



January 2, 2016

Panacea Scientific Retail Partners,

Panacea Scientific has determined that the interests of Panacea and its Partners are best served through the adoption of a minimum advertised price (“MAP”) policy. This MAP policy is designed to:

- 1) Protect reseller margins so that desirable pre-sales and post-sales services and infrastructure can be provided by our channel partners
- 2) Support Panacea Scientific’s products as Premium offerings
- 3) Avoid destructive pricing conflicts between channels

This policy has been unilaterally adopted by Panacea Scientific and will be uniformly enforced.

Policy Coverage

This MAP policy covers all Panacea Scientific resellers located in the United States. Although resellers remain free to establish their own resale prices, Panacea Scientific will, without assuming any liability, unilaterally impose sanctions as described in this policy against resellers who advertise Panacea Scientific products at prices below those specified herein. Panacea Scientific will not discuss any conditions of acceptance related to this MAP policy, as it is non-negotiable, and will not be altered for any reseller. Panacea Scientific neither solicits, nor will it accept, any assurance of compliance with this MAP policy. Nothing in this MAP policy or in any other contract agreement with Panacea Scientific shall constitute an agreement between Panacea Scientific and reseller that the reseller will comply with this MAP policy.

MAP applies only to minimum advertised prices and does not apply to the price at which the products are actually sold, or to advertised prices higher than the unilateral minimum resale prices established by Panacea Scientific from time to time.

Minimum Advertised Price

Panacea Scientific products may not be advertised for sale at prices below 20% of the Suggested Retail Price as it appears on its then-current price list. The products and MAP may be changed from time to time at Panacea Scientific’s sole discretion. Panacea Scientific’s resellers are responsible for remaining with current its MAP policy, products and pricing.

Each advertisement below the MAP will be a violation of the policy.

The MAP policy applies to all advertisements of specific Panacea Scientific products in any and all media including, without limitation, flyers, posters, coupons, mailers, inserts, newspapers, magazines, catalogues, mail order catalogues, Internet or similar electronic media, television, radio and public signage.

Policy Violations

In the event a reseller chooses not to follow the Panacea Scientific MAP policy, sanctions will be unilaterally imposed by Panacea Scientific.

Violations of MAP policy shall be determined by Panacea Scientific at its sole discretion. Panacea Scientific will not accept any communication from a reseller who has violated this MAP policy regarding the violation, or the willingness of the reseller to bring its prices into compliance with the MAP policy.

In addition to the above, failure to adhere to the MAP policy will be a factor taken into account in the determination of whether or not Panacea Scientific will offer any discounts or sales incentive to the reseller.

Policy Modifications

Panacea Scientific reserves the right at any time to modify, suspend or discontinue the MAP policy, in part or in whole, or designate promotional periods during which the terms of the policy change or designate periods of time during which the policy is not applicable. Policy modifications shall be sent directly to the reseller via mail, email or fax.

Unilateral Action

Panacea Scientific is not seeking agreement from any reseller to adhere to this MAP policy. It is entirely within the discretion of the reseller whether to comply or not comply.

Contact Information

Panacea Scientific Sales Personnel have no authority to:

- 1) Modify or Grant exceptions to this policy
- 2) Have any communications with any reseller regarding violations of this MAP policy

All questions or comments regarding this MAP policy are to be directed to Matt Smith, Chief Marketing Officer, Panacea Scientific at matts@panaceacorp.net. As administrator of this MAP policy, Mr. Smith shall be solely responsible for determining whether a violation of the policy has occurred, communicating decisions to resellers regarding the policy and receiving any communication regarding sanctions imposed under this policy.

Sincerely,

Matt Smith

Chief Marketing Officer

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