

TRUE LEAF™ PET INC. MINIMUM ADVERTISED PRICING POLICY

Effective July 1, 2017, True Leaf Pet Inc. has unilaterally adopted a Minimum Advertised Pricing Policy (MAP), which is applicable to all TRUE LEAF PET INC. dealers, sales representatives and other authorized resellers in the United States, Europe and Canada (Authorized Partners). TRUE LEAF PET INC. has been building a brand of strong recognition and a highly perceived value since 2015. The MAP is intended to protect the TRUE LEAF PET INC. brand as a premium offering, preserve the opportunity for competitive reseller margins and avoid channel conflict between Authorized Partners.

The MAP policy shall work under the following guidelines:

1. The products covered by this policy are indicated on official TRUE LEAF PET INC. price lists ("MAP Products"). TRUE LEAF PET INC. may in its sole discretion modify the list of MAP Products from time to time.
2. The Minimum Advertised Price for any MAP Product is as published on official TRUE LEAF PET INC. price lists. MAP pricing is established by TRUE LEAF PET INC. and may be adjusted by TRUE LEAF PET INC. at its sole discretion.
3. The MAP policy applies to all advertisements of MAP Products in any and all media, including, but not limited to, flyers, posters, coupons, mailers, inserts, newspapers, magazines, catalogs, mail order catalogs, television, radio, and public signage as well as Internet sites, social media sites, apps, or any other electronic media.
4. Website features such as "click for price", automated "bounce-back" pricing e-mails, pre-formatted e-mail responses, forms, and automatic price display for any items prior to being placed in a customer's shopping cart, and other similar features are considered to be communications initiated by the dealer (rather than by the customer) and thereby constitute "advertising" under this MAP Policy.
5. The MAP policy does not apply to any in-store advertising that is displayed only in a physical brick-and-mortar location and not distributed to any customer(s) outside of that brick-and-mortar location.
6. The inclusion in advertising of free or discounted products (whether made by TRUE LEAF PET INC. or another manufacturer) with a MAP Product would be contrary to the policy if it has the effect of discounting the advertised price of the MAP Product below the MAP.

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7. If pricing is displayed in other than a brick-and-mortar retail store, any strike-through or other alteration of the Minimum Advertised Price is prohibited. TRUE LEAF PET INC. prohibits the use of indirectly advertising a price lower than the MAP price through tactics like "click to see pricing" or "call for pricing" on webpages or in advertisements.
8. MAP applies only to advertised prices and does not apply to the price at which the products are actually sold or offered for sale to an individual consumer within the dealer's retail location or over the telephone. Authorized Partners remain free to sell these products at any price they choose.
9. MAP does not establish maximum advertised prices. Authorized Partners may offer MAP Products at any price in excess of the MAP.
10. It shall not be a violation of this MAP Policy to advertise in general that the reseller has "the lowest prices" or will meet or beat any competitor's price or to use similar phrases so long as the Authorized Partner does not include any advertised price below MAP and otherwise complies with this MAP Policy.
11. Authorized Partners agree to hold all trademarks and copyrights of TRUE LEAF PET INC. as the property of TRUE LEAF PET INC. and use advertising materials provided by TRUE LEAF PET INC. in an authorized manner only.
12. Advertising through any third-party auction site such as eBay with a starting bid price or "Buy it Now" options less than MAP is strictly prohibited. Best offer auctions are not allowed without a reserve equal to MAP or greater.
13. From time to time, TRUE LEAF PET INC. may permit Authorized Partners to advertise products at prices lower than the MAP retail price. In such events, TRUE LEAF PET INC. reserves the right to modify or suspend the MAP retail price with respect to the affected products for a specified period of time by providing advance notice to all Authorized Partners of such changes.
14. MAP Products may be advertised as free, provided there is no obligation on the customer to make any other purchase in order to receive the product.
15. Authorized Partners will supply a copy of the TRUE LEAF PET INC. MAP Policy to any new or existing reseller ("Reseller"). Authorized Partners are obligated to monitor compliance with this MAP Policy by each Reseller and are expected to act on and request immediate corrective action of any known violation of the MAP Policy by a Reseller.

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TRUE LEAF PET INC. is solely responsible for determining whether an Authorized Partner has not complied with this MAP Policy and for imposing consequences. Consequences include, but are not limited to:

- a) suspending shipments of the product that is advertised at a price below MAP,
- b) suspending shipment of a broader category of products,
- c) suspending all TRUE LEAF PET INC. products,
- d) terminating TRUE LEAF PET INC.'s relationship with the Authorized Partner, and
- e) altering the terms of participation in any current or future preferred pricing, promotional, joint marketing or sponsorship programs.

Authorized Partners have no right to enforce the MAP Policy.

TRUE LEAF PET INC. is not seeking agreement from any Authorized Partner to adhere to this MAP policy, and no representative of TRUE LEAF PET INC. is authorized to solicit or accept any such agreement. It is entirely within the discretion of each Authorized Partner whether to comply or not comply. Except for modifications provided to all Authorized Partners pursuant to Section 12 above, TRUE LEAF PET INC. sales personnel have no authority to modify or grant exceptions to this Policy or to provide interpretations of this Policy. TRUE LEAF PET INC. is not bound by any exception or interpretation that an Authorized Partner believes it has received.

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