



Milorganite® Minimum Advertised Pricing (MAP) Policy

Milorganite® has strived to ensure that all of our Dealers provide end-users of Milorganite® Fertilizer with the kind of advice, service, knowledge, support and pricing necessary to maintain high levels of customer satisfaction. We contend that certain types of advertising are damaging to our standards and reputation and those of our dealers as well. To preserve our reputation, and that of our dealers, we have instituted, and aggressively maintain, a **\$8.79** Minimum Advertised Price ("MAP") policy.

Objectives of MAP Policy:

1. To ensure that all our dealer-product relationships are consistent, and value based.
2. To maintain the proper positioning of Milorganite® in the marketplace.

Milorganite® MAP Policy:

Milorganite® Inc. has established a Minimum Advertised Price (MAP) policy that applies to any advertising of any current Milorganite® branded fertilizer product. The advertised price may not be less than the current MAP as published by Milorganite®. Refer to the attached MAP listing for full pricing details.

THIS POLICY IS NOT INTENDED TO CONTROL, INFLUENCE, DETERMINE, OR LIMIT IN ANY WAY THE PRICE AT WHICH ANY MILORGANITE® DEALER MAY SELL MILORGANITE®. THIS POLICY IS STRICTLY LIMITED TO RESTRICTIONS ON ADVERTISED PRICES. EACH DEALER REMAINS FREE TO DETERMINE ITS OWN RESALE PRICE FOR ALL MILORGANITE® BRANDED PRODUCTS.

Advertising:

For purposes of this MAP Policy, "advertising" is defined as any advertising through authorized media. Authorized media consists of print (billboards, newspapers and inserts, magazines, coupons, catalogs, brochures, direct mail letters, fliers), electronic (television, radio, faxes), and internet (e-commerce, social media, emails, forums and dealer websites and/or third party websites), and any other method which uses the hypertext transfer protocol ("http") or any internal link to a web based shopping cart is considered advertising for the purposes of this policy. Website features such as automated "bounce-back" pricing e-mails, pre-formatted e-mail response forms, and 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 (rather than by the customer) and thereby constitute "advertising" under this MAP policy.

MAP Violations:

- Advertising a price specifically on Milorganite® that does not meet or exceed the MAP of **\$8.79**
- Any price on Milorganite® with a "STRIKE THROUGH" treatment (Example: ~~\$8.79~~, \$0.00 PRICING with a DROP-DOWN MENU of prices, or comments such as "ADD TO CART TO SEE PRICE, or "CLICK FOR PRICE" accompanied by lower-than-MAP prices are not considered proper displays of MAP policy.
- Any advertised price discounts such as COUPONS, or FREE PRODUCTS resulting in an effective published advertised price for Milorganite® at less than the MAP of **\$8.79**.
- Banner advertisements and pages that follow banner advertising upon a "click-through".
- Any Milorganite® product with FREE non-Milorganite® items, resulting in a net price lower than MAP of **\$8.79**.
- Any Milorganite® offered on an internet auction site, where prices are dictated by consumer bids

Value-Added Incentives:

Dealers are permitted to offer “value-added” incentives in advertisements for Milorganite that increase the value and experience to the customer, only if no mention of the monetary value is indicated for these value-added offers. Examples of some value-added offers that qualify are:

- Free Shipping
- Product Training

Exceptions to MAP:

From time to time, Milorganite® Retailers may wish to run ***Special Promotions*** (Ex: 5 bags for \$35) Any and **ALL** Special Promotions that bring the price per bag lower than the MAP of **\$8.79 MUST** receive Milorganite® pre-approval. Special Promotions must have a start and end date and cannot be offered year-round. All Special Promotions must end on the date agreed upon between retailer and Milorganite®.

4 Weeks of Special Promotions allowed per calendar year

(Special Promotion allowances can be taken in increments... as long as the total annual time advertised pricing falls under the MAP of \$8.79 does not exceed 4 weeks)*

Retailers should submit special promotion requests through the Distributor they purchased Milorganite®. Milorganite® will not except direct special promotion requests from Retailers. The request should include the following: date range, special promotional price per bag or special price for bag bundles (Ex: 5 bags for \$35). The Distributor should submit the request to the Milorganite® Account Manager and an approval or disapproval letter will be sent from Milorganite®

Action Taken Against Milorganite® MAP Policy Violators:

- **1st Violation:** Milorganite® will issue a documented warning to the responsible distributor, requesting they contact the MAP policy violator, advising them to comply with the Milorganite® MAP Policy. I'd suggest adding a timeframe for compliance... 10 or 14 business days? Check with Troy to see what is realistic for Retailer to comply.
- **2nd Violation:** Milorganite® will issue a documented warning to the responsible distributor, advising that all distribution of Milorganite® product will be discontinued to the MAP policy violator.
- **3rd/Final Violation:** Milorganite® will issue a documented notice to the responsible distributor, terminating the contractual Distributor/Vendor Partnership Agreement. Milorganite® will no longer supply product to the Distributor.

No employee or other representative of Milorganite® has any authority to discuss, modify, or grant exceptions to this MAP Policy except the Director of Milorganite® or the Milorganite® Account Manager.

Any questions/concerns regarding policy compliance, please contact Milorganite® at **(414)-225-2160.**

Milorganite® reserves the right to cancel any pending orders (directly or through our distributors), restrict future orders, and impose further sanctions against the violator of this MAP policy, which could include requiring the violator to remove all Milorganite® copyrighted images from its website and other advertising. Violations of this policy may result in any or all of the aforementioned sanctions up to and including termination of our business relationship.

Signature: _____

Name (print) _____

Distributor Name _____

Title: _____

Date: _____