



AUTHORIZED RESELLER AGREEMENT

Effective January 1st, 2019

CONTRACT BETWEEN DAIWA HEALTH DEVELOPMENT, INC., AND RESELLER

Wholesale pricing is provided by Daiwa Health Development, Inc. ("Daiwa") to "Reseller" based solely on Reseller's compliance with Daiwa's Terms and Conditions contained in this document. This agreement applies to all products bearing the trademarks registered by Daiwa which include but are not limited to Daiwa Health Products®, PeakImmune4®, Plasmanex 1®, BRM4®, Biobran® and our Daiwa Logo ("Products"). By applying for a Wholesale account and obtaining Products from Daiwa at wholesale pricing, Reseller enters into a contract with Daiwa that is governed by these Reseller Agreement Terms and Conditions.

Daiwa's standard invoice terms and conditions shall apply to all Product purchases. Nothing contained in any purchase order or other correspondence between Daiwa and Reseller will modify or add to these terms and conditions. We reserve the right to modify these terms and conditions at any time.

Any Reseller failing to comply with this Reseller Agreement will face immediate termination of its account, revocation of its Authorized Reseller status, and/or further legal action. Violations of this Resale Policy or other Daiwa policies may be reported to Daiwa's corporate headquarters at 1-310-329-2362.

This version of the Resale Policy is effective as of January 1st, 2019 and supersedes all prior versions.

SECTION A - RESALE TERMS AND CONDITIONS:

1. Reseller may not sell to Customers located outside of the territory without advance written approval from Daiwa. This includes selling or shipping Daiwa products to end consumers online if your Territory does not include the online channel.
2. "**Authorized Sales Channels**" shall include: (i) Reseller's own physical store locations; (ii) Reseller's temporary storefronts at events and tradeshows; (iii) catalog and (iv) Reseller's own website(s).
3. Resellers may not sell in bulk to B2B accounts, wholesalers, or freight forwarders/drop-shippers for other retailers. Sell to your end consumers only.
4. Reseller **SHALL NOT** promote, market, advertise, offer to sell or sell any Daiwa's Products on or through any online marketplace or auctions service including, but not limited to Amazon.com (.ca, .com.mx, .co.uk, .de, .fr, .it, .es, .jp, .com.au), Ebay.com, Walmart.com, Jet.com, Buy.com, Craigslist.com, Newegg.com, Overstock.com, Rakuten.com, and Sears.com.
5. Reselling Daiwa's Products on a website(s) that attempts to use Daiwa's trademarks (Daiwa Health Development®, PeakImmune4®, Plasmanex 1®, BRM4®, Biobran®) in whole or in part as the website domain is prohibited.
6. Reselling Daiwa's Products on a website(s) that contains only Daiwa Health Development® branded Products is prohibited.
7. All Products must be advertised for sale at the Minimum Advertised Price (MAP) or higher.
8. Daiwa reserves the right to terminate existing business relationships or refuse to sell to Resellers who misrepresent information on the new account form.
9. If misrepresentation or fraud with regard to any aspect of the application is suspected, Daiwa further reserves the right to retroactively charge the Reseller for any discounts applied on past invoices.

10. If required, Daiwa can terminate the account without any possibility of reinstatement and require that all company inventory in Reseller's possession be returned within 7 business days following account termination.

11. Daiwa reserves the right to pursue legal action against any individual or entity found guilty of violating the terms of the Reseller Reseller agreement.

12. **IMPORTANT NOTE:** Daiwa supports authorized sales of its Products (except for Internet Restricted Products); however, Daiwa actively participates in the Amazon.com Brand Registry Program and similar programs to prevent the advertising and sale of unauthorized, unlicensed, infringing, and/or counterfeit merchandise. Any unauthorized sales of Daiwa's Products on Amazon, eBay or other sites will be removed as they are discovered. Ads from online sellers offering any auctions or advertising sales will also be regularly removed or taken down.

SECTION B - PRODUCT QUALITY AND CUSTOMER CARE:

1. **Product Storage and Handling:** Resellers shall exercise due care in storing and handling the Products and shall store the Products in accordance with any storage guidelines specified by Daiwa from time to time.

2. **Product Inspection:** Promptly upon receipt of the Products, Reseller shall inspect the Products for damage, defect, evidence of tampering, or other non conformance (a "Defect"). If any Defect is identified, Reseller must not offer the Product for sale and must promptly report the Defect to Daiwa at info@dhdusa.net or 1-310-329-2362.

3. **Recall and Consumer Safety:** To ensure the safety and well-being of the end users of the Products, Reseller shall cooperate with Daiwa with respect to any Product recall or other consumer safety information dissemination efforts.

4. **Product Packaging and Display:** Reseller shall sell Products in their original packaging. Relabeling, repackaging (including the separation of bundled Products or the bundling of Products), and other alterations to Products or their packaging are not permitted. Tampering with, defacing, or otherwise altering any serial number, UPC code, batch or lot code, or other identifying information on Products or their packaging is prohibited. Reseller may not remove, translate, or modify the contents of any label or literature on or accompanying the Products. Reseller shall not advertise, market, display, or demonstrate non-Daiwa Products together with the Products in a manner that would create the impression that the non-Daiwa Products are made by, endorsed by, or associated with Daiwa.

5. **Product Knowledge:** Reseller agrees to professionally promote the Products and to obtain sufficient knowledge regarding each Product kept in inventory to advise its customers on the selection and safe use of the Products. Reseller shall evaluate and consider the nutritional needs of each customer when providing such advice. Reseller must be available to respond to Reseller questions and concerns both before and after the sale of the Products and should endeavor to respond to customer inquiries promptly.

6. **Intellectual Property:** Reseller is granted a limited, non-exclusive, non-transferable, revocable license to use the Daiwa's brands, names, logos, trademarks, service marks, trade dress, copyrights, and other intellectual property associated with the Products (the "Daiwa IP") solely for the purposes of marketing and selling the Products as set forth herein. This license will cease upon termination of Reseller's status as a Reseller. Daiwa reserves the right to review and approve, in its sole discretion, Reseller's use or intended use of the Daiwa IP at any time, without limitation. Reseller acknowledges that it owns no right, title, or interest in any of the Daiwa IP except as granted herein.

Liquidated Damages:

● Reseller agrees that any breach by Reseller of the Terms and Conditions set forth in this agreement will injure Daiwa and its reputation and relationship with its other Resellers to an extent that will be difficult, if not impossible, to quantify.

● In view of the difficulty to quantify the damage to Daiwa should Reseller breach any provision of the terms and conditions of sale, Reseller agrees that Daiwa shall be entitled to liquidated damages equal to Reseller's gross profits earned from the sale of Daiwa Products using selling practices that are in violation of the terms of this agreement.

● Reseller and Daiwa agree that the Liquidated Damages set forth in this section are in addition to any and all other remedies for breach of contract to which Daiwa may be entitled under the applicable laws.

SECTION C - MINIMUM ADVERTISED PRICING POLICY (MAP Policy):

Daiwa actively supports the advertising and promotion of its Products by its retailers through materials provided by Daiwa at no or nominal cost. Given Daiwa's strong reputation for providing consumers with high value Products and to enhance Daiwa's image and competitiveness in the marketplace, Daiwa has instituted a MAP policy for all its Products, effective immediately. The MAP policy will apply to all retailers and distributors.

1. The MAP for all Daiwa's Products shall be listed in the current Wholesale Price List¹.
2. The MAP may be revised by Daiwa at its sole discretion by providing no less than 15 days advance written notice communicating the changes in writing to all of its retailers and distributors without exception.
3. The MAP policy applies to all advertising of Daiwa's Products in any and all media including, but not limited to, catalogs, flyers, posters, coupons, brochures, mailers, inserts, newspapers, websites, magazines, online, television, and radio.
4. The inclusion in advertising of "free" or "discounted" Products with a Product covered by the MAP Policy would be considered a violation of the policy if it has the effect of discounting the advertised price below what is required by the MAP Policy.
5. Free shipping and/or handling, 0% sales tax, or free financing promotions do not violate the MAP Policy.
6. Pricing listed on any Internet site, regardless of whether it is an e-commerce site or not, is considered "advertised price" and must adhere to the MAP Policy.
7. Price matching policies are acceptable. Price matching cannot be used as a valid reason for violations of Daiwa MAP Policy. Advertised price must always be at MAP or higher.
8. MAP applies only to advertised prices and does not apply to the price at which the Products are offered for sale or sold to individual consumers via personal communication channels like email or over the phone.
9. Daiwa's MAP Policy does not establish maximum advertised prices therefore resellers of Daiwa Products may sell any of its Products at any price in excess of the MAP established for those Products.
10. Daiwa may, at its sole discretion, discontinue Products or engage in promotions with respect to certain Products. In these cases, Daiwa reserves the right to modify or suspend the MAP Policy with respect to the affected Products by notifying all Resellers of such change.
11. Neither Daiwa's sales personnel nor any other unauthorized employee has the authority to modify or grant exceptions to the MAP Policy. Please direct all questions or comments regarding the MAP Policy in writing to the policy administrator at: **info@dhdusa.net**
12. Daiwa reserves the right to modify, suspend, or discontinue the MAP policy, in whole or in part, at its sole discretion and to communicate these changes to all its resellers in writing either by posting it on its website or via email.

SECTION D: FAILURE TO COMPLY WITH MAP Policy

1. In the event a Reseller is found guilty of violating the MAP Policy, Daiwa reserves the right to terminate the Reseller arrangement with no notice and require Reseller to return all Daiwa Products in its possession immediately. Daiwa will not entertain business relationships with individuals and entities whose actions compromise the perceived value of Daiwa and its Products.

¹ The Applicable Price List may vary slightly depending on variables such as exchange rates, demand and availability. The most current Applicable Price List shall be provided to Reseller upon request.

2. Daiwa reserves the right to monitor the advertised price of its Resellers either directly or via the use of monitoring services provided by third-party agencies. The policy administrator shall be solely responsible for determining whether a violation of the MAP Policy has occurred, communicating decisions regarding sanctions when the policy is violated to Resellers, and reviewing any communication received from the Reseller regarding action taken in response to the violation.

SECTION E: AUTHORIZED RESELLER WARRANTY AND LIMITATIONS

1. At Daiwa, we are committed to the highest level of materials and manufacturing. When purchased from an authorized Reseller, all our Products are 100% guaranteed against manufacturing and material defects. This Guarantee and subsequent warranty is extended only to the original end-use purchaser and shall not be extended or transferred to any other person or transferee. All Daiwa Products purchased from an authorized Reseller are guaranteed for a period of one year from the date of purchase. Items will be replaced at the discretion of Daiwa. If a replacement Product is unavailable or discontinued, a comparable Product will be substituted.
2. This warranty does not cover defects or damage arising from improper use, accident or external causes. Unauthorized use of your Product voids this warranty.
3. When Daiwa has deemed it necessary to provide a replacement, Daiwa will cover return shipping to all addresses within the United States. For international orders, customers will be responsible for all shipping charges. All Products covered under warranty will be replaced free of charge.