



2015 KING BIO MINIMUM ADVERTISED PRICE (MAP) POLICY

Effective October 1, 2015 King Bio, Inc. ("King Bio") adopts this Minimum Advertised Price Policy ("Policy").

Authorized Distributors

This Policy applies to all King Bio authorized distributors and resellers ("Authorized Distributors" herein), which term shall include all customers of King Bio who offer for sale to third parties any King Bio product (whether MAP products or any other King Bio product not listed as a MAP product, whether for resale to third party consumers, resellers or otherwise).

MAP Products

This Policy applies to the products described in the attachment ("MAP Products").

Pricing and Advertising

MAP Products may not be sold or advertised at less than the MAP Price (prices listed on the attached Minimum Advertised Price List, each an "MAP Price" for the MAP product listed) in effect at the time of Advertising. Advertising media includes the internet and websites, social media platform, blog, or other type of internet-based media, mailers/emails, flyers, inserts, coupons, posters, newspapers, magazines, catalogs, mail order catalogs, or any other circulated printed media, radio or television announcement; a fax, a text message, a retail point-of-sale display, and any other announcements or communications to potential end users or customers of MAP products (all and each constituting "Advertising"). Any advertisements, discounts, rewards programs, special offers, sales promotions, coupons, etc. of any Authorized Distributor must explicitly state "Not Valid on King Bio Products". This policy applies to volume discounts or other promotions that would cause the unit price to be less than MAP price. King Bio reserves the right to modify the MAP price on any MAP product at any time and will notify Authorized Distributors of price modifications as soon as reasonably possible after such modifications are made. Authorized Distributors are solely responsible to comply with all applicable laws and regulations when advertising or selling MAP products or any King Bio products.

Non-Compliance With Policy

All determinations of whether an Authorized Distributor is not in compliance with this policy shall be made in the sole determination of King Bio, which determination shall not be reviewable or appealable. The following are considered failures to comply with the Policy by any Authorized Distributors who regularly purchase MAP products from King Bio:

- a) Listing in any advertising MAP product prices lower than the MAP price listed in the attachment hereto for the MAP product.

- b) Giving any rebate, discount, incentive or other inducement which effectively lowers the price of the MAP product below the MAP price (unless the program is sponsored by King Bio and is available to all qualified Authorized Distributors); or
- c) A failure to state a price for a MAP product and/or leading customers to believe that the price offered for a MAP product is below the MAP price

Enforcement of Non-Compliance

In response to non-compliance with this policy, King Bio may take the following enforcement actions:

Sales of MAP Product by King Bio:

FIRST OFFENSE

King Bio reserves the unilateral right to discontinue sales to the Authorized Distributor of all products in the same category as the MAP product that is the subject of the violation ("Affected Product"), until King Bio has determined in its sole discretion that the Authorized Distributor that regularly purchases MAP products from the Authorized Distributor is no longer in violation of the policy.

SECOND OFFENSE

King Bio reserves the unilateral right to immediately discontinue sales to the Authorized Distributor of all products in the category as the Affected Product for a period of no less than six (6) months.

Notwithstanding the above (and regardless of whether the non-compliant Authorized Distributor has ever been found to be in non-compliance in the past), King Bio, in its sole discretion and determination that it is in the best interest of King Bio in protection of its business interests may remove any non-compliant Authorized Distributor from the list of distributors and resellers entitled to purchase MAP products from King Bio, either permanently, or for any other term as King Bio shall determine.

CORRECTIVE ACTION

- a) Upon demand of King Bio, any non-compliant Authorized Distributor must remove any internet or e-commerce activity which King Bio deems to be out of compliance with the Pricing and Advertising requirements of this policy within 24 hours after demand. A failure to comply with any such demand within 24 hours shall be cause for removal of the non-compliant Authorized Distributor from the list of distributors and resellers entitled to purchase MAP products from King Bio, either permanently, or for any other term as King Bio shall determine.

- b) Authorized Distributors may not use any King Bio product names, trademarks or copyrights as part of a URL (Universal Resource Locator), secondary domain name, meta-tags, key words or file names. The unauthorized use of copyrights, trademarks, logos, manufacturing images, product images, copy, or other King Bio information on the internet without express written consent of King Bio is prohibited. All photos, images, and product and/or company description content pertaining to describing King Bio must be current and obtained from King Bio directly. This information cannot be pulled from the King Bio website or other internet sources, unless specifically directed in writing by King Bio.



COMPLIANCE MONITORING

King Bio, itself or through an independent third party, will monitor compliance of Authorized Distributors with this MAP policy. All questions concerning this policy should be directed to King Bio at:

King Bio Policy Enforcement
3 Westside Drive
Asheville, NC 28806

POLICY SUBJECT TO CHANGE

From time to time, King Bio reserves the right to: A) modify the list of MAP products, B) change the MAP prices, and C) change the other terms and conditions of this policy.

POLICY ONLY APPLIES TO ADVERTISING

This policy addresses only the advertisement of prices. It does not regulate selling prices. Authorized Distributors are permitted to independently and unilaterally establish resale prices of King Bio products.