

BSN Medical Inc., an Essity company, Minimum Advertised Price Policy

1. Introduction

Dear Valued Dealer,

We appreciate your loyalty and support of BSN products. BSN Medical Inc., an Essity company has a long history of providing high quality medical grade products to ensure a positive customer experience.

Our unilateral minimum advertising price policy helps to ensure that all of our partners can more effectively sell our products, continue to support our brand as a premium offering, and avoid intra-brand channel conflict.

This Policy is effective July 1, 2019 and will supersede all previous MAP Policies.

This Policy includes a Promotional MAP period allowing for additional discounts off MSRP for the following time period:

- November 29, 2019 through January 3, 2020

2. Policy Statement

BSN, in its sole discretion, reserves the right to discontinue doing business with any Dealer that advertises any product(s) covered by this MAP Policy ("MAP Products") at a price that is lower than set forth in this MAP Policy.

The term "Dealer" here includes any individual or organization that purchases BSN products for distribution, resale or sale to end user individuals.

3. General Guidelines

- a. The MAP Products covered by this MAP Policy are listed in Section 6. BSN may in its sole discretion modify this list at any time.
- b. BSN recognizes that Dealers are free to make their own decisions to advertise and sell any BSN product at any price they choose, without consulting or advising BSN. Similarly, BSN will exercise its right to make its own decisions regarding the BSN Authorized Distributor/Reseller Program, supplemental marketing materials, point-of-purchase displays, product allocation, new product availability, or future promotional, joint marketing, or sponsorship programs.
- c. The MAP Policy applies to advertised prices, not the price at which MAP Products are actually sold or offered for sale to an individual in-store or over the telephone.

- d. The MAP Policy does not give your company authorization to sell BSN or Essity products on marketplaces including but not limited to: Amazon, Ebay.
- e. BSN believes in maintaining a well-regulated and fair marketplace for all its authorized Dealers.

4. Advertising Guidelines

- a. The MAP Policy applies to all advertisements of MAP Products in any and all media, included but not limited to flyers, posters, coupons, mailers, inserts, newspapers, magazines, catalogs, television, radio, and public signage, as well as internet sites, social media sites, apps, or any other electronic media.
- b. The MAP Policy does not apply solely on premise or in-store advertising that is not distributed to customers.
- c. Website features such as “click for price”, automated “bounce-back” pricing e-mails, pre-formatted e-mail responses, forms, automatic price display for any items prior to being placed in a customer’s shopping cart and other similar features are considered to be communications initiated by the Dealer and thereby constitute “advertising” under the MAP Policy.
- d. It shall not be a violation of this MAP Policy to advertise that a customer may “call for price” or “email for price”, or to use similar language, specifically with respect to MAP Products, so long as no price is listed.
- e. This MAP Policy also applies to any activity which BSN determines, in its sole discretion, is designed or intended to circumvent the intent of this MAP Policy, such as solicitations for “group purchases” and the like.
- f. From time to time, BSN may permit resellers to advertise MAP Products at prices lower than the MAP. In such events, BSN reserves the right to modify or suspend the MAP with respect to the affected MAP Products for a specified period of time by providing advance notice.
- g. All discounts, coupons, and rebates must be taken into account in calculating whether the Dealer has advertised a MAP Product below the MAP provided for in this MAP Policy. For example, a Dealer coupon, discount, or rebate that applies to a MAP Product, or to an entire order that includes a MAP Product, must be included when calculating the effective net retail price advertised for the MAP Product. If a coupon, discount, or rebate results in an advertised price to the customer of less than the MAP for a MAP Product, it would violate the MAP Policy. This does not preclude a Dealer from applying a coupon, discount, or rebate to other parts of a customer’s order, so long as the coupon, discount, or rebate does not result in an advertised price of the MAP Product below the MAP.
- h. The advertising of all BSN / Essity products must specifically mention the brand, product name, and the discount being offered; provided, however, that if utilizing pay-per-click advertising, a Dealer may omit product names without violating this MAP Policy. The brand and product name must be properly identified in accordance with the trademarks related to the same, as demonstrated in the tables below. For example, all JOBST® products must capitalize each letter of the brand name and utilize a registered trademark notice.

5. Policy Enforcement

BSN has a three (3) stage process of enforcement for any and all MAP Policy violations.

BSN, at its discretion, reserves the right to cancel any pending orders, restrict future orders, or suspend Dealer's account(s).

- a. First Offense
 - i. Dealer will receive a notification of the nature of the violation and shall have a period of no more than thirty (30) calendar days from the date of notice to remove the offending print advertisements from publication and distribution and twenty-four (24) hours to remove any offending electronic advertisements from web pages, internet sites, or other electronic media.
- b. Second Offense
 - i. Dealer will receive a notification of the nature of the violation and the account will be placed on a non-ship basis for thirty (30) calendar days from the date of notice.
- c. Third Offense
 - i. Dealer will receive a notification, the account will be placed on a non-ship basis indefinitely and registered as an unauthorized seller of all current and future products owned by BSN.
- d. BSN at its discretion reserves the right to bypass this process and take immediate action up to but not limited to immediately placing the account on a non-ship basis and registering the account as an unauthorized seller of all current and future products owned by BSN.
- e. The BSN MAP Policy Administrator is solely responsible for determining whether a violation of the MAP Policy has occurred.
- f. Waivers to this MAP Policy may be granted in BSN sole discretion by the MAP Policy Administrator in writing. In the event that the MAP Policy Administrator authorizes a waiver to the MAP Policy, Dealers must strictly adhere to the terms of the waiver letter. Deviation from the terms of a waiver letter will be considered a violation of the MAP Policy.
- g. BSN will utilize online price-monitoring software to swiftly alert Dealers of MAP Policy violations.
- h. Dealers are expected to provide reasonable cooperation in any BSN investigations regarding possible MAP Policy violations. Hindering, obstructing, delaying, or otherwise failing to cooperate with BSN MAP Policy investigation is a violation of this MAP Policy.
- i. The MAP Policy will be enforced by BSN in its sole discretion. Dealers, distributors, and resellers have no right to enforce the MAP Policy. Violations of this MAP Policy may result in any of the aforementioned sanctions up to and including termination of our business relationship, as well as any available remedies at law. All questions related to this MAP Policy should be directed in email to ecommercepolicy@essity.com.

Products covered in this MAP Policy can be found in the associated Excel document.