

Zaer Ltd. International

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www.ZaerLTD.com



THURSDAY, MARCH 5, 2020

Dear Trusted Wholesale Buyer,

In order to protect our brand and the integrity of our products – as well as our buyers and their businesses – Zaer Ltd. International has elected to implement a Minimum Advertised Price (MAP) on all our products.

MAP pricing is the practice whereby a manufacturer (us) and its distributors (you) agree that the distributors will sell the manufacturer's product at certain prices, at or above a price floor or at or below a price ceiling. If a reseller refuses to maintain prices, either openly or covertly, the manufacturer may stop doing business with them.

By not adhering to the established Minimum Advertised Price (MAP) a reseller can have a dramatic effect of diminishing or detracting from the perceived value of the Zaer Ltd. brand and its products.

The internet, with its worldwide impact, has the possibility to cause great harm to any companies' products, if they are advertised at prices that will eliminate any legitimate retail competition. And with the recent influx of Zaer Ltd. products being sold on drop ship platforms (such as Amazon and eBay), we feel it is necessary to instate some sort of guidelines in order to protect our brand, product, valued customers and their businesses.

Until we are able to put together a full comprehensive product price list, **we are requesting that all our customers do not drop below 1.75x the regular wholesale cost** (as indicated on www.ZaerLTD.com).

ex.: regular wholesale cost: \$100.00 **MSRP:** \$220.00 (*keystone plus 20% for shipping*)
MAP: \$175.00

Our MAP pricing policy is intended for consumers to purchase from resellers based on loyalty and customer care expectations. Therefore, if we agree to allow your company to sell our products, you will need to agree and abide by the following requirements and restrictions.

1. The MAP policy applies to all advertisements of Zaer Ltd. products in any and all media, including, but not limited to, flyers, posters, coupons, mailers, inserts, newspapers, magazines, catalogs, mail order catalogs, email newsletters, email solicitations, Internet or similar electronic media, television, radio, and public signage.
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2. The MAP policy is not applicable to any in-store advertising that is displayed only in the store and not distributed to any customer(s). Meaning, Zaer Ltd. items **can** be sold for less than the MAP, they just cannot be listed, advertised, or marketed for an amount below our MAP policy.
3. Any dealers found offering prices lower than the Minimum Advertised Price set forth in this letter (or any future letters/price lists) will have their account suspended for a period of 30 days. Subsequent offenses will be handled on a "step" basis that can ultimately result in the cancellation of their ability to carry Zaer Ltd. Products.
4. Zaer Ltd. does have a Drop Ship Program. Please be honest. If you are planning on reselling Zaer Ltd. product online, please adhere to our Drop Ship Guidelines. If you need a copy of the Zaer Ltd. Drop Ship Guidelines, please contact sales@zaerltd.com.

Please sign below once you have read over everything carefully.

I understand and will comply with MAP pricing and the guidelines explained in this letter.

Signature: _____

Date: _____

Print Name: _____

Warm regards,

Rachael Jones

DIRECTOR OF MARKETING, SALES, AND E-COMMERCE