährs' products and the termination of any license to use the Licensed Marks. Kährs does not intend to do business with dealers or retailers who degrade the image of Kährs and its products. Kährs will not provide prior notice or issue warnings before taking any action under this MAP policy.

No Modification of MAP Policy and Further Questions

No employee or sales representative of Kährs has any authority to discuss, modify or grant exceptions to this MAP policy. Any representation or action by any employee, sales representative or persons not specifically authorized to discuss, modify or grant exceptions to this MAP policy under this paragraph is unauthorized and invalid. All questions about this MAP policy should be in writing and directed via U.S. Mail to MAP policy Administrator, Kährs International 940 Centre Circle, Suite 1000, Altamonte Springs FL 32714 - or via e-mail to *info@kahrs.com*. No oral communications about this MAP policy are authorized. The MAP policy administrator shall be solely responsible for determining whether a violation of the MAP policy has occurred, communicating decisions to distributors or retailers regarding the MAP policy and receiving any communications regarding sanctions imposed under this MAP policy.

Confidentiality and Other Matters

The terms of this MAP policy are confidential and should not be disclosed to other parties.

This MAP policy does not amend the terms of any other agreement with any distributor or retailer

To request a copy of the Minimum Advertised Pricing Pricelist please email info@kahrs.com

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