

VALUE PROTECTION POLICIES (VPP) FOR RETAILERS

EFFECTIVE AS OF MAY 1, 2017

Lafeber Company ("Lafeber") has unilaterally adopted these Value Protection Policies (VPP) effective as of May 1, 2107 (the "Policy Effective Date"), which: (1) consist of (a) a policy regarding minimum retail price (the "Minimum Retail Price Policy" or the "MRP Policy") and (b) a policy dealing with advertising and marketing (the "Advertising and Marketing Policy" or the "A&M Policy") and (2) are applicable to each reseller located in either or both of the United States of America ("USA") and Canada that promotes and sells (whether doing so directly or through another party that does such things as advertise or fulfill orders on behalf of such reseller) one or more products offered by Lafeber regardless of brand (each a "Lafeber Product" and, in the plural, "Lafeber Products") to consumers (individually, a "Retailer" and collectively, "Retailers").

1. <u>Purpose</u>. As a leader in avian nutrition, Lafeber is a go-to source of reliable, expert-written bird information, as well as a premier supplier of high-quality products. Some Retailers have taken or may take advantage of this situation by advertising or selling Lafeber Products as loss leaders, promoting or applying unfair discounts or misusing intellectual property of Lafeber or references to Lafeber or its products. In an effort to help safeguard the reputation of Lafeber, insure the long-term viability of each of its brands and protect the investment of those Retailers that provide valuable services to consumers, Lafeber has adopted these Policies.

2. The Minimum Retail Price Policy.

- (a) Covered Products. The MRP Policy establishes a minimum retail price ("Minimum Retail Price" or "MRP" and referring to either the singular or the plural or both, "MRP(s)") for each of the Lafeber Products as may be specified on the price list(s) or product list(s) provided or otherwise made available to each Retailer by Lafeber or otherwise communicated by Lafeber Notice (individually, a "Covered Product" and collectively, "Covered Products"). For purposes of these Policies, "Lafeber Notice" means notice from Lafeber to a Retailer provided or made available electronically or otherwise.
- (b) Changes Relevant to the MRP Policy. Lafeber, at any time, may vary the MRP for a Covered Product or add to or delete any or all of the Covered Products, which may, among other things, be based on whether such product(s) is or are offered or sold under or subject to one or more select Lafeber program(s) or any other Lafeber policy or in any other situation announced by Lafeber from time to time. Lafeber will endeavor to provide prior notice of each new MRP or such change in the Covered Products, generally not less than five (5) business days in advance. While Lafeber will communicate each MRP and such change through the price list(s) or product list(s) provided or made available to each Retailer by Lafeber or otherwise communicated by Lafeber Notice, each Retailer is responsible for making sure that it is aware of each appropriate MRP and Covered Product in each circumstance.
- (c) Violations of the MRP Policy. Although each Retailer remains free to establish its own resale prices, such Retailer violates the MRP Policy by (i) making available in any way (whether through advertising, promotion, proposal or otherwise and regardless of place or medium used) (individually and collectively, "offering" and its variants), (ii) selling (whether face-to-face, in-store, online, through a catalog or otherwise) or (iii) otherwise providing (except in exchange for bona fide returns) one or more of the Covered Products during the Policy Period at a Net Adjusted Price less than the corresponding MRP(s) established by Lafeber from time to time and communicated to such Retailer by Lafeber Notice.

For purposes of these Policies: (A) the "Policy Period" means the time period beginning on the Policy Effective Date and ending on the termination date described in Lafeber Notice and (B) "Net Adjusted Price" means the lower of the price at which a Covered Product is offered by or for the benefit of a Retailer to a customer (potential or actual) or that actually paid to or for the benefit of a Retailer for a Covered Product by such customer after (1) applying all discounts and similar price reductions and (2) excluding certain taxes and shipment charges.

- (d) Calculation of Net Adjusted Price. Except as otherwise provided in the MRP Policy, Net Adjusted Price will be calculated by:
- (i) <u>Including All Discounts</u>: Taking into account all discounts, deductions, rebates and allowances offered or given to such customer (regardless of source, whether given or taken at the time of sale or otherwise and considered by Lafeber to be part of such offer or sale), *except for the following:*
 - (A) Rebates/Coupons from Lafeber: A rebate, coupon or the equivalent (as determined by Lafeber) that is provided by Lafeber or its designee(s) directly to such customer or to such Retailer for provision to and use by such customer and
 - (B) Shipping: Free or reduced-price shipping when offered or furnished in connection with a potential or actual purchase that includes at least one of the Covered Products, provided that, as determined by Lafeber: (1) such offer or furnishing applies to all other products in the category in which such Covered Product or such Covered Products reside and (2) the value thereof is reasonable and
- (ii) <u>Excluding Taxes/Certain Charges</u>: Excluding, if to be paid or paid by such customer, all applicable taxes and all shipping, delivery and insurance charges (However, if such Retailer offers to pay or pays any or all of such taxes and such charges that otherwise would be paid by such customer, the amount so offered or paid by such Retailer will be considered a discount.);

Unless otherwise directed by Lafeber, each time a Covered Product is offered or provided by a Retailer in pairs or other groupings, the offer or selling price must be no less that the applicable MRP multiplied by the number of units in the offer.

(e) The MRP Policy Exemptions. A Retailer does not violate the MRP Policy by offering or selling to a customer one or more Covered Products at a Net Adjusted Price that is less than the applicable MRP(s) if such offer or sale is made in accordance with one or more of the following exemptions (collectively, the "MRP Policy Exemptions") and otherwise complies with these Policies:

- (i) Storewide or Category-wide Promotions: A storewide or category-wide promotion involving a coupon, discount or rebate that would, after its application, otherwise result in price(s) for any or all of the Covered Products below its or their respective MRP(s), as long as (A) Lafeber, by notice to such Retailer, has expressly approved in advance the participation of one or more Covered Products in such promotion and, as part of such approval, has designated each of the Covered Products eligible therefor (collectively, the "Promotion Eligible Products"); (B) such Retailer complies with the terms and conditions of such promotion specified or so approved by Lafeber; (C) such coupon, discount or rebate may be applied to all or almost all of the products offered by such Retailer or, in the case of a category-wide sale (such as bird products or bird feed), no fewer than two (2) brands in the category other than that or those of Lafeber; (D) such application takes the Net Adjusted Price for each of the Promotion Eligible Products to no less than the MRP supplied by Lafeber specifically for such promotion; and (E) such promotion and anything that is the same as or similar to it (as determined by Lafeber) are not offered in any calendar year: (1) more than four (4) times, (2) for more than twenty-one (21) days at a time and (3), as may be designated by Lafeber, without observing the interval(s) between such offers as may be designated by Lafeber;
- Loyalty Points: The accrual of "points" or other things of value ("Loyalty Points") in connection with the purchase or receipt of any or all products and services from such Retailer (as long as each relevant Covered Product offered and sold in connection with such purchase is at no less than its Minimum Retail Price) and the subsequent application of Loyalty Points (but only in one or more transactions other than the one(s) in which they were earned), even if such application results in price(s) for any or all of the Covered Products below its or their respective MRP(s), as long as: (A) Loyalty Points may be accrued and applied to either (1) all or almost all of the products and services offered by such Retailer or (2) all or almost all of the products in the category (such as bird products or bird feed) in which each of the affected Lafeber Products resides, (B) the everyday accumulation rate for Loyalty Points applicable to the purchase of any or all Covered Products is no more than that applicable to all or almost all other brands of products offered by such Retailer (as determined by Lafeber regardless of category) and (C) none of the statements or materials promoting Loyalty Points mentions, uses, depicts or otherwise refers to or appears adjacent to or near any or all of: (1) the Covered Products and (2) the Lafeber Intellectual Property (as defined in Section 3(b)(i) of these Policies); except that such Retailer may offer and provide a greater accumulation rate applicable to the purchase of any or all Covered Products and promote it, as long as such Retailer has received Lafeber Notice in advance expressly approving such rate and such promotion such Retailer complies with the terms and conditions specified or so approved by Lafeber;
- (iii) <u>Grandfathered Materials</u>: Bona fide advertising and promotional materials (including without limitation printed catalogs) that cannot reasonably be modified prior to the Policy Effective Date or the effective date of a change in the MRP(s), the Covered Products or the MRP Policy until such time that it is reasonable to revise such materials (as determined by Lafeber) to be consistent with the MRP Policy;
- (iv) <u>Grandfathered Offers</u>: A bona fide offer of one or more of the Covered Products (other than that or those subject to Section 2(e)(iii) of these Policies) made by such Retailer prior to the effective date of a change in the MRP(s), the Covered Products or the MRP Policy which makes such offer or the subsequent sale based on acceptance of such offer non-compliant with the MRP Policy, as long as (A), if the MRP Policy was in place at the time such offer was made, it complied with the MRP Policy; (B) such offer is effective for no longer than ten (10) days or other reasonable time period (as determined by Lafeber) after the effective date of such change; and (C) each of the Covered Products included in such sale will be delivered to such customer no later than thirty (30) days after the later to occur of such change or such acceptance;
- (v) Special Programs: The offer or sale under one or more special programs (if any) designated by Lafeber;
- (vi) <u>Subscription Programs</u>: The offer or sale of one or more of the Covered Products subject to a discount that is part of an ongoing subscription replenishment program offered or provided by such Retailer to potential or actual customers, as long as: (A) Lafeber, by notice to such Retailer, has expressly approved in advance the participation of one or more Covered Products in such program and, as part of such approval, has designated each of the Covered Products eligible therefor (collectively, the "Subscription Eligible Products"); (B) such Retailer complies with the terms and conditions of specified or so approved by Lafeber; and (C) the application of such discount takes the Net Adjusted Price for each of the Covered Products included in the Subscription Eligible Products to no less than ninety-five percent (95%) of its then-current MRP;
- (vii) Cart Discounts: The offer or sale of one or more of the Covered Products subject to a discount that is triggered by reaching certain quantity or dollar levels in the cart (or other container) for a single proposed or actual purchase (a "Multi-Item Discount"), as long as: (A) Lafeber, by notice to such Retailer, has expressly approved in advance the participation of one or more Lafeber Products in such discount and, as part of such approval, has designated each of the Lafeber Products eligible therefor (collectively, the "MID Eligible Products"); (B) such Retailer complies with the terms and conditions of specified or so approved by Lafeber; and (C), regardless whether consisting of one or more of the MID Eligible Products or one or more of the MID Eligible Products combined with that or those of any other supplier(s), the amount of such discount when pro rated among the products in such cart (or other container) based on their relative dollar value takes the Net Adjusted Price for each of the MID Eligible Products involved to no less than ninety-five percent (95%) of its then-current MRP;
- (viii) <u>Discontinued Products</u>: The offer or sale of one or more items of any or all of the Covered Products that is or are discontinued by Lafeber effective (A) when such item(s) does or do not appear on the then-current the price list(s) or product list(s) issued by Lafeber or (B) on the date(s) referred to in notice of discontinuance provided by Lafeber to such Retailer; and
- (ix) <u>Employee Discounts</u>: The offer or sale of any or all of the Covered Products to a bona fide employee of such Retailer for such employee's personal use (and not for resale), provided that such offer is reasonable (as determined by Lafeber) and not advertised to the general public.

3. The Advertising and Marketing Policy.

(a) Use of Lafeber Intellectual Property or Lafeber Product References. A Retailer violates the A&M Policy if any advertisement, promotion or other marketing vehicle (regardless of the medium used, whether Conventional Advertising, Electronic Content or otherwise) used or done by or on behalf of such Retailer (i) includes any or all Lafeber Intellectual Property or mentions, uses, depicts or otherwise refers to any or all of the Lafeber Products and (ii) either (A) does not conform to the Usage Policies or (B) otherwise is not expressly approved in advance in writing by Lafeber.

- (b) Certain Definitions. For purposes of the A&M Policy: (i) "Lafeber Intellectual Property" means any and all trademarks, trade names, service marks, copyrights, logotypes, images, artwork, designs, copy, data, data bases, marketing information, trade secrets, confidential information and anything else in which Lafeber or its designee(s) claim(s) rights, regardless whether steps have been taken to register such rights with any government authority; (ii) "Conventional Advertising" means, but is not limited to newspapers, magazines, rotos, direct mail, catalogs, radio, television and signs; (iii) "Electronic Content" means information that (A) can be accessed by an internet browser or anything which Lafeber considers to be the substantive equivalent, including, but not limited to, (1) internet shopping sites, (2) marketplaces and (3) comparison search engines (CSEs) to which a Retailer supplies pricing information (e.g., Google Shopping, Buy.com, eBay, Amazon and PriceGrabber); (B) is provided by or through one or more applications (apps) for mobile devices (e.g., tablets and smartphones), including, but not limited to, social media apps (e.g., Twitter, Instagram and Facebook) and mobile gaming platforms; or (C) is furnished by or through (1) electronic solicitations or other electronic communications (e.g., robocalls, caller-on-hold and other audio recordings, messaging (such as SMS (text), MMS (multimedia) and IM (instant)), webcasts, email and online or other electronic chats), (2) electronic advertisements (such as email newsletters, pop-ups and banners) or (3) anything which Lafeber considers to be the substantive equivalent; and (iv) the "Usage Policies" means policies regarding (A) the use of Lafeber Intellectual Property and (B) uses, depictions or other references of or to any or all of the Lafeber Products (including without limitation those policies relating to format(s) and content) made available by Lafeber through Lafeber Notice.
- (c) Other Ways to Violate the A&M Policy. Except as expressly authorized by Lafeber Notice or otherwise allowed by these Policies, with respect to any or all items of Lafeber Products, a Retailer violates the A&M Policy by knowingly or negligently, directly or indirectly:
- (i) Promotion and Sale: (A) advertising, promoting or selling in any or all of the following ways: (1) outside the USA and Canada (except to the extent any or all advertising and promotion efforts cannot be reasonably restricted geographically, but this exception does not apply to sales made to anyone located outside the USA and Canada), (2) using any business name(s) or storefront(s) other than the such Retailer's full business name or acceptable variants thereof (as determined by Lafeber); and (3) online in any fashion, unless and only to the extent each website and marketplace used for such purpose by such Retailer (along with each business name and storefront) is approved in advance by Lafeber for such use and which approval has not been rescinded by notice from Lafeber or (B) selling in either or both of the following ways: (1) to anyone for resale other than, in the case of permitted returns, to any or all of the Distributors or Lafeber and (2) to anyone other than end user purchasers permitted by Lafeber, including without limitation to the Special Accounts (for purposes of these Policies, "Distributors" means, collectively, each individual and entity (other than Lafeber) authorized by Lafeber to sell some or all Lafeber Products to such Retailer (individually, a "Distributors") and the "Special Accounts" means, collectively, each individual or entity so designated by notice from Lafeber);
- (ii) New ASINs: Creating or assisting in or otherwise cooperating in the creation of new Amazon Standard_Identification Numbers ("ASINs") for any or all Lafeber Products;
- (iii) <u>URLs</u>: Using any or all of Lafeber, its trademarks or other Lafeber Intellectual Property (or any variant(s) thereof) as or as part of one or more Uniform Resource Locators (URLs) or the substantive equivalent as determined by Lafeber employed by or for the benefit of such Retailer, regardless whether such use is in connection with the offering or sale of any or all Lafeber Products;
- (iv) <u>Challenges:</u> Questioning or challenging the rights claimed by Lafeber or its designee(s) in or to the Lafeber Intellectual Property or assisting in any way any other(s) in doing so;
- (v) <u>Certain Purchases</u>: Purchasing any or all Lafeber Products other than from Lafeber, one or more Distributors or, in the case of bona fide returns, end users; and
- (vi) Modifications/Counterfeits: Offering or selling one or more products that are modified or counterfeit version(s) of any or all Lafeber Products.
- (d) The A&M Policy Exemption. Provided that a Retailer otherwise complies with these Policies, such Retailer does not violate the A&M Policy by conduct that, as determined by Lafeber, cannot reasonably be modified prior to the Policy Effective Date or the effective date of a change in the A&M Policy until such time that it is reasonable to modify such conduct (as determined by Lafeber) to be consistent with the A&M Policy (the "A&M Policy Exemption").
- 4. When a Retailer Requests Approval under these Policies. If the approval of Lafeber under these Policies is sought by a Retailer, the failure to obtain it no later than seven (7) days after receipt by Lafeber of such request will be deemed to be a disapproval of each thing for which such approval is sought.
- 5. Other Ways to Violate these Policies. Except as expressly approved by Lafeber in advance or to the extent limited to the Covered Products as provided in this section, a Retailer (directly or through another party on behalf or for the benefit of such Retailer) engaging in any or all of the following conduct (or the substantive equivalent thereof as determined by Lafeber) in connection (directly or indirectly) with the offering or sale of any or all Lafeber Products will be deemed to be a violation of these Policies:
- (a) <u>Use of Certain Terms/Low-Price Guarantee</u>: (i) using the terms "lowest price," the "lowest prices" or "prices too low to show"; (ii) an offer or sale of one or more of the Covered Products at less than its or their MRP(s) resulting from (A) any form of low-price guarantee or (B) offering to match a lower price offered by another seller or (iii) the substantive equivalent (as determined by Lafeber) of any or all of these terms or concepts;
- (b) <u>Strike-Throughs</u>: In connection with the offering or sale of any or all of the Covered Products, showing a strike-through of any MRP(s) regardless whether one or more other prices are shown;
- (c) <u>"Likes"</u>: Offering or providing a discount, coupon or rebate applicable to any or all of the Covered Products in return for a Facebook "Like" or anything similar in intent or effect (as determined by Lafeber) involving one or more social media;
- (d) <u>Price Variance</u>: If a price for a Covered Product is shown in internet advertising or promotion or as part of a sale made over the internet permitted by these Policies and the price for such product varies with respect to such product (exclusive of applicable taxes and all shipping, delivery and insurance charges) across any or all of (A) the initial webpage mentioning, depicting or describing a Covered Product (if a price for

such product appears on such page), (B) the in-the-cart (or other container) price, (C) the checkout price and (D) the substantive equivalent of any or all of them as determined by Lafeber;

- (e) <u>Action Invitations</u>: An invitation to click, rollover, call, email, visit a location (such as a website, store or showroom) or otherwise communicate to obtain a price;
- (f) Group Pricing: With respect to the Covered Products, the promotion or sale to group purchasers, except at price(s) no less than each applicable MRP:
- (g) <u>Trade-Ins</u>: Advertising, promoting or applying a trade-in offer for one or more Lafeber Products or any other product(s) in connection with or applicable to any or all of the Covered Products, regardless whether a specific trade-in price or value is advertised or promoted;
- (h) <u>Bundles</u>: Offering or selling a Bundle, unless such bundle (i) originates from Lafeber, (ii) is authorized on the Covered Products List prior to such offer or sale or (iii) otherwise has been expressly approved by Lafeber Notice to such Retailer in advance (for purposes of these Policies, "Bundle" ("Bundles" in the plural) means a combination of one or more Lafeber Products with one or more other products or services offered or sold together (as determined by Lafeber);
- (i) <u>Gun Jumping</u>: Advertising, promoting or selling prior to the release date(s) specified by Lafeber for (i) a new product or (ii) a product or product combination with a special promotional price authorized by Lafeber;
- (j) <u>Failure to Itemize</u>: Except as otherwise directed by the MRP Policy, on any or all proposals, quotations and receipts provided to or prepared for the benefit of any or all of such Retailer's potential and actual customers in connection with the offer or sale of any or all of the Covered Products (individually and collectively, "Customer Communications"), the failure of such Retailer to itemize the price charged for each of the products and services shown or referred to in or on such Customer Communications (when a Covered Product is offered in pairs or other groupings, a price per unit need not be shown, as a price for the grouping is acceptable), regardless whether such Customer Communications contain(s) any reference to any or all of the Covered Products; and
- (k) <u>Circumvention</u>: Each tactic which Lafeber determines is intended to circumvent application or operation of any or all of these Policies.
- 6. <u>Consequences of Violating these Policies</u>. One or more of the following will occur immediately following verification by Lafeber to its satisfaction that a Retailer has violated these Policies:

For the first violation: If such violation, at the time such Retailer receives notice of it from Lafeber:

(a) is continuing, such Retailer will remove or stop or cause to be removed or stopped such violation within the time period specified in such notice, which typically will be one of the following: (i) no later than one (1) business day (usually for a violation involving Electronic Content), (ii) no later than three (3) business days (generally for all other cases) or (iii) by the conclusion of the period otherwise specified by Lafeber (the "Allotted Period") (if such Retailer takes such action, a violation still has been accrued) or

(b) has been removed or stopped (for example, a violation that has not been continued or repeated, such as an offending ad run one time or a sale made the previous week), no further action is required on the part of such Retailer, but a violation has been accrued.

For the second violation: In the event that (a) the offending conduct that caused the first violation is not removed or stopped (if Lafeber determines that it can be) within the Allotted Period or (b) such Retailer otherwise violates these Policies a second time, effective as of the date specified in notice from Lafeber to such Retailer and continuing for the next thirty (30) days, the authorization of such Retailer to purchase each stock-keeping unit ("SKU") in the product family involved in the second violation (as determined by Lafeber) will be immediately revoked by Lafeber, so that all pending orders (even if accepted) from such Retailer will be cancelled and no new orders will be accepted from such Retailer for each such SKU.

For the third violation: In the event that (a) the offending conduct that caused the second violation is not removed or stopped (if Lafeber determines that it can be) within the Allotted Period or (b) such Retailer otherwise violates these Policies a third time, effective as of the date specified in notice from Lafeber to such Retailer and continuing for the next sixty (60) days, the authorization of such Retailer to purchase each SKU in the product family involved in the third violation (as determined by Lafeber) will be immediately revoked by Lafeber, so that all pending orders (even if accepted) from such Retailer will be cancelled and no new orders will be accepted from such Retailer for each such SKU. (If the thirty (30) day period for the second violation of these Policies has not run and the third violation of these Policies involves the same product family as that of the second (as determined by Lafeber), the sixty (60) day period will begin after the thirty (30) day period concludes with respect to such family.)

For the fourth violation: In the event that (a) the offending conduct that caused the third violation is not removed or stopped (if Lafeber determines that it can be) within the Allotted Period or (b) such Retailer otherwise violates these Policies a fourth time, effective as of the date specified in notice from Lafeber to such Retailer and continuing until Lafeber provides notice to such Retailer otherwise, if ever, the authorization of such Retailer to purchase any or all of the Lafeber Products designated by Lafeber (the "Designated Products") will be immediately revoked by Lafeber, so that all pending orders (even if accepted) from such Retailer will be cancelled and no new orders will be accepted from such Retailer for any or all of the Designated Products.

For each additional violation: In the event that, after the fourth violation of these Policies by such Retailer, either or both of the following is or are relevant: (a) the Designated Products do not include all Lafeber Products or (b) Lafeber provides notice to such Retailer that Lafeber has reauthorized such Retailer to purchase any or all of the Designated Products, then each act or failure to act of such Retailer that constitutes a violation of these Policies (or is deemed by Lafeber to be such a violation) will receive the same treatment as if a new fourth violation had then occurred.

Each violation of these Policies is cumulative through the Policy Period. Except as provided in these Policies, the consequences of each violation take effect regardless whether the consequences for the preceding violation(s) are still running. The same act(s) or failure(s) to act may result in multiple violations. If a

Retailer purchases any or all Lafeber Products from one or more Distributors, these Policies will be enforced through a Do-Not-Sell List provided to all Distributors. For purposes of these Policies, "Do-Not-Sell List" means notice from Lafeber which indicates that (a) one or more individuals or entities is or are not authorized by Lafeber to promote or resell any or all Lafeber Products or (b) the designation of a reseller as an authorized Retailer has been revoked with respect to all Lafeber Products or revoked only with respect to certain of such products.

7. Other Terms and Conditions of these Policies. Effective as of the Policy Effective Date, these Policies supersede and cancel each other policy applicable to each Retailer from Lafeber for any or all Lafeber Products, if any, regarding minimum advertised price (MAP), resale price or, to the extent covered by these Policies, the advertising and marketing matters referred to herein. For any reason(s) deemed appropriate by Lafeber (including without limitation based the request of a Retailer for Lafeber to consider such things as, but not necessarily restricted to, limited-time promotional offers for a Retailer event or otherwise), but in no case other than as the unilateral decision of Lafeber, these Policies may be modified, extended, waived, suspended, discontinued or rescinded in whole or part by notice from Lafeber at any time (including without limitation during any Lafeber-designated promotional period(s)), with such action(s) effective immediately or as otherwise described by Lafeber. If Lafeber negotiates price(s) with a customer that is or are less than the MRP(s) and offers a Retailer the opportunity to fulfill one or more orders at such price(s), acceptance by such Retailer of such opportunity will not constitute a violation of these Policies.

The availability of any or all items of Lafeber Products may be changed by Lafeber anytime, in which case, Lafeber and each Distributor may without liability or penalty (a) cancel all pending orders (even if accepted) from a Retailer for such changed item(s) and (b) refuse to accept any new orders from a Retailer for such item(s).

Unless Lafeber designates otherwise, for purposes of compliance with these Policies, each business (regardless of the name(s) used and location(s)) directly or indirectly owned, operated or associated with a Retailer (as determined by Lafeber) will be considered to part of such Retailer, so that each violation by any such business will be aggregated with that or those of each other such business and attributed to such Retailer.

Regardless whether expressly indicated in these Policies, each notice referred to herein (including without limitation Lafeber Notice): (a) may, as determined by Lafeber, be given in writing or electronically and (b) will be considered to be received as designated by Lafeber. The Explanation (which also may be referred to as "Frequently Asked Questions," "FAQs" or the equivalent as determined by Lafeber), if any, accompanying or associated with these Policies is intended to help answer questions in connection with them, but is not part of these Policies. In the event of any disagreement over the interpretation or enforcement of these Policies, the view of Lafeber will control.

If a Retailer violates these Policies or Lafeber determines that such Retailer does not qualify for or abused any or all of the MRP Policy Exemptions or the A&M Policy Exemption, such exemption(s) will be deemed withdrawn by Lafeber retroactive to the Policy Effective Date or such other date specified by Lafeber. Except in extraordinary circumstances, Lafeber will not consider any requests for other exemptions. The consequences of violating these Policies are non-exclusive and do not limit or waive in any way the legal, equitable and other remedies available to Lafeber, particularly for conduct relating to Lafeber Intellectual Property.

Lafeber will not discuss any conditions of acceptance related to these Policies. In addition, Lafeber neither solicits, nor will it accept, any assurance of compliance with these Policies. Notwithstanding anything to the contrary which may be expressed or implied in or by one or more agreements between a Retailer and Lafeber or a Retailer and a Distributor, nothing therein shall constitute an agreement by such Retailer to comply with these Policies, as, among other things, these Policies are not and should not be construed to be one of the Lafeber Policies (as such term or the equivalent is or may be used in any or all of such agreements) where such compliance is mandatory.

8. <u>Questions, Additional Information or Information Regarding Potential Violations</u>. All questions or requests for additional information regarding these Policies and all information regarding potential violations of these Policies must be in writing and are to be addressed to the following person at Lafeber responsible for these Policies (*"Policy Administrator"*):

Policy Administrator, Lafeber Company, 24981 North 1400 East Road, Cornell, IL 61319 USA email: policyadmin@lafeber.com

Only the Policy Administrator or the Policy Administrator's designated representative(s) is or are authorized by Lafeber to answer questions regarding these Policies, to comment on these Policies or to accept information regarding potential violations.