### MAP Policy

KARMA CAT INC. (BRAND DHARMA DOG KARMA CAT®) is focused on maintaining high margins for our network of distributors and retailers. KARMA CAT INC. is committed to enforcing policies which allow our resellers to maintain high profit margins through the sale of our products, and have an established Minimum Advertised Price (MAP) Policy that an Authorized Reseller must follow for the advertising and marketing of KARMA CAT INC. (DHARMA DOG KARMA CAT®) products. All Authorized Resellers must agree to the terms and conditions of the following MAP Policy. This MAP Policy applies to all DHARMA DOG KARMA CAT Brand Retailers, Wholesalers, Showrooms, Distributors, Authorized Online Retailers and, is effective January 1, 2021, and replaces and supersedes any prior MAP policies for DHARMA DOG KARMA CAT brand products.

# KARMA CAT INC.'s MAP Policy Guidelines for DHARMA DOG KARMA CAT Products

MAP pricing for all DHARMA DOG KARMA CAT products can be found on your current price list. All advertised prices must be at or above MAP for all DHARMA DOG KARMA CAT products if a MAP price has been established by KARMA CAT INC.. Resellers are not required to list prices in advertising. If a price is listed in an advertisement it must be at or above MAP.

Resellers are also responsible for ensuring their DHARMA DOG KARMA CAT pricing is at or above MAP on internet search engines. Resellers are free to set the actual resale price of any product as long as it is at or above MAP price given the most recent publication of the price list. DISTINCTLY HIMALAYAN'S MAP policy for all DHARMA DOG KARMA CAT products apply to advertising placements, including but not limited to: print ads (inserts, magazines, newspapers, catalogs, mail order catalogs, etc.), broadcast (radio and TV), direct mail, faxes, internet placement with third parties (banner ads, broadcast emails, destination pages, third-party sites), internet placements on resellers own website, and any flyers, posters or coupons.

From time to time, DHARMA DOG KARMA CAT may permit resellers to advertise MAP Products at prices lower than the MAP price. In such events, DHARMA DOG KARMA CAT reserves the right to modify or suspend the MAP price with respect to the affected products for a specified period of time by providing advance notice to all resellers of such changes.

### **Pricing Statements**

KARMA CAT INC.'s MAP Policy does allow resellers to omit pricing entirely from advertisements and/or advertisement statements such as "Call for Price" or "Call for Quote."

### Free Offers Associated with KARMA CAT INC. Product

Free shipping and/or handling, 0% sales tax, or free financing promotions do not violate the MAP.

### All DHARMA DOG KARMA CAT Products Price Matching Policies

Price matching policies are acceptable. Price matching cannot be used as a valid reason for violations of KARMA CAT INC.'s MAP Policy. Advertised price must always be at MAP or higher.

# Failure to Comply with the MAP Policy

At the sole discretion of KARMA CAT INC., failure to comply with MAP, intentional and/or repeated failure to abide, may result in the immediate loss of Authorized Reseller status and your ability to purchase all DHARMA DOG KARMA CAT products both direct as well as through distribution.

### KARMA CAT INC. will utilize the following steps to resolve MAP violations:

1. Any and all dealers selling DHARMA DOG KARMA CAT products which have not signed a KARMA CAT INC. MAP Policy agreement are classified as Unauthorized Resellers.

- 2. Distributors of KARMA CAT INC. are required to provide a signed MAP agreement from any dealer selling DHARMA DOG KARMA CAT products. Unauthorized dealers should not be sold to or provided a feed from any distributor whatsoever.
- 3. Violations from Authorized Resellers will need to be corrected within 24 hours of notification.
  - 1. First Violation: Authorized Reseller's account will be put on hold temporarily and a written warning will be provided. MAP violations must be corrected within 24 hours. Upon correction and following 30 days of compliance, violation will then be cleared.
  - 2. Second Violation: Authorized Reseller's account will be put on hold for 30 days.
  - 3. Third Violation: Authorized Reseller's account will be put on hold for 180 days. After this duration, KARMA CAT INC. will review and determine if account is to be reinstated.
  - 4. Fourth Violation: Should KARMA CAT INC. decide to reinstate an Authorized Reseller who has previously demonstrated a third violation, yet violates a fourth time, the account will be unauthorized indefinitely.

\*\*\*KARMA CAT INC. will issue a new price list upon the first day of each year, based on a calendar year. Pricing must be updated upon receipt.\*\*\*

#### **Reverse Passing Off**

If a seller is found to be Reverse Passing Off DHARMA DOG KARMA CAT products, it shall be considered a violation of our MAP Policy. Reverse passing off occurs when one party removes or obliterates the original trademark on a product, without permission, and sells the product either unbranded, or with the actor's own mark.

If a reseller is found to be Reverse Passing Off, they will be permanently banned from selling DHARMA DOG KARMA CAT products from any source, and shall return all unsold units to KARMA CAT INC., to be refunded at their wholesale value at the time of return, minus return shipping and a 20% restocking fee.

No KARMA CAT INC. employee or representative is authorized to modify or change this Policy for any particular DHARMA DOG KARMA CAT Reseller. KARMA CAT INC. alone will implement, interpret and enforce this Policy in its sole discretion and independent judgment. KARMA CAT INC. does not expect, and will not accept, any assistance from or agreement with its customers about this Policy or its implementation, interpretation or enforcement.

Please make sure that all appropriate people in your organization receive a copy of this Policy. KARMA CAT INC. reserves the right to amend or discontinue this Policy at any time, and we will notify you of any such amendment or discontinuation.

This Policy is in addition to and separate from all other KARMA CAT INC. policies. Thank you for your continued support of DHARMA DOG KARMA CAT products.