

## 1626 NW Thurman St, Portland, OR 97209

## Minimum Advertised Pricing Policy (MAP)

This MAP policy ("Agreement") has been established by Smith Teamaker, LLC ("Smith Teamaker") to help ensure our legacy as a producer of the highest of quality tea and tea related products and to protect the reputation of its name and products. This MAP policy is also designed to ensure that our distributors and on-line retailers have the incentive to invest in the proper inventories of our products in order to meet the needs of their respective customers. We greatly appreciate the efforts of all our distributors and on-retailers to stock and distribute our products and support our consumers' desire to access the highest of quality tea products on the market.

Therefore, in consideration of the mutual promises set forth below, Smith Teamaker and the distributor ("Distributor") and on-line retailer identified below as ("Reseller") agree as follows:

- Smith Teamaker has established a Minimum Advertised Price Policy ("MAP") for its products. The MAP may be adjusted from time to time in the sole discretion of Smith Teamaker provided at least 30 days prior notice is provided to Reseller. This MAP and all future revisions or adjustments of the MAP shall be uniformly applied to all Distributors and Resellers in the United States and Canada.
- 2. This MAP specifically includes a maximum allowed advertised discount of 10% percent off "single item" Manufacturer Suggested Retail Price ("MSRP") as indicated by the current pricing supplied by Smith Teamaker and attached hereto, except in the case of a special promotion Smith Teamaker pre-approves in writing. Smith Teamaker reserves the right to modify MSRP at any time and in that event shall notify all Distributors and Resellers of such modification. This MAP applies to all advertisements for any Smith Teamaker branded products in any and all media including but not limited to newspapers, magazines, catalogs, mail order catalogs, flyers, coupons, posters, direct mail or inserts, web sites or any form of internet communication, including email, search engines, auction sites and social media sites, television, radio or any other form of public display. Email, telephone or other electronic contact with a consumer that is in direct response to such consumer's inquiry is not considered to be advertising.
- 3. This MAP policy is *not* applicable to any physical in-store (not internet or other electronic merchandising) advertising that is displayed only in the store and not distributed to any customer(s). The inclusion in advertising of free or discounted products, whether Smith Teamaker products or the products of others, "bundled" with Smith Teamaker products that has the effect of discounting the advertised Smith product below the Minimum Advertised Price constitutes a breach of this Agreement.
- 4. Where pricing is displayed, any strike-through or other alteration of the Minimum Advertised Price is prohibited. MAP applies only to advertised prices and does not apply to the price at which the products are actually sold or offered for sale to an individual consumer within a retail location. Distributor and Reseller remain free to sell our products at any prices they choose.
- This MAP does not establish maximum advertised prices. All Resellers may offer Smith Teamaker products at any price in excess of the MAP. Internet auctions may not display

- or have a reserved bid or similar pricing displayed prior to closing of the auction that is below the MAP price.
- 6. Smith Teamaker's MAP does not in any way limit the ability of any Reseller to advertise that they "have the lowest prices", or that they "will meet or beat any competitor's price", that consumers should "call for a price" or similar phrases as long as the price advertised or listed for the products is not less than MAP.
- 7. Distributor and Reseller agree to hold all trademarks of Smith Teamaker as the property of Smith Teamaker and use advertising materials provided by Smith Teamaker in an authorized manner only.
- 8. From time to time, Smith Teamaker may institute special promotions for products covered by the MAP because products are being discontinued or are just being released. In that event, Smith Teamaker reserves the right to modify or suspend the MAP with respect to the affected products by notifying Reseller and all Distributor of such a change.
- 9. In cases of violation of the MAP policy, retailer (and any other violating Distributor) will be allowed 24 hours to bring violating advertising into compliance or Smith Teamaker will cease supplying products to the violator. In cases of intentional or repeated failure to abide by this MAP Smith Teamaker will request of the Distributor to terminate all shipments to Reseller. Smith Teamaker will not be obligated to provide prior notice nor issue any warning before taking such action.
- 10. Distributor will supply a copy of this MAP to any new or existing Reseller or any other party in distributor's distribution channel that takes title to any of Smith Teamaker products and cause such copy to be duly executed by such party and, if to an existing dealer or customer of distributor, within 30 days from the date hereof, and within seven days in the case of a new Reseller.
- 11. This Agreement: (a) is governed by the laws of the State of Oregon and any action brought hereunder shall be in the federal or state courts of Oregon, (b) is confidential, (c) is binding on and inures to the benefit of any parties' successors and/or assigns, (d) may be executed in counterparts, (e) shall be modified to the extent necessary if any provision is held invalid, illegal or unenforceable, (f) constitutes the entire agreement of the parties with respect to its subject matter and supersedes all prior agreements.

Please indicate your understanding and agreement with the terms contained herein by completing and having a duly authorized representative sign below and return a copy to Smith Teamaker, Attn: Steven Smith at the address provided above.

Date:	
Retailer (or Distributor):	
Address:	
Authorized Representative	
By: Printed Name:	
Printed Name:	Title: