



## MINIMUM ADVERTISED PRICE POLICY

Effective Jan 1, 2008, ESR International, LLC (“**ESR Int’l**”) has unilaterally adopted this Minimum Advertised Price Policy (“**MAP Policy**”) on selected products, which shall apply to distributors, wholesalers and retailers (collectively, “**Resellers**”) who resell Prota™Culture products to end users located in North America.

ESR Int’l is adopting this MAP Policy to preserve its strong reputation for providing customers with high value products and strong after-sales support. ESR Int’l greatly values the efforts of all Resellers to distribute Prota™Culture products.

### **The MAP Policy shall work under the following guidelines:**

1. The MAP Policy shall apply to the ESR Int’l products listed in the MAP listings at the end of this document. The MAP Policy for ESR Int’l products shall be listed on each ESR Int’l price sheet for dealers and distributors. MAP pricing is established by ESR Int’l for selected products and may be adjusted by ESR Int’l at its sole discretion.
2. The MAP Policy applies to all advertisements of selected ESR Int’l products in any and all media, including, without limitation, flyers, posters, coupons, mailers, inserts, newspapers, magazines, catalogs, mail order catalogs, Internet or similar electronic media including websites, email newsletters, email solicitations, television, radio, and public signage. The MAP policy is not applicable to any in-store advertising that is displayed only in the store and not distributed to any customer. In-store displays, point-of-sale signs, hangtags or bar codes or similar marks on products or product packaging which merely state the price are not considered “advertising” for purposes of this MAP Policy. In that regard, this MAP Policy does not apply to the actual sales price on any “check-out page” of any Reseller’s website or related Internet site (typically the page at which the end user finally purchases the product). This MAP Policy does apply to any other page(s) on the Reseller’s website.
3. Bundling or including a free or discounted product (whether made by ESR Int’l or another manufacturer) with a ESR Int’l product covered by this MAP Policy would **not** violate this policy and is permitted.
4. If pricing is displayed, any strike-through or other alteration of the Minimum Advertised Price is prohibited.
5. The MAP Policy 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 the Reseller’s retail location or over the telephone. ESR Int’l Resellers remain free to sell the selected MAP products at any prices they elect.
6. The MAP Policy does not establish maximum advertised prices. All Resellers may offer ESR Int’l products at any price in excess of the MAP established for such products. Internet auctions may not display or have reserved bid or other acceptable prices below the MAP price.
7. The MAP Policy does not in any way limit the ability of any reseller to advertise that “they have the lowest prices” or, they “will meet or beat any competitor’s price,” that consumers should “call for a price” or phrases of similar import as long as the price advertised or listed for the products is not less than MAP.

8. From time to time, ESR Int'l may instigate promotions for products covered by the MAP Policy because the products are being discontinued or because they are just being released. In such events, ESR Int'l reserves the right to modify or suspend the MAP with respect to the affected products by notifying all Resellers of such a change. ESR Int'l further reserves the right to adjust the MAP with respect to all or certain products at its sole discretion upon 7 days advance written notice to Resellers provided that such changes shall apply equally to all Resellers.
9. In cases of violation of the MAP Policy, Resellers will be allowed forty-eight (48) hours to bring advertising into compliance or ESR Int'l will cease supplying products to the Reseller. In cases of intentional and/or repeated failure to abide by this policy, ESR Int'l may, in its sole discretion, terminate all orders from or to and all contracts with the Reseller. ESR Int'l may not provide prior notice or issue warning before taking action under this policy.
10. This MAP Policy is solely ESR Int'l's decision and responsibility acting through the duly authorized managers of ESR Int'l, LLC. No employee or sales representative of ESR Int'l has any authority to discuss or modify this policy and any action of any person, which claims to modify this policy or to solicit or obtain the agreement of any person to the policy, is unauthorized and invalid. Any questions about this policy should be in writing and directed via U.S. Mail to Karl Warkomski, Manager, Prota™Culture, a Division of ESR International, LLC, 755 Darius Pearce Rd, Youngsville NC 27596 or via email to [karl.warkomski@esrint.com](mailto:karl.warkomski@esrint.com) who will respond only in writing. No oral communications about this policy are authorized. The foregoing MAP Policy and any MAP Product Listing is subject to modification or discontinuance by ESR Int'l, in its sole and absolute discretion, at any time. Any action taken by ESR Int'l under this policy shall be without liability to ESR Int'l.
11. Distributors of ESR Int'l products will supply a copy of this MAP Policy to any new or existing retail Reseller to be filled out, acknowledged and returned to ESR Int'l. This form shall be signed and returned to ESR Int'l and in doing so, will bind the Reseller to abide by the MAP Policy and Reseller requirements spelled out in this document.

Please indicate your understanding of this policy and your willingness to abide by its terms and conditions by signing and, where applicable, listing the name of your company below.

*Date:*

*Company:*

*Address:*

*Authorized Rep:*

## **MINIMUM ADVERTISED PRICE POLICY PRODUCT LISTING** – Updated Jan 1, 2008

If a particular ESR Int'l product does not appear on the MAP Listing below, then there is no Minimum Advertised Price for the product.

### **PRODUCTS:**

BioPod™ – 2 foot residential bioconversion system

Prota™Pod – 3 and 4 foot commercial bioconversion systems

BioGrubs™ – starter colonies or bulk larvae