

## **Essiac Brand Management Policies**

2698852 Ontario Inc & Rene Naturals, Inc, dba "Essiac ", (2698852 Ontario Inc. and its affiliates, collectively, "Essiac") has unilaterally adopted this Minimum Advertised Price (MAP) Policy ("MAP Policy") and Sales Channel Policy (collectively, the "Brand Management Policies"). The Brand Management Policies apply to all sales of Essiac® branded products that are listed on Schedule A (collectively, "MAP Products"), including sales by all distributors, wholesalers and retailers (collectively, "Resellers") who resell the MAP Products to any purchaser of a MAP Product located in the United States ("Buyer" or "Buyers"). These Brand Management Policies are effective as of 01 July 2022.

### **Statement of Purpose**

Essiac designs and manufactures Essiac products that are advertised, marketed and sold using copyrighted materials, trademarks, brands and/or tradenames belonging to Essiac and/or affiliates thereof. Essiac products have unique benefits and characteristics that Buyers value over competing products.

Essiac has established a strong reputation for providing customers with high value products and strong after-sales support in connection with the products. Essiac strives to provide outstanding customer service and an excellent customer experience through a strong network of retail stores and online marketplaces. Essiac's Resellers make substantial investments of time and resources to deliver exemplary service through well-trained and knowledgeable staff, interactive and creative displays and product pages, and other sales collateral. To support its Resellers' efforts and to assure the high level of customer service that Essiac strives to deliver, Essiac has unilaterally adopted these Brand Management Policies.

Essiac has adopted these Brand Management Policies because, if not done properly, Reseller advertising practices can undermine the integrity and strong reputation of Essiac's brand and competitiveness, and could allow some Resellers to unfairly take advantage of the investments other Resellers have made in marketing and supporting the MAP Products. Essiac is also adopting the Brand Management Policies to preserve the value of its trademarks, brands and tradenames.

### **Minimum Advertised Price Policy**

1. Essiac will unilaterally establish a Minimum Advertised Price ("MAP Price") for the MAP Products and guidelines for advertising the prices of the MAP Products. Essiac may establish different MAP Prices for online sales as compared to offline sales.

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Schedule A may be amended and/or revised from time to time in the sole discretion of Essiac. Schedule A, including any amendments, along with a copy of these Policies, will be made available online at [www.Essiac.com](http://www.Essiac.com).

2. Reseller is free to decide whether it will follow this MAP Policy. Reseller's decision whether to comply with this MAP Policy is its own and is not coerced or forced by Essiac. Essiac neither asks for, nor will accept, any assurance from any Reseller that such Reseller will comply with this MAP Policy. This MAP Policy does not constitute an agreement between Essiac and any Reseller. No Reseller will have any right, contractual or otherwise, to enforce this MAP Policy against any other Reseller or Essiac.
3. This MAP Policy shall apply to all advertising of MAP Products by all Resellers, including but not limited to product-specific, brand-specific, department-specific, and site-wide promotions and advertising. This includes, but is not limited to, promotions and advertising in the following media formats:
  - Print (newspapers, magazines, catalogs, mailings, circulars, inserts, etc.)
  - Broadcast (radio, television, webcast, mobile apps, caller-on-hold recordings, etc.)
  - Broadcast email, instant message, and social media posts and messages
  - Internet and online advertisements (website home pages, destination pages, individual product pages, social media pages, blogs, banner ads, pop-up ads, paid search results, ad words, third-party sites sponsored, placed, or funded by Reseller, etc.)
  - Internet and online content suggesting that a lower price may be found at the check-out page, such as "add to cart for lower price," "price too low to show before checkout," or "click here for lower price"
  - Billboards, windows, or other outdoor displays or advertising
4. Types of advertising and promotions that violate the MAP Policy include, but are not limited to:
  - Free product offers, bundled product offers, percentage discounts, gift cards, rebates, credits, couponing, free shipping, or other sales devices that result in a net advertised price that is below the MAP Price. It is inconsistent with the MAP Policy for any Reseller to advertise a MAP Product as a bundle with another product if the value of the bundled product would cause the net advertised price to fall below the MAP Price unless permitted by the express terms of this MAP Policy. A Reseller may advertise a bundle of two or more MAP Products together so long as the advertised price for the bundle represents a discount that does not exceed 15% of the total MAP Price for all of the bundled MAP Products.
  - Gift cards, rebates, or coupons expressly for MAP Products, provided in exchange for the purchase of MAP Products or any other products or services
5. From time to time, without regard to input from any Reseller, Essiac may permit Resellers to advertise certain MAP Products at prices lower than MAP Price, including through percentage discounts, rebates, and couponing. In such events, Essiac reserves the rights to modify or suspend the MAP Price with respect to the affected products for a specified period of time.

6. This MAP Policy applies only to advertised prices. It does not apply to the price at which MAP Products are actually sold or offered for sale to an individual Buyer within Reseller's stores or on Reseller's website at "check out." This MAP Policy does not address:
  - In-store signage or in-store promotions, including banners, hang tags, displays, or price tags
  - "Shopping cart" and similar check-out pages or windows on websites and mobile applications
  - Price quotes responding to a direct consumer inquiry, whether transmitted in person, by phone, email, fax, or any other means of communication
  - The following, as long as the MAP Product's advertised price remains unaffected: consumer financing, shipping, or Reseller-branded credit/charge card offers.
7. For the avoidance of doubt, this MAP Policy does not in any way limit the ability of any Reseller to advertise that "it has the lowest prices" or "it will meet or beat any competitor's price" or that consumers should "call for a price" or phrases of similar import, as long as the price advertised or listed for a MAP Product is not less than its MAP Price.
8. Essiac shall periodically issue to its Resellers a MAP Price for each MAP Product and provide its Resellers with at least thirty days' notice of any change to any MAP Price. The MAP Price for each MAP Product shall be set unilaterally by Essiac without regard to input from any Reseller. Essiac reserves the right at any time, and upon written notice to Resellers, to change the MAP Price for any MAP Product and to change the list of MAP Products (*i.e.*, to modify Schedule A).
9. If Reseller advertises a MAP Product with any price, such price shall be at or above the MAP Price for such MAP Product. Deviation from the "cents" portion of the MAP Price in order for Reseller to remain consistent with its internal pricing policies (so long as the "dollar" portion remains at or above the MAP Price) shall not be a violation of this MAP Policy.
10. It is a violation of this MAP Policy for any Reseller to sell a MAP Product to another Reseller who has not complied with this MAP Policy.
11. If Essiac determines to its unilateral satisfaction that a Reseller has advertised a MAP Product in non-compliance with the MAP Policy or a Reseller is selling to another Reseller who has not complied with this MAP Policy, Essiac will unilaterally issue a written warning to the Reseller. If the violation is not timely cured, Essiac retains the discretion to unilaterally determine that the Reseller should lose access to Essiac Products.

12. Essiac will impose any of the above consequences independently and in its sole discretion. Subject to the gravity and nature of the infraction, Essiac, at its discretion, may accelerate the sanction level. Essiac's failure to impose consequences shall not be construed as a waiver or amendment of this MAP Policy; and in no event shall actions of Essiac or the MAP Policy itself be construed to reduce, waive, or constrain any lawful or contractual rights otherwise available to Essiac with respect to any Reseller.
13. No Essiac officer, employee, representative or agent will respond to any Reseller regarding the pricing or advertising practices of any other Essiac Reseller. Essiac does not request nor seek any reports from any Reseller regarding the pricing or advertising practices of any other Reseller.

### **Sales Channel Policy**

Essiac is committed to selling its products through channels, stores, and Resellers that fully support the Essiac Brand Management Policies, provide the high-quality and customer- focused service that are hallmarks of the Essiac brand, and devote the necessary resources to promote and support Essiac products consistent with the Essiac Brand Management Policies. As a result, Essiac has unilaterally established a number of Reseller requirements related to the resale of Essiac products.

1. It is against this Sales Channel Policy for any Reseller to resell a MAP Product to a person or entity that it knows or suspects will be exporting those products outside the United States without prior written approval from Essiac. Essiac will grant or deny approval unilaterally and in its complete discretion. This Policy does not prevent a Reseller from selling MAP Products directly to consumers who are located outside the United States ("Business to Consumer Sales").
2. It is against this Sales Channel Policy for any Reseller to warehouse, distribute or fulfill orders for MAP Products using third-party persons or entities ("Drop Shippers") or third- party persons or entities that store, fulfill orders for, package or ship MAP Products on behalf of the Reseller ("Third-Party Fulfillment Centers") without prior written approval from Essiac. Essiac will grant or deny approval unilaterally and in its complete discretion.
3. It is against this Sales Channel Policy for any Reseller to resell MAP Products on Amazon.com without prior written approval from Essiac. Essiac will grant or deny approval unilaterally and in its complete discretion. If a Reseller chooses to apply for and is approved to resell MAP Products on Amazon.com (an "Authorized Amazon Reseller"), that Reseller will be required to resell MAP Products only on Amazon.com.
4. It is a violation of this Sales Channel Policy for any Reseller to sell a MAP Product to another Reseller who has not complied with this Sales Channel Policy.

5. Any Reseller is free to decide whether it will follow this Sales Channel Policy. Reseller's decision whether to comply with this Sales Channel Policy is its own and is not coerced or forced by Essiac. Essiac neither asks for, nor will accept, any assurance from any Reseller that such Reseller will comply with this Sales Channel Policy. This Sales Channel Policy does not constitute an agreement between Essiac and any Reseller. No Reseller will have any right, contractual or otherwise, to enforce this Sales Channel Policy against any other Reseller or Essiac.
6. If Essiac determines to its unilateral satisfaction that a Reseller has not complied with this Sales Channel Policy, Essiac will unilaterally issue a written warning to the Reseller. If the violation is timely cured, Essiac will then fill the invoice. If, however, the violation is not timely cured, Essiac retains the discretion to unilaterally determine that the Reseller should lose access to Essiac Products.
7. Essiac will impose any of the above consequences independently and in its sole discretion. Subject to the gravity and nature of the infraction, Essiac, at its discretion, may accelerate the sanction level. Essiac's failure to impose consequences shall not be construed as a waiver or amendment of this Sales Channel Policy; and in no event shall actions of Essiac or the Sales Channel Policy itself be construed to reduce, waive, or constrain any lawful or contractual rights otherwise available to Essiac with respect to any Reseller.
8. No Essiac officer, employee, representative or agent has the authority to alter, deviate from, or impose additional or different conditions of these Brand Management Policies, including the MAP Policy and Sales Channel Policy. The only Essiac representative authorized to answer questions regarding these Brand Management Policies and to comment on them and to whom all questions regarding these Brand Management Policies must be addressed is:

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Schedule A

<b>Part Number</b>	<b>Description</b>	<b>Size</b>	<b>SKUs</b>	<b>MSRP</b>	<b>MAP</b>
ESS-001A	Essiac Herbal Powder	1.5 oz	623326003977	\$39.95	\$31.95
ESS-002A	Essiac Herbal Extract Liquid	10.5 fl oz	623326022114	\$43.95	\$34.95
ESS-003A	Essiac Vegetable Capsules	60 capsules	623326018971	\$43.95	\$34.95
ESS-004A	Essiac Gold	60 capsules	623326018995	\$62.45	\$49.95
ESS-005A	Essiac Daily Drops	2 fl oz	623326019015	\$31.25	\$24.95