

In order to protect the high quality image and reputation for value associated with the Bio-Groom brand, we have developed a Minimum Advertised Price (MAP) as well as a Manufacturer Retail Price (MRP) policy that will go into effect on January 1, 2021. To protect the resellers of Bio-Groom products, as well as the image of the Bio-Groom brand, and to give guidance on minimum standards of reseller conduct, Bio-Derm Laboratories, Inc. has specified certain restrictions on reseller conduct.

### ***I. SALE OF MERCHANDISE***

- A.** Bio-Derm Laboratories, Inc. authorizes its customer to resell Merchandise to their customers. Bio-Derm Laboratories, Inc. may revoke its customer's permission to resell Merchandise at any time at Bio-Derm Laboratories, Inc. sole discretion.
- B.** Bio-Derm Laboratories, Inc. may discontinue any product at any time without notice to Customer and Customer may not hold Bio-Derm Laboratories, Inc. liable for discontinuing a product.
- C.** Customer shall keep Merchandise that is advertised or sold by Dealer online consistent with the Bio-Derm Laboratories, Inc. Item Master File.
- D.** Dealer may only advertise and sell Merchandise from a Store owned by Dealer. Dealer may not advertise or sell Merchandise through any Third Party without written permission provided outside this agreement.

### ***II. MINIMUM ADVERTISED PRICING***

- A.** Advertise, as used in this section, means "advertise, publish, or publicly post, regardless of the format or medium of communication including, but not limited to, automatic electronic mail responses to price inquiries, bulk electronic mail, postcards, flyers, radio, television, billboards, magazines, trade journals, airplane banners, newspaper inserts, website banners or similar online advertisements, webpages, facsimiles, mailings, pre-recorded telemarketing messages, Google Shopping advertisement or any other form of advertising"
- B.** Bio-Derm Laboratories, Inc. has determined a MAP for each product manufactured by Bio-Derm Laboratories, Inc. Bio-Derm Laboratories, Inc. may set or change a product's MAP at any time without notice to Customer and Dealer may not hold Bio-Derm Laboratories, Inc. liable for any modification of a product's MAP.
- C.** Dealer may set its prices for selling merchandise in Dealer's sole discretion; however, Dealer may not advertise merchandise for a price lower than the MAP set by Bio-Derm Laboratories, Inc.
- D.** If Dealer advertises using the term "email for best price" or any other similar term, then Dealer's response to emails received by Dealer pursuant to this advertisement is subject to the restrictions outlined herein.
- E.** If Dealer does not comply with the provisions of this section, then Bio-Derm Laboratories, Inc. may suspend or revoke sales of Merchandise to Dealer, adjust negotiated pricing and/or revoke Dealer's status as an authorized reseller. This provision should not be construed to imply that Bio-Derm Laboratories, Inc. is not entitled to revoke Dealer's status as an authorized reseller for any other reason or no reason at Bio-Derm Laboratories, Inc. sole discretion.

### ***III. MARKETING***

- A.** Customer shall only use the words "Bio-Groom" to describe Merchandise. Dealer may not use the words "Bio-Groom" in Dealer's company name, base web URL, or in any other manner that implies that Customer is the manufacturer of Merchandise.
- B.** Dealer may show its online customers a price lower than a product's MAP after the customers have selected the product for their Basket and chosen to begin the payment process.

C. If Dealer issues rebates or coupons to its customers that are applicable to Merchandise, then Dealer shall limit these rebates or coupons to future purchases by the customer, i.e. the rebate or coupon cannot be applied to the transaction for which it was issued.

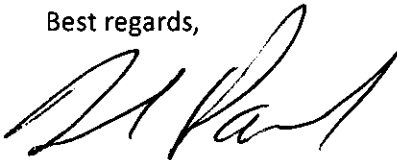
**IV. Violation Guidelines**

A. Once Bio-Derm Laboratories, Inc. is aware of a MAP violation; the following actions may be taken including, but not limited to, a restriction of specific item(s) found in violation.

- 1) An email will be sent to the reseller with the violation outlining the current MRP/MAP prices, policy and a request for the price to be increased and in compliance within 72 hours.
- 2) If the item is still in violation after 7 days, a follow up warning email/letter will be sent requesting the price be increased within 48 hours.
- 3) If the item remains in violation, it will be suspended from purchase for 30 days.
- 4) If the item is still in violation after 10 days from the first notice, Bio-Derm Laboratories, Inc. will suspend sales of other branded items up to suspension of the entire product line.

We believe this policy will protect the integrity of the Bio-Groom brand, support the pricing structure and allow for a fair return on investment for all of our business partners in the sales channel. Please feel free to contact us directly should you have any questions.

Best regards,



Frank Pohl  
President