

# **KNIT-RITE, LLC.**

**January 1, 2021**

## **USA MINIMUM ADVERTISED PRICING POLICY FOR THERAFIRM LIGHT<sup>®</sup>, THERAFIRM<sup>®</sup>, EASE by THERAFIRM<sup>®</sup>, CORE-SPUN by THERAFIRM<sup>®</sup>, CORE-SPORT<sup>®</sup> by THERAFIRM, THERASPORT<sup>™</sup> by THERAFIRM and PREGGERS<sup>®</sup> by THERAFIRM, BRANDED PRODUCTS**

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1. Knit-Rite, LLC. (“Knit-Rite”) has unilaterally adopted this Minimum Advertised Pricing Policy for USA Dealers of TherafirmLight, Therafirm, Ease, Core-Spun, Core-Sport, TheraSport and Preggers Branded Products (“Advertised Pricing Policy”). It is applicable to all sales to or by Knit-Rite Dealers located in the United States, updated effective January 1, 2021, with respect to TherafirmLight, Therafirm, EASE, Core- Spun, Core-Sport, TheraSport and Preggers branded products designated from time to time by Knit-Rite (the “Covered Products”).

2. Each Knit-Rite Dealer remains free to establish its own resale prices. However, Knit-Rite reserves the right, without assuming any liability, to refuse to accept any new orders from any Dealer for a Covered Product following verification by Knit-Rite to its satisfaction that the Dealer has advertised, promoted, or offered, any Covered Product at net prices less than 20% below the manufacturer’s suggested retail price.

3. For purposes of this Advertised Pricing Policy:

a. Knit-Rite considers price discounts, coupons, gifts, and other free merchandise, give-aways, and promotional offerings in determining a Dealer’s net price. For example, with any gift or similar program, Knit-Rite defines the effective net price to be equal to the Dealer’s retail selling price of the item less the retail value of the gift or the promotion. In addition, “Gift with Purchase” and “Purchase with Purchase” programs in connection with the sale of Covered Products may only be linked with other Knit-Rite branded products.

b. Knit-Rite considers a product to be advertised, promoted, or offered under this policy when any Covered Product is listed or identified in any advertising placements (other than in- store advertising) including, but not limited to, internet placements on a Dealer’s own website, automated or mass broadcast electronic mail messages, internet placements with third parties (banner ads, emails, destination pages, third-party web sites such as [www.pricegrabber.com](http://www.pricegrabber.com), [www.google.com](http://www.google.com), and [www.amazon.com](http://www.amazon.com)), print advertisements (inserts, magazines, newspapers, etc.), broadcast (radio and TV), direct mail, faxes and outdoor advertisements (billboards, banners).

4. There are three exceptions to the Advertised Pricing Policy described above:

a. Pricing of Covered Products that Knit-Rite has discontinued. If a Dealer sells a discontinued Covered Product, the discontinued product must be prominently marked as discontinued, and any point-of-sale or other type of advertising communication concerning the discontinued Covered Products must identify the product as discontinued in a highly visible manner; and

b. Special promotional sales of Covered Products as authorized from time to time by Knit-Rite for limited periods of time.

c. Private sales by a Knit-Rite Dealer, each for a period of time of the Dealer's discretion, during which an additional discount of the Dealer's choosing may be subtracted from the net price limitations set forth in Section 2 above and advertised solely through the private sale. Such sale may only be communicated through either "add to cart" pricing limitations or through use of directly emailed OR mailed discount coupon codes. The Knit-Rite Dealer does not need to notify Knit-Rite of the time period during which the private sale occurred nor the amount of the percentage discount from the manufacturer's suggested retail price provided through such private sale.

5. The "manufacturer's suggested retail price" is identified by Knit-Rite in communications with Dealers from time to time with respect to Covered Products. Knit-Rite may adjust the manufacturer's suggested retail prices in its sole discretion at any time.

6. Each Knit-Rite Dealer is free to independently decide whether or not to follow this Advertised Pricing Policy.

Knit-Rite does not ask for, nor will it accept, any assurance of compliance or agreement from a Dealer regarding this Advertised Pricing Policy nor will Knit-Rite discuss any conditions of acceptance related to this Advertised Pricing Policy.

Notwithstanding anything to the contrary which may be expressed or implied in or by one or more agreements between the Dealer and Knit-Rite, nothing in those agreements shall constitute an agreement by the Dealer to comply with this Advertised Pricing Policy.

7. All questions regarding this Advertised Pricing Policy and comments must be addressed to Kam Howard, Executive Vice President at [khoward@knitrite.com](mailto:khoward@knitrite.com).

8. This Advertised Pricing Policy has been established by, and may at any time and without notice, be modified by, the Board of Knit-Rite. No one is authorized to discuss, modify, or alter this Advertised Pricing Policy, including any individual in Knit-Rite's sales, marketing or customer service departments. Should a Dealer learn of any modification or alteration of this Policy or an attempt to do so by any party other than by the Board of Knit-Rite, the Dealer should immediately notify Knit-Rite at the email address above or by calling 800-821-3094 ext. 6345.