

## Minimum Advertised Price (MAP) Policy

1. <u>Purpose</u>: The purpose of this MAP Policy is to encourage the successful advertising, promotion and sale of Covetrus products in North America by establishing and maintaining brand equity and encouraging investment and promotion by distributors and customers.

## 2. **Scope**:

- (a) <u>Products</u>. Covetrus has unilaterally implemented this MAP Policy to apply to all promotions and advertisements by all distributors and customers of Covetrus-branded and proprietary products set forth on the MAP Policy product and advertised pricing schedule available at <a href="https://www.northamerica.covetrus.com/sales-terms-conditions">https://www.northamerica.covetrus.com/sales-terms-conditions</a> (the "Covetrus Brand Product MAP Schedule"). This MAP Policy applies to all products on the MAP Schedule (the "Products") advertised or promoted by Covetrus's distributors and customers who operate or maintain a business involving the sale of those Products, regardless of whether that distributor or customer also maintains a traditional veterinary practice (each a "Customer").
- (b) <u>Advertised Prices</u>. This MAP Policy only applies to advertised prices and does not apply to the price at which Products are actually sold by Customers. Each advertisement or promotion of a Product below the minimum advertised price for that Product set forth on the MAP Schedule is a violation of this MAP Policy. As always, Customers have the ability and discretion to independently sell Products at any price they choose. Covetrus does not seek, nor will Covetrus discuss or accept, any agreement or assurance from Customers concerning prices at which Customers decide to sell Products.
- (c) <u>Advertisements and Promotions</u>. This MAP Policy applies to all advertisements of Products in any of the following irrespective of whether they are administered directly by Customer or by a third-party:
  - (i) flyers, banners, posters, coupons, mailers, inserts, newspapers, magazines, catalogs, catalogs;
  - (ii) television, radio, public signage;
  - (iii) SMS or related text messages;
- (iv) brick-and-mortar locations, venues, or other physical marketplaces (where, for the sake of clarity, a price tag affixed or displayed immediately adjacent to a product is not an "advertisement" under this MAP Policy);
- (v) internet communications or ecommerce marketplaces (Amazon.com, Buy.com, Craigslist.org, Jet.com, Newegg.com, Overstock.com, Rakuten.com, Walmart.com., etc.);
  - (vi) internet auction sites (eBay, eBid, CoPart, Auction.com, etc.);
  - (vii) search-related graphic or textual ads, banners or links (Google, Yahoo, Bing, etc.);
  - (viii) on social media (Facebook, Pinterest, Snap Chat, Instagram, LinkedIn, etc.); and
  - (ix) other media whether or not it currently exists or arises in the future.
- 3. <u>Violations</u>. Although not a definitive list and by way of example only, Covetrus deems the following as violations of this MAP Policy: Advertisements that
  - (a) claim "The Lowest Prices," "Too Low to Publish," "Special In-Cart Pricing," and the like;
  - (b) state or suggest that a Customer will "beat any competitor's advertised price" on a Product and the like;
- (c) use "preferred" customer, "loyalty" programs, Customer or store "rewards", club or member discounts or credits, or other discount language, cards or programs that advertise a Product below the MAP Schedule;
- (d) offer free Product, giveaways, credits, or discounts resulting in an advertised price below the MAP Schedule, or leading a buyer to believe that the advertised price is below the MAP schedule; or
  - (e) state a percentage off, grouping or bundling of Products to imply an advertised price below the MAP Schedule.
- 4. <u>Updates</u>. Covetrus reserves the right to add to or adjust the MAP Schedule at any time, from time to time, at its sole discretion, and without notice. Customers are responsible for remaining current with this MAP Policy and the MAP Schedule. Any changes to the MAP Schedule do not affect a distributor's or customer's advertising materials established before the effective date of updates to the MAP Schedule.
- 5. **Enforcement.** Covetrus will make the final determination of whether any violation of this MAP Policy occurred and whether that violation has been corrected. If a Customer fails to comply with this MAP Policy, Covetrus may take one or more the following actions in its sole discretion:
- (a) Provide that Customer notice of that violation, with reasonable detail, and direct the Customer to immediately correct or remove the relevant advertisement.

- (b) eliminate any and all accumulated benefits, discounts, rewards, bonuses, credits, incentives, or the like, under any Covetrus program (whether based on volume, early buys, prior purchases, or otherwise),
  - (c) Increase Customer's acquisition price for the Products in question by up to 10% for a 90-day period;
  - (d) Suspend Customer's purchases of the Products in question for a 90-day period.
  - (e) terminate its business relationship with the Customer with respect to the Products.

Covetrus's decision to not impose any of these remedies for non-compliance is not a waiver of its right to impose any one or more of these remedies for any future instance or continuance of non-compliance. Further, Covetrus will not accept any communication from a Customer regarding its non-compliance, its willingness to bring its advertised prices into compliance, or any other Customer's compliance with this MAP Policy.

6. **Questions**. For questions regarding this MAP Policy, the MAP Schedule, or your compliance status please contact Covetrus at:

Covetrus, Inc., Attn: MAP Policy Enforcement, 12 Mountfort Street, Portland ME, 04101 brand.enforcement@covetrus.com