AUTHORIZED RESELLER CRITERIA FOR NUTRACEUTICAL PRODUCTS INCLUDING SOLARAY, KAL, LIFETIME, and AUBREY

INTRODUCTION

Nutraceutical Corporation ("Nutraceutical") manufactures and distributes a wide variety of brands and products, including those under the Solaray, KAL, Aubrey, and Lifetime brands ("Products"). Nutraceutical's Products comply with its extensive demands as to quality, safety, and documentation and are the result of a significant investment by Nutraceutical in research and development to ensure its products are of the highest quality and comply with regulatory requirements.

Nutraceutical has branch offices in the UK and Norway and works with Master Distributors in certain other parts of Europe. These Master Distributors work closely with Nutraceutical's international subsidiary, Au Naturel, Inc. or one of its affiliates ("Au Naturel") in establishing processes and criteria to sell only to quality resellers, including screening and selling to Authorized Resellers who operate in a manner that preserves the high quality of the Products and who are able to demonstrate a high degree of expertise in order to be able to properly answer technical customer enquiries relating to the Products, ensure compliance with health and safety and other regulatory requirements, and ensure the Products are sold safely and in an appropriate manner to end consumers.

It is for these reasons that Au Naturel, in consultation and cooperation with its branches and authorized Master Distributors, has implemented these Authorized Reseller Criteria. By purchasing Nutraceutical Products, you agree that:

- a) you will at all times comply with all relevant Authorized Reseller Criteria, including the Authorized Offline Reseller Criteria (if you sell from an offline store) and/or the Authorized Online Reseller Criteria (if you sell from a registered website) set forth below, which may be updated from time to time;
- b) you will only sell the Products to (i) end users or (ii) other Authorized Resellers;
- c) you will not sell the Products to any unauthorized resellers or unauthorized distributors; and
- d) you will not sell to any customers outside of the European Economic Area, Switzerland, or the United Kingdom.

Au Naturel and the Master Distributor each reserves the right to audit any Authorized Reseller to ensure compliance with all relevant Authorized Reseller Criteria. If an Authorized Reseller is not in compliance with all relevant Authorized Reseller Criteria, Au Naturel or, where relevant, the Master Distributor may withdraw the Authorized Reseller's authorization to purchase Products and may cease selling or shipping Products to the Authorized Reseller. Au Naturel may revise these Authorized Reseller Criteria, as well as any associated criteria, applications, and registrations, at any time.

AUTHORIZED OFFLINE RESELLER CRITERIA

An Authorized Offline Reseller is an Authorized Reseller who operates one or more physical retail stores which stock the Product. The following Criteria apply to all Authorized Offline Resellers:

High-quality retail business

- Professionalism. An Authorized Offline Reseller shall operate in a manner that preserves the high quality
 of the Products and shall perform sales in a correct, convenient, punctual, clean, customer-friendly,
 trustworthy, and generally high-quality manner. Any Authorized Offline Reseller that does not operate to
 these standards and whose business practices do not meet these standards will not qualify to sell the
 Products.
- 2. <u>Reputation</u>. An Authorized Offline Reseller shall have an established reputation and track record for the sale of premium-branded nutritional supplements, personal care products, and/or health foods comparable to the Products, or a documented financial and business plan to establish a reputation and track record for establishing such a business for the sale of the Products.
- 3. <u>High quality retail premises and appearance</u>. An Authorized Offline Reseller's premises shall be suitable for the retail sale of the Products and shall have a high quality appearance and be clearly identifiable as such externally, reflecting the premium and high quality brand reputation, as well as the specialist nature of, the Products. The premises must specialize in the retail sale of nutritional supplements, personal care products, and/or health foods (as applicable), or have a specialist department for the sale of nutritional supplements, personal care products, or health foods. Health food stores and pharmacies are both permitted if they meet the foregoing criteria.

Sales Support Personnel

- 4. <u>Product knowledge and expertise</u>. An Authorized Offline Reseller will be knowledgeable on the purchase and use of the Products and must be able to inform customers on how to properly use and consume the Products for their needs. To fulfil this commitment, each Authorized Offline Reseller will employ a sufficient number of properly trained sales staff who shall:
 - a) be able to make helpful recommendations to customers regarding the most suitable products for their needs, highlighting the benefits, uses, and features of the Products, and educate customers on how to properly use or consume the Products safely:
 - b) be able to deal competently with technical inquiries of customers; and
 - c) comply with all applicable laws and regulations regarding the sale of the Products.
- 5. <u>Training</u>. If required by Au Naturel or the Master Distributor, each Authorized Offline Reseller shall encourage one or more of its sales staff to attend and/or otherwise participate in periodic training provided by Au Naturel or the Master Distributor on the Products.
- 6. <u>In-store customer support</u>. An Authorized Offline Reseller's premises shall be staffed during all opening hours by a sufficient number of trained and qualified customer-facing staff meeting the *Sales Support Personnel* requirements specified above.
- 7. <u>Business hours</u>. The premises for each Authorized Offline Reseller must at a minimum be open during normal business hours on normal business days, as is customary in Authorized Offline Reseller's territory.

Product promotion, branding, and display

8. <u>Display with other products of like quality</u>. An Authorized Offline Reseller may only display the Products with other high-quality products from reputable manufacturers with brand reputation comparable to that of the Products. Authorized Offline Reseller shall display the Products distinctly and separately from other manufacturers' products by ensuring that the Products are depicted within a section of the Authorized Place of Business dedicated to the Products, which is contained within a section of the store dedicated to nutritional supplements, personal care products, or health foods (which may include products from other reputable manufacturers and suppliers). With the exception of Authorized Offline Reseller's self-branded

- products (if applicable), Authorized Offline Reseller shall promote the Products in general in the same or better manner as it promotes products from other manufacturers (including in terms of sales commissions or other incentives offered by the Authorized Offline Reseller to its personnel).
- 9. <u>Display and Marketing</u>. An Authorized Offline Reseller shall comply with all branding and display guidelines as specified by Au Naturel from time to time and only use marketing materials and display materials as supplied or approved by Au Naturel. Any advertising that in Au Naturel's reasonable opinion is inappropriate must be immediately discontinued or (if required) recalled by Authorized Offline Reseller.
- 10. <u>POS materials</u>. All sales brochures, catalogues, technical information sheets, and point of sale materials shall be either (i) materials supplied by Au Naturel, or (ii) materials previously approved in writing by Au Naturel. Authorized Offline Reseller shall only use point of sale materials in such manner as Au Naturel may specify from time to time.
- 11. Intellectual Property. An Authorized Offline Reseller shall accurately describe the Products using only the protected and current intellectual property of Au Naturel and in accordance with Au Naturel's specifications and any intellectual property guidelines provided by Au Naturel from time to time. Authorized Offline Reseller shall not exhibit or sell any item the trademark or brand name of which might give rise to confusion with trademarks, trade names, service marks, or any other intellectual property rights that are found on the labelling of the Products or are otherwise designated by Au Naturel as being applicable to the Products.
- 12. <u>Store name</u>. Authorized Offline Reseller's store name shall not contain any trademarks of Au Naturel or its parent, affiliates, or subsidiaries and shall not be associated with the Products or trade names or any words which are confusingly similar thereto or misspellings thereof, including any variation or combination of these words.
- 13. <u>Depreciative advertising</u>. Authorized Offline Reseller shall not engage in any advertising, promotion, or sale of a nature which in any way depreciates the integrity, value, or high quality of the Products or Au Naturel or Nutraceutical brand reputation. In particular, Authorized Offline Reseller will ensure that the Products are not inappropriately compared to other nutritional supplements, personal care products, drugs, or health foods.
- 14. <u>Packaging</u>. Authorized Offline Reseller shall not obscure or alter in any fashion the serial number on any Product or Product packaging.
- 15. <u>Prices</u>. Authorized Offline Reseller shall display total retail prices alongside the Products including VAT and any other applicable taxes or fees.

Sales and after-sales service

- 16. <u>Stock.</u> An Authorized Offline Reseller shall maintain and stock an adequate supply of the Products to satisfy customer demand. An Authorized Offline Reseller shall use reasonable commercial efforts to order sufficient Products to avoid stock-outs (taking into account that Products may not always be in stock at Au Naturel and/or the Master Distributor).
- 17. <u>Display and quality controls.</u> An Authorized Offline Reseller must either display the Products on retail shelves or store the same in a cool, dry place or as otherwise indicated on the labelling of the Products. An Authorized Offline Reseller must maintain the Products in good condition, suitable for resale. An Authorized Offline Reseller must keep any lids and other packaging tightly secured to ensure freshness.
- 18. <u>After-sales service.</u> An Authorized Offline Reseller shall be responsive and consumer-friendly in dealing with any after-sales-service to customers.
- 19. <u>Returns</u>. An Authorized Offline Reseller shall provide a consumer-friendly returns service that is communicated to the customer at the time of sale and is consistent with any return or credit programs periodically communicated by the Master Distributor or Au Naturel. An Authorized Offline Reseller is not obliged to accept returns of certain categories of products, such as cosmetic and hygiene products that

have already been used, or perishable food items that are past their use by date, provided that this is made clear to the customer at the time of sale.

Compliance and conduct

- 20. <u>Compliance with laws</u>. An Authorized Offline Reseller shall comply with all applicable laws and regulations, including but not limited to those governing consumer protection and product liability, the marketing and sale of nutritional supplements, food or drug or cosmetic comparable laws (if applicable), misleading and comparative advertising, unfair competition, distance selling, e-commerce, defamation, data protection and privacy, electronic signatures, intellectual property rights, VAT, and tax.
- 21. <u>Preserve and enhance reputation and goodwill</u>. An Authorized Offline Reseller shall preserve and enhance the reputation and goodwill of the Products by avoiding any illegal or unethical actions, including without limitation "bait and switch" practices. An Authorized Offline Reseller shall not engage in unfair sales practices or make incorrect, deceptive, or denigrating statements about the Products.
- 22. Terms and conditions of sale and distribution. In addition to these Authorized Offline Reseller Criteria and the terms set out in the "Introduction" section above (together, the "Selective Distribution Terms"), an Authorized Offline Reseller shall comply with any separate terms and conditions of sale and distribution communicated to it by the Master Distributor or Au Naturel. For the avoidance of doubt, (i) any such separate terms and conditions of sale and distribution shall only apply to the maximum extent permitted under applicable European laws and (ii) in the event of any conflict, the Selective Distribution Terms (as defined in this provision) shall prevail over any separate terms and conditions of sale and distribution.

AUTHORIZED ONLINE RESELLER CRITERIA

An Authorized Online Reseller is a reseller who has submitted an Authorized Reseller Online Registration Form and has not, due to non-compliance with the requirements set out below, had its approval to sell Products from one or more of its registered websites withdrawn or rejected by Au Naturel or by its Master Distributor. Any registered website owned and operated by the Authorized Online Reseller as to which the approval to sell has not been rejected or withdrawn by Au Naturel or by its Master Distributor for non-compliance with the below requirements shall be an "Authorized Website". The following Criteria apply to all Authorized Online Resellers:

High-quality retail business

- Professionalism. An Authorized Online Reseller shall operate in a manner that preserves the high quality
 of the Products and shall perform sales in a correct, convenient, punctual, clean, customer-friendly,
 trustworthy, and generally high-quality manner. Any Authorized Online Reseller that does not operate to
 these standards and whose business practices do not meet these standards will not qualify to sell the
 Products.
- 2. <u>Reputation</u>. An Authorized Online Reseller shall have an established reputation and track record for the sale of premium branded nutritional supplements, personal care products, and/or health foods comparable to the Products, or a documented financial and business plan to establish a reputation and track record for establishing such a business for the sale of the Products.
- 3. <u>High quality website and appearance</u>. The Authorized Website shall provide a high-quality online retail environment, reflecting the premium and high-quality brand reputation, as well as the specialized nature of the Products. The Authorized Website must specialize in the retail sale of nutritional supplements, personal care products or health foods (as applicable), or have a specialist section for the sale of nutritional supplements, personal care products, or health foods.
- 4. <u>Product information</u>. An Authorized Online Reseller shall provide all such information about the Products on each Product page (and elsewhere where Products are described on the Authorized Website) as may be specified by Au Naturel from time to time, including but not limited to, features, benefits, uses, and the manner in which the Products should be used. Authorized Online Reseller shall keep such a page updated with new product lines as well as any updated information on the Products when provided by Au Naturel or the Master Distributor from time to time.

Sales Support Personnel

- 5. Product knowledge and expertise. An Authorized Online Reseller shall be knowledgeable on the purchase and use of the Products and must be able to inform customers on how to properly use and consume the Products for their needs. To fulfil this commitment, each Authorized Online Reseller shall employ a sufficient number of properly trained sales staff who shall:
 - d) be able to make helpful recommendations to customers regarding the most suitable products for their needs, highlighting the benefits, uses, and features of the Products, and educate customers on how to properly use or consume the Products safely;
 - e) be able to deal competently with technical inquiries of customers; and
 - f) comply with all applicable laws and regulations regarding the sale of the Products.
- 6. <u>Training</u>. If required by Au Naturel or the Master Distributor, each Authorized Online Reseller shall encourage one or more of its sales staff to attend and/or otherwise participate in periodic training provided by Au Naturel or the Master Distributor on the Products.
- 7. Call centre, helpline, and email. An Authorized Online Reseller shall operate and clearly display on the Authorized Website an email address, a physical address for returns (being the address of the Authorized Online Reseller's Authorized Place of Business, if any) and a fixed customer service telephone number with the days and times (which must be no less than standard business hours) during which customers can contact Authorized Online Reseller for customer support. Authorized Online Reseller's customer service

telephone line and email shall be staffed during all opening hours by a sufficient number of trained and qualified customer-facing staff meeting the *Sales Support Personnel* requirements specified above.

Product promotion, branding and display

- 8. Display with other products of like quality. An Authorized Online Reseller may only display the Products with other high-quality products from reputable manufacturers with brand reputation comparable to that of the Products. An Authorized Online Reseller shall display the Products distinctly and separately from other manufacturers' products by ensuring that the Products are depicted within a section of the Authorized Website dedicated to the Products, which is contained within a section of the Authorized Website dedicated to nutritional supplements, personal care products, or health foods (which may include products from other reputable manufacturers and suppliers). With the exception of Authorized Online Reseller's self-branded products (if applicable), Authorized Online Reseller shall promote the Products in general in the same or better manner as it promotes products from other manufacturers (including in terms of sales commissions or other incentives offered by the Authorized Online Reseller to its personnel).
- 9. <u>Display and Marketing</u>. An Authorized Online Reseller shall comply with all branding and display guidelines as specified by Au Naturel from time to time and only use marketing materials and display materials as supplied or approved by Au Naturel. Any advertising that in Au Naturel's reasonable opinion is inappropriate must be immediately discontinued or (if required) recalled by Authorized Online Reseller.
- 10. Intellectual Property. An Authorized Online Reseller shall accurately describe the Products using only the protected and current intellectual property of Au Naturel and in accordance with Au Naturel's specifications and any intellectual property guidelines provided by Au Naturel from time to time. Authorized Online Reseller shall not exhibit or sell any item the trademark or brand name of which might give rise to confusion with trademarks, trade names, service marks, or any other intellectual property rights that are found on the labelling of the Products or are otherwise designated by Au Naturel as being applicable to the Products.
- 11. Store name/URLs/Domains. An Authorized Online Reseller's store name, and the Authorized Website domain name(s) and URL(s) (as applicable) shall not contain any trademarks of Au Naturel or its parent, affiliates, or subsidiaries and shall not be associated with the Products or trade names or any words which are confusingly similar thereto or misspellings thereof, including any variation or combination of these words
- 12. <u>Depreciative advertising</u>. An Authorized Online Reseller shall not engage in any advertising, promotion, or sale of a nature which in any way depreciates the integrity, value, or high quality of the Products or Au Naturel or Nutraceutical brand reputation. In particular, Authorized Online Reseller shall ensure that the Products are not inappropriately compared to other nutritional supplements, personal care products, drugs, or health foods.
- 13. <u>Packaging</u>. An Authorized Online Reseller shall not obscure or alter in any fashion the serial number on any Product or Product packaging.
- 14. <u>Prices</u>. An Authorized Online Reseller shall display total retail prices alongside the Products including VAT and any other applicable taxes or fees.

Website Features

15. <u>High-quality retail website</u>. The Authorized Website must be of a high standard showing high-quality graphic design, usability, and navigation features. For example, web-pages should load quickly and be optimized and be reachable from at least one static text link, and the Authorized Website should offer a site map with links to all pages, contain a helpful "search" function, be tested so that it is displayed correctly and with the same quality on all browsers, etc. The user experience needs to be placed at the forefront of how the Authorized Website presents the Product.

- 16. <u>Corrections</u>. An Authorized Online Reseller shall promptly correct any technical bugs and mistakes regarding Products and Product information contained on the Authorized Website and in any case no later than within five (5) calendar days of when it becomes aware of the same.
- 17. <u>Superlatives</u>. An Authorized Online Reseller shall not use superlatives to describe the quantity of its Product inventory, the pricing of Products, or the online shopping experience concerning the Products on the Authorized Website or any other website, in any advertisement, sponsored link, or any other online marketing used, paid for, or associated with Authorized Online Reseller. Prohibited phrases include "the largest available online offering of Nutraceutical brand products", "lowest prices—Nutraceutical brand", or "best Nutraceutical brand website".
- 18. Adware, spyware, or pop-up software. An Authorized Online Reseller shall not partner with any third party that uses adware, spyware, or other software to engage in pop-up or pop-under advertising or that generates non-user initiated activity (e.g. forced clicks or redirects). Pop-up or pop-under advertising and non-user initiated activity that is based on keyword searches, textual triggers, or screen-scraping associated with any Product or trademark used, owned, or licenced by Nutraceutical or any of its subsidiaries or any common misspelling or confusingly similar trademarks is strictly prohibited.

Check-out, payment, delivery and returns

- 19. <u>Check out.</u> An Authorized Online Reseller shall display Products in the shopping cart at the same price that was presented during Product selection. Authorized Online Reseller shall make available all sales terms and conditions at all times during the ordering process or as required under applicable law. In particular, Authorized Online Reseller must clearly inform consumers on its payment, delivery, and return policies before and after a transaction is confirmed.
- 20. <u>Payment</u>. An Authorized Online Reseller shall offer customer-friendly payment methods matching the common retail internet industry standards. Encrypted security software and secure bank and payment transactions must be enabled at all times.
- 21. <u>Confirmation of sale.</u> An Authorized Online Reseller shall send an instant electronic confirmation of the Products purchased with corresponding unit prices to the e-mail address provided by the customer. If Products ordered are not in Authorized Online Reseller's stock, Authorized Online Reseller must immediately inform the customer about the delivery time and give the customer the opportunity to cancel the order.
- 22. <u>Shipping costs.</u> To the extent a charge is made, Authorized Online Reseller shall not charge shipment costs that are higher than its actual costs of shipping.
- 23. <u>Delivery</u>. An Authorized Online Reseller shall provide an estimated delivery date at the time of customer's order. Authorized Online Reseller shall use its best efforts to ship the Products within three business days from the customer's order. Authorized Online Reseller must have a mechanism in place for confirming to the ordering customer each order placed through its website and when each order was shipped to the destination designated by the ordering customer.

Sales and after-sales service

- 24. <u>Stock.</u> An Authorized Offline Reseller shall maintain and stock an adequate supply of the Products to satisfy customer demand. An Authorized Offline Reseller shall use reasonable commercial efforts to order sufficient Products to avoid stock-outs (taking into account that Products may not always be in stock at Au Naturel and/or the Master Distributor).
- 25. <u>After-sales service</u>. An Authorized Offline Reseller shall be responsive and consumer-friendly in dealing with any after-sales-service to customers.
- 26. <u>Returns</u>. An Authorized Offline Reseller shall provide a consumer-friendly returns service that is communicated to the customer at the time of sale and is consistent with any return or credit programs periodically communicated by the Master Distributor or Au Naturel. An Authorized Offline Reseller is not obliged to accept returns of certain categories of products, such as cosmetic and hygiene products that

have already been used, or perishable food items that are past their use by date, provided that this is made clear to the customer at the time of sale.

Compliance and conduct

- 27. Compliance with laws. An Authorized Online Reseller shall comply with all applicable laws and regulations, including but not limited to those governing consumer protection and product liability, the marketing and sale of nutritional supplements, food or drug or cosmetic comparable laws (if applicable), misleading and comparative advertising, unfair competition, distance selling, e-commerce, defamation, data protection and privacy, electronic signatures, intellectual property rights, VAT, and tax.
- 28. <u>Preserve and enhance reputation and goodwill</u>. An Authorized Online Reseller shall preserve and enhance the reputation and goodwill of the Products by avoiding any illegal or unethical actions, including without limitation "bait and switch" practices. Authorized Online Reseller shall not engage in unfair sales practices or make incorrect, deceptive, or denigrating statements about the Products.
- 29. Terms and conditions of sale and distribution. In addition to these Authorized Online Reseller Criteria and the terms set out in the "Introduction" section above and in the Authorized Reseller Online Registration Form (together, the "Selective Distribution Terms"), an Authorized Online Reseller shall comply with any separate terms and conditions of sale and distribution communicated to it by the Master Distributor or Au Naturel. For the avoidance of doubt, (i) any such separate terms and conditions of sale and distribution shall only apply to the maximum extent permitted under applicable European laws and (ii) in the event of any conflict, the Selective Distribution Terms (as defined in this provision) shall prevail over any separate terms and conditions of sale and distribution.
- 30. <u>No unauthorized marketplace sales.</u> An Authorized Online Reseller shall not sell on any online marketplaces unless it is expressly authorized to do so by Au Naturel due to its compliance with the Authorized Reseller Criteria for Third-Party Platforms / Marketplaces.