# Wellness Pet Company Unilateral Minimum Advertised Price Policy for Canada Effective as of 05/01/2024

At the Wellness Pet Company (together with our affiliates, "Wellness Pet"), we believe it is critical that each pet receives the product that is best suited for its individual needs, and we ask our pet retailers that Wellness Pet has authorized to re-sell our products to help consumers determine what is best for their pets – for example, through informational posts, targeted advertising, and excellent customer service. Wellness Pet has determined that certain advertising practices undermine Wellness Pet's trade reputation, brands, and premium image within the target consumer population and discourage retailers from investing in Wellness Pet's product lines and providing the best possible service and support to consumers. In an effort to promote the qualities and services that have become associated with our brands and to support both our brick and mortar and on-line retailers, Wellness Pet has unilaterally adopted this Wellness Pet Company Unilateral Minimum Advertised Price Policy ("MAP Policy"), which applies to all authorized retailers in Canada.

Wellness Pet publishes two price lists for use within our product lines:

- A Suggested Retail Price for Authorized Retailers ("SRP") is a suggested everyday price based on our view of product positioning and return; and
- A Minimum Advertised Price ("MAP") for Authorized Retailers is the minimum advertised price at which Wellness Pet products may be advertised without violating this MAP Policy.

This MAP Policy applies to advertisements of products owned by the Wellness Pet brands – EAGLE PACK®, HOLISTIC SELECT®, OLD MOTHER HUBBARD®, SOJOS®, WELLNESS®, and WHIMZEES® – listed on the Wellness Pet Company MAP Schedule ("Covered Products"). The Wellness Pet Company MAP Schedule will be made available to all Authorized Retailers and may be amended by Wellness Pet in its sole discretion at any time.

Wellness Pet is solely responsible for establishing the MAP for each Covered Product and communicating the MAP to all Authorized Retailers. While Authorized Retailers remain free to advertise and sell all Wellness Pet products at any price they deem appropriate, it is a violation of this MAP Policy for an Authorized Retailer to advertise any Covered Product at a price lower than the MAP. Subject to the Wellness Pet Company Unilateral Minimum Advertised Price Policy Exclusions schedule attached hereto, such advertisements include, but are not limited to, the following:

- Offering coupons, discounts, reseller rebates, or other inducements that, when applied, result in a price lower than the MAP, including through use of a storewide sale, promotional code, or other similar provision that can be applied to Covered Products.
- O Bundling Covered Products with other products or services (whether made by or provided by Wellness Pet) in a manner that implies below-MAP pricing for the bundled Covered Product.
- o Permitting any third party to alter the advertised price for any Covered Product.
- o Direct or indirect attempts to circumvent this MAP Policy.

It is not a violation to advertise that a customer may "call for price," "text for price," or "email for

price" as long as no price is listed and no automated call, text message, or "bounce-back" email is used in response.

For purposes of this MAP Policy, the terms "advertise" and "advertisement" include all promotional or pricing information displayed via any type of media, including, but not limited to, newspapers, catalogs, magazines, flyers, brochures, television, radio ads, billboards, signage (except signs displayed within a brick and mortar selling location), websites, blogs, social media, affiliate marketing networks/comparison shopping engines, or emails to customers or prospective customers, mobile/smart phone applications, banner ads, online product ads, paid search ads, pay-per-click ads, display ads, mobile ads, product listing ads, sponsored links, ads in any other media in a digital format that is communicated or conveyed via the Internet, and any other marketing or promotional materials, whether displayed online or through broadcast or other media.

Notwithstanding the foregoing, pricing information displayed in a customer's shopping cart or at the checkout stage of a transaction is <u>not</u> considered "advertising" under this MAP Policy. Pricing information in the "shopping cart" or "checkout" stages must be obscured technically so that it is not retrievable by shopping and pricing engines, and not displayed on search page results within the Authorized Retailer's own website.

This MAP Policy does not constitute an agreement between Wellness Pet and any other entity. Wellness Pet neither solicits nor will it accept any assurance of compliance with this MAP Policy from any reseller or other party. Each Authorized Retailer must independently choose whether to comply with the terms of this MAP Policy. This MAP Policy is not negotiable and will not be altered for any individual Authorized Retailer. This MAP Policy applies only to advertised prices and does not affect the prices that an Authorized Retailer may charge for Wellness Pet products.

Wellness Pet may take the following unilateral actions against any Authorized Retailer that fails to comply with this MAP Policy:

<u>First Violation</u>: Wellness Pet will send a written warning to the Authorized Retailer notifying the Authorized Retailer of the violation of the MAP Policy.

<u>Second Violation</u>: If a First Violation is not cured and/or Retailer cures a First Violation but fails to remain at MAP for a reasonable period of time, Wellness Pet may notify the Authorized Retailer of such violation and will immediately place the Authorized Retailer's account on a shipping hold for the affected Covered Product SKUs (those Covered Products for which the Retailer committed a first violation) for a period of 15 days.

<u>Third Violation</u>: If a third violation occurs Wellness Pet may revoke the Authorized Retailer's access to purchase the affected Covered Product SKUs (those Covered Products for which the Retailer committed a second violation) for 45 Days. Wellness Pet will revoke its acceptance of any pending orders and cancel any pending shipments to the Authorized Retailer for the affected Covered Product SKUs. With respect to the affected Covered Product SKUs, Wellness Pet may withhold funding tied to the promotion of the affected Covered Product SKUs, and may revoke its acceptance of any pending orders, and not accept any new orders from the Authorized Retailer during this 45 day period.

## POLICY ADMINISTRATION

Wellness Pet may update, revise, suspend, terminate, reinstitute, or modify this MAP Policy at any time in its sole discretion. Wellness Pet shall make any such modifications available to all authorized resellers. If Wellness Pet changes the MAP on any Covered Product, it will provide notice to Authorized Retailers before such change takes effect.

No Wellness Pet employee or agent, including an Authorized Retailer's sales representative, is authorized to modify, interpret, or grant exceptions to this MAP Policy; solicit or obtain the agreement of any person to this MAP Policy; or otherwise discuss any aspect of this MAP Policy with any Authorized Retailer, including that Authorized Retailer's or any other Authorized Retailer's compliance with the terms of the MAP Policy. Any questions about this MAP Policy should be submitted in writing and directed to Wellness Pet's MAP Policy Administrator at <a href="mailto:Generalcounsel@wellnesspet.com">Generalcounsel@wellnesspet.com</a>. Wellness Pet will accept no other form of communication from resellers regarding the MAP Policy.

This MAP Policy is effective 05/01/2024 and supersedes all prior Wellness Pet policies and/or representations regarding minimum advertised prices or resale prices for Wellness Pet products applicable to any Authorized Retailer. To the extent that any provision, term, or agreement governing the relationship between Wellness Pet and any Authorized Retailer may be construed in a manner that is inconsistent with the terms of this MAP Policy, the terms of this MAP Policy control.

# Wellness Pet Company Unilateral Minimum Advertised Price Policy – Examples

#### **Effective as of 05/01/2024**

The MAP Policy allows for the following promotions to be advertised on site:

- Products within WHIMZEES®, Old Mother Hubbard ® and wet canned subcategories purchased as a part of a program that offers a "Buy product X and receive the same product X at a discount"; provided that, the discount cannot be more than 50% off the listed price. Examples include but are not limited to: "Buy one bag of 8 lb. dog food, get the second for half price." "Buy one value bag of dog dental, get the second one for half price."
- Products offered as a group or bundled purchase, for example: "Buy products X, Y and Z for \$X.XX", provided that the total sale price of all products in the bundle does not exceed a 30% discount from MAP
- Products purchased pursuant to either a customer loyalty program (including, without limitation, auto-ship, subscribe and save programs, in cart discounts on multiple item purchases, Frequent Feeder Programs and loyalty card programs); provided that, the discount on such products is not greater than 5% off the advertised price per item, or not greater than 10% for autoship discounts when the program purchases include five or more items.
- Advertisements for buy online pickup in-store ("BOPIS") discounts, provided that prior to the shopping cart and final online checkout stage, the advertisement does not calculate out a price lower than the MAP.
- Advertisements for discounts, rebates, or similar offers available to customers upon application by the customer and approval of a retailer-affiliated credit card, provided the advertisement does not specifically feature or reference Wellness Pet or any Covered Product brands.
- Products/SKUs discontinued by Wellness Pet.
- Promotions offering a retailer gift card upon purchase of a Covered Product.

### The MAP Policy allows for the following:

- Advertisements of discounts available for a customer's first-time purchase, provided that the discount does not exceed thirty-five percent (35%).
- From time to time, Wellness Pet may announce MAP holidays or promotions that are applicable to all Authorized Retailers, during which periods an Authorized Retailer that advertises a Covered Product in accordance with the terms of the authorized promotion, including any specifically allowed additional first-time purchase, autoship, repeat delivery etc. discounts, will not be deemed to have violated the MAP Policy. Wellness Pet will notify all Authorized Retailers of any such authorized promotions, generally not fewer than thirty (30) days in advance.
- Advertisements under one or more special programs (if any) designated by Wellness Pet, such as free can promotions to encourage user conversion, as long as the Authorized Retailer complies with the terms and conditions of such program(s) specified or otherwise expressly approved by Wellness Pet in advance.
- Products which are sold pursuant to valid manufacturer's coupons/rebates through an authorized clearinghouse, as long as any Authorized Retailer advertisements do not show a net price (net of the coupon) below the published MAP.
- Products sold as clearance, discontinued or that have 60 days or less left on code dating,

- provided that the products and pricing are not advertised.
- Products/SKUs discontinued by an Authorized Retailer. The discontinued products/SKUs must be identified as "Clearance" or "Discontinued" items and also cannot be advertised. Discontinued products/SKUs will not be available for purchase by the Authorized Retailer that is discontinuing the product/SKU for a period of six (6) months.
- The advertisement of free or reduced-price shipping is not a violation of the MAP Policy as long as such offer applies to all or almost all other products offered by an Authorized Retailer in the same product category.