



SUPPLIER COMPLIANCE GUIDE – VERSION C

FOR SUPPLIERS OF THIRD-PARTY FINISHED GOODS (A.K.A. "PACKAGED GOODS OR MERCHANDISE")



VERSION EFFECTIVE DATE: FEBRUARY 14, 2017

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About The Nature's Bounty Co.

The Nature's Bounty Co., together with its affiliates (collectively "Nature's Bounty"), is the leading vertically integrated manufacturer, marketer, distributor and retailer of a broad line of high-quality, value-priced vitamins, nutritional supplements and related products in the United States, with operations worldwide. Nature's Bounty has manufacturing facilities in Canada, the United Kingdom, and the United States and are able to produce and package capsules, tablets, powders and liquids under a number of well-known brands as well as private label brands.

Nature's Bounty offers products marketed under a portfolio of brands, including Nature's Bounty®, Puritan's Pride®, Holland & Barrett®, Sundown®, MET-Rx®, American Health®, SISU®, Solgar®, Ester-C®, Balance Bar® and other brands. In addition, Nature's Bounty enjoys long-standing relationships with several domestic retailers, including Wal-Mart, Costco, CVS, Sam's Club, Walgreens, Kroger and Target.

Nature's Bounty's principal executive offices are located at 2100 Smithtown Avenue, Ronkonkoma, NY 11779 and its website is www.naturesbountyco.com.

Overview of this Guide

Nature's Bounty attributes much of our success to the suppliers that provide us with the highest quality materials, dedicated services, technical innovations, and competitive pricing.

We have developed this [Supplier Compliance Guide](#) (this "Guide") to provide our approved suppliers of third-party finished goods ("**Packaged Goods or Merchandise**") with information about our expectations and practices. The content contained within the following pages provides our standards and requirements regarding delivery, receiving, invoicing, quality assurance and other relevant information. Please note that we reserve the right to amend this Guide and post the most current version to our website at www.vendor.naturesbountyco.com/terms, and this Guide, as amended, will be binding upon you if you choose to continue doing business with us after such posting. In the absence of a separate written, supply or vendor agreement between you and us, this Guide, together with each applicable purchase order we issue to you (each, a "Purchase Order"), constitutes the entire agreement between you and us, with respect to the purchase of **Packaged Goods or Merchandise** as described on each applicable Purchase Order.

You must comply with the procedures and requirements described herein to maintain your position as an 'approved' supplier, as we only conduct business with the most consistent and reliable of suppliers. If you require clarification, or have questions about our policies and procedures, please contact Nature's Bounty's Supplier Management Office at SupplierManagement@nbty.com.

Nature's Bounty has always operated with an "Open Door Policy" for our approved suppliers. If, at any time, you feel that you are not being given a fair opportunity, or have a concern about our directions, please contact our General Counsel at (631) 200-2000, or our third-party anonymous hotline "Convercent" at 1-800-461-9330 - Company access code "NBTY", and provide us with your opinions and concerns.

Invoicing Guidelines

Inclusion of the following information as part of your invoice will help ensure prompt and accurate payment. If you have any questions, please contact our Accounts Payable department at (631) 244-2065 or nbap@nbty.com.

Please include the following information on all invoices:

1. Supplier Information:
 - Supplier Name
 - Address
 - City, State, Zip Code
 - Telephone and Fax Number
 - Email address
2. Payment Terms: As stated on the Purchase Order.
3. Nature's Bounty Purchase Order number
4. Invoice date/ship date
5. Unit Price: The unit cost on the invoice must not exceed the unit cost listed on the Purchase Order. We will not recognize any price increase after the Order Date stated on our Purchase Order.
6. Quantity
7. Nature's Bounty Part Number
8. Supplier Lot Number
9. Complete description of the Material purchased
10. Unit of Measure (UoM)
11. Supplier 'Remit To' Address
12. If you choose to receive payment via ACH wire transfer, please supply the following:
 - Bank Name
 - Branch Name
 - ABA routing Number
 - Bank Account Number
 - Email address for payment confirmation.

If you fail to provide the above information, our Accounts Payable department will issue a paper check.

Submission of Invoices

Suppliers should submit invoices to Nature's Bounty either:

- 1) electronically (via email at nbap@nbty.com); or,
- 2) via mail to:
The Nature's Bounty Co.
Attn: Accounts Payable
P.O. Box 9014
Ronkonkoma, NY 11779
(631) 244-2065

Vendor Routing Guidelines

Freight terms will be clearly indicated on our Purchase Order, with the majority of orders for **Packaged Goods or Merchandise** indicating F.O.B. Delivered (a.k.a. F.O.B. Destination, Freight Pre-Paid).

In instances where Nature's Bounty will be responsible for shipping costs, shipments are to ship FOB Origin, Freight Collect and Nature's Bounty will select the carrier.

If the shipment is less than 8 pallets or 10,000 pounds, supplier should ship via the preferred carrier referenced in the Nature's Bounty Inbound Route Guide, the most recent version of which is available at www.vendor.naturesbountyco.com/terms.

If the shipment is greater than 8 pallets or 10,000 pounds supplier should e-mail carrier requests to NBTYTRAFFIC@nbty.com. As part of your e-mail, please provide:

- Origin address
- Contact information
- Nature's Bounty PO#
- Pallet count
- Weight
- Ready date for pick up
- Destination address
- Any other relevant information

If you do not receive a response to your e-mail within 24 hours, please call (631) 200-5266.

Suppliers can reach our Corporate Logistics department at (631) 200-5266 or NBTYTRAFFIC@nbty.com, Monday through Friday, from 9:00 AM to 5:00 PM, Eastern time, excluding holidays.

Delivery Requirements

Nature's Bounty requires all suppliers of **Packaged Goods or Merchandise** to adhere to the following delivery requirements. If suppliers do not adhere to these requirements, we will be entitled to assess compensable surcharges for non-compliance.

Delivery Requirement #1: Packing List

Each shipment must be accompanied by a detailed Packing List and be delivered to the location specified on our Purchase Order unless we provide written instructions to do otherwise. Packing List should provide the following information:

- Nature's Bounty Purchase Order number
- Nature's Bounty Part Number(s), as listed on our Purchase Order
- Total Quantity
- Pallet Count and Quantity Breakdown

Delivery Requirement #2: Master Carton or Item

Each master carton or item shipped to Nature's Bounty must be clearly marked with the following information:

- Nature's Bounty Product Number(s), as listed on our Purchase Order (e.g.: 45956 or 11753)
- Nature's Bounty Purchase Order number
- Quantity per master case, shipper, or carton
- Manufacturer's Lot Number

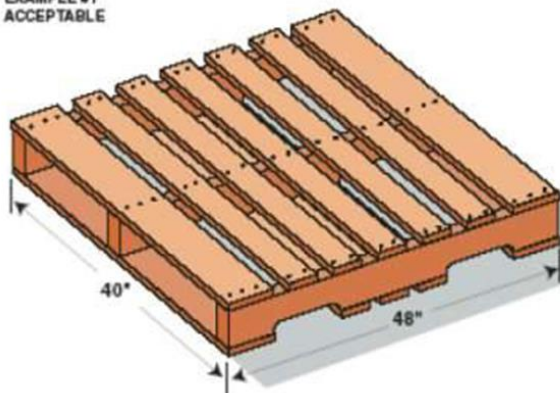
Delivery Requirement #3: Pallet Requirements

In lieu of a mutually agreed upon Packaging Specification, Nature's Bounty requires that all pallets shipped into Nature's Bounty facilities meet or exceed the following:

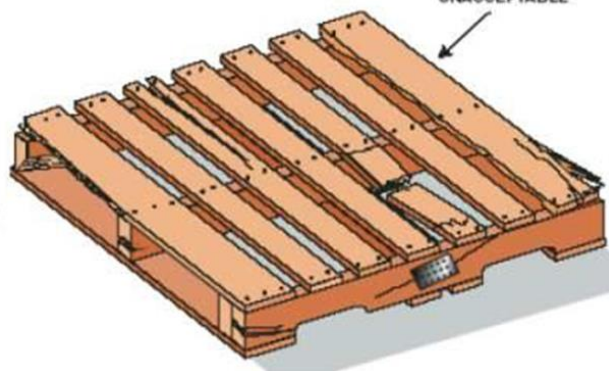
- 1) Pallets meet Grocery Manufacturer's Association (GMA) Grade "A" standards, including:
 - Dimension: 40" x 48"
 - Material: GMA, Group III or IV, hardwood, clean saw
 - Deck Coverage: Top Deck 63%; Bottom Deck 47%
 - Grade: Grade "A", 4-way, flush and non-reversible
 - Sound material, free of knots
 - Minimum seven (7) top boards, minimum five (5) bottom boards, and three (3) stringers
- 2) No missing or broken boards on top or bottom.
- 3) No double stringers, patched boards or metal repair plates.
- 4) All stringers are solid, not broken and/or having cracks visible from three sides and longer in run than one inch. Weathering cracks that are not continuous and not visible from three sides are allowable.

- 5) Pallets are not required to be bleached white but should be clean and odor free. Clean pallets are free of debris and stains, but discoloration due to aging is acceptable.
- 6) No cracks on the top or bottom boards greater than 1/8" wide and 15" inches in length.
- 7) No exposed splinters greater than 3" inches in length.
- 8) No tapered breaks with a depth greater than 1" inch along a 10" inch or more run. If at the 10" inch distance, the depth is less than 1" inch, the pallet is acceptable. The pallet is unacceptable if the 1" inch depth runs the entire length of the board.
- 9) Nail heads or nail points are not to exceed 1/8" exposure from the surface of the wood. Pallets will not be rejected because of exposed nails unless the top and bottom board surface between nail head and stringer has been destroyed.
- 10) No partial footings. Partial footings occur when 1/4 of a stringer board width or length that connects it to the bottom board has been removed or when securing nail shanks are exposed in the stringer.

EXAMPLE #1
ACCEPTABLE



EXAMPLE #2
UNACCEPTABLE



Additionally...

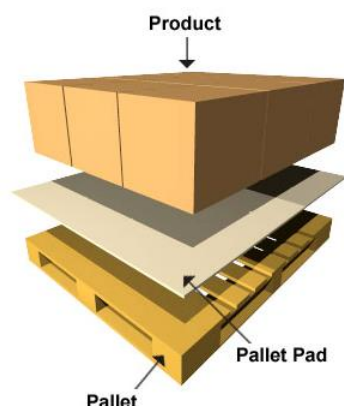
- Unless we agree to in writing to vary from the below requirements, total pallet height (pallet and products for **Packaged Goods or Merchandise** shipping to our facilities **should not exceed 34"** with full cases only.
- Maximum weight on a single pallet must not exceed 2,400 pounds.
- Boxes must not hang off the sides of pallets.
- Pallets must not be double stacked without our prior written approval.
- All pallets must be shrink-wrapped and strapped completely to ensure stability during transit. The load must be secure and stable. Any shipment found to be tipped over or on the trailer floor may be rejected or a surcharge may be assessed to cover re-work costs.
- You must clearly mark all drums and cartons with a warning to indicate if a desiccant is included in the container.
- We will not accept **Packaged Goods or Merchandise** supplied in drums with wooden lids/covers.
- If the **Packaged Goods or Merchandise** are chemicals, a Material Safety Data Sheet (MSDS) must accompany the initial order.
- Pallet labels will conform to the sample identified as Exhibit A, and include the following information:
 - Supplier Name
 - Nature's Bounty Purchase Order Number
 - Nature's Bounty Part Number(s), as listed on our Purchase Order

- Product Description
- Expiration Date
- Manufacturer's Lot Number(s)

Delivery Requirement #4: Use of Slip-Sheets (Pallet Pad) on all Palletized Deliveries

Deliveries of **Packaged Goods or Merchandise** on a pallet(s) must include the use of a slip-sheet (pallet pad) to act as a barrier between the pallet and the bottom of the product (box, bag, barrel, etc.). Slip-sheet should adhere to the following (minimum) specifications:

Material: Recycled Chipboard
 Size: 40" x 48" and not over-lapping the pallet
 Gauge / Thickness: 22 point board



Delivery Requirement #5: No Split or Partial Shipments

Packaged Goods or Merchandise should not be delivered in split or partial shipments. Please make arrangements with the delivering carrier to ensure that we receive all items shipped against open Purchase Orders on the same business day.

Delivery Requirement #6: Delivery Shortages and Overages

Each shipment is subject to count and recount and must match against the Packing List. Nature's Bounty will not impose a surcharge for shortages. However, we will not pay for **Packaged Goods or Merchandise** that we do not physically receive. We will communicate shortage information to suppliers and we will 'short pay' invoices.

With regards to over shipment of **Packaged Goods or Merchandise**, at our option, we may elect to accept over shipments up to 10% of the originally ordered quantity or we may elect to return any/all unauthorized over shipments at supplier's expense.

Delivery Requirement #7: On Time Delivery

If, for any reason, you expect a shipment against our Purchase Order to arrive outside the acknowledged delivery date window (-3 business days to +0 days from the delivery date specified on the Purchase Order), you must immediately inform our Purchasing department and the Buyer identified on the Purchase Order by phone or email listed on our Purchase Order.

Any **Packaged Goods or Merchandise** more than thirty (30) days late from the last acknowledged promised date of Purchase Order will be considered cancelled unless Nature's Bounty approves this delay in writing.

Note: If you have any questions about any terms or conditions on our Purchase Order, such as price, freight or payment terms, you must first advise our Purchasing department and the Buyer about the issue by phone or email, and then note the issue on the Purchase Order and return the Purchase Order by e-mail at least forty-eight (48) hours before scheduled delivery. We will return a Purchase Order, revised to reflect any changes we approve by fax or e-mail. Generally, the Purchase Order number will not change. It is your responsibility to follow up with the Buyer to be sure you receive the revised Purchase Order.

If this policy is not followed, deliveries made under our Purchase Order constitute acceptance of all terms, dates, prices and quantities as stated on the original Purchase Order.

Delivery Requirement #8: Fulfillment of Orders Requiring Ten (10) or More Pallets

For deliveries of **Packaged Goods or Merchandise** that will require ten (10) or more pallets to fulfill the Purchase Order, supplier should 1) notify the Buyer listed on the PO of the need to utilize ten (10) or more pallets; and, 2) ship product directly to Nature's Bounty's warehouse located at 2145 Ninth Avenue, Ronkonkoma, NY 11779. Supplier should call 631-200-7337 to schedule a delivery appointment.

Failure to comply with any of the above Delivery Requirements may lead to one or more of the following actions:

- A surcharge of up to \$500 for lost time and handling
- Refusal of shipment and cancellation of Purchase Order
- Revocation of 'approved' supplier status
- Non-Payment of Invoice

All price increases must be communicated to the appropriate Nature's Bounty Buyer Category Manager in writing with ninety (90) days advance notice and should include a detailed explanation for the increase.

Should you require clarification or have questions about our guidelines and requirements, please contact our Supplier Management Office at **SupplierManagement@nbt.com**. We appreciate your cooperation.

Quality Assurance Requirements

Nature's Bounty requires all suppliers of **Packaged Goods or Merchandise** to adhere to the following quality requirements. If suppliers do not adhere to these requirements, we will be entitled to assess compensable surcharges for non-compliance.

Quality Requirement #1: Minimum Remaining Shelf Life

All **Packaged Goods or Merchandise** must meet the following minimum shelf life requirements at the time of delivery to Nature's Bounty:

Packaged Good or Merchandise Type	Minimum Remaining Shelf Life at Time of Delivery
Vitamins / Supplements	24 months
Powders	24 months
Liquids and Drinks*	12 months
Bars and Food*	12 months
Cosmetics (Topicals)	36 months

At any point following receipt, Nature's Bounty reserves the right to return any product found to not meet the above minimum requirements. All costs associated with the return of such product(s) will be at the full expense of the supplier, unless otherwise agreed to in writing by an authorized Nature's Bounty Category Manager.

*Note: Nature's Bounty may accept, with written approval by an authorized Category Manager, a 9-month minimum remaining shelf life for Drinks and Bars only on consignment.

Quality Requirement #2: Product Condition

All **Packaged Goods or Merchandise** must be received in "shelf ready" condition with no damage from either freight or manufacturing process. At any point following receipt, Nature's Bounty reserves the right to return any product found to not meet the above requirement. All costs associated with the return of such product(s) will be at the full expense of the supplier, unless otherwise agreed to in writing by an authorized Nature's Bounty Category Manager.

Quality Requirement #3: Bisphenol A (BPA) Absence Continuing Guarantee

Nature's Bounty does not accept any **Packaged Goods or Merchandise** that contain or are processed with Bisphenol A (BPA). Through acknowledgement of this Guide and/or fulfillment of any order, supplier guarantees that any current or future **Packaged Goods or Merchandise** that Nature's Bounty purchases do not contain and/or are not processed with BPA. Should BPA be found to be present in any **Packaged Goods or Merchandise** provided to Nature's Bounty, supplier will be obligated to defend and indemnify Nature's

Bounty for any claims or expenses that Nature's Bounty incurs as a result. Additionally, should Nature's Bounty inadvertently accept delivery of **Packaged Goods or Merchandise** that are later found to contain or have been processed with BPA, Nature's Bounty will subsequently notify the supplier to remove the **Packaged Goods or Merchandise** at the supplier's expense.

Should you require clarification or have questions about our guidelines and requirements, please contact our Supplier Management Office at **SupplierManagement@nbty.com**. We appreciate your cooperation.

Procurement Policy

Nature's Bounty greatly values partnerships with our approved suppliers and strives to maintain and improve these relationships through best-in-class business practices and ethical standards. We are committed to conducting all aspects of our business affairs with the highest degree of professionalism, integrity and honesty. To that end, we have established guidelines for our employees (whom we refer to as "Associates"), consultants and partners with purchasing responsibilities.

All of our authorized Buyers and Category Managers are expected to make buying decisions, without prejudice, for the overall benefit of the company. We pride ourselves on being a culture where strong business analytics are leveraged and purchasing decisions are made on the basis of how our needs are best served. We regularly review purchasing requirements, inclusive of cost, and evaluate their competitiveness. Generally, if we determine that we can realize a greater benefit through a different supplier or product mix, we will notify our current supplier(s) that we are making a change.

We hold all our authorized Buyers and Category Managers to the highest professional standards and require that they conduct business in a professional and honest fashion. When working with our authorized Buyers and Category Managers our approved suppliers can expect the following.

Confidentiality

- We will treat all pricing, product specifications, strategic planning and proprietary information as confidential, and will not discuss this information with anyone other than authorized Associates, consultants and agents, or as may be required by law, regulations or legal process.
- Should you require a confidentiality agreement be in place before sharing information with Nature's Bounty, please contact our Supplier Management Office (at SupplierManagement@nbty.com) to receive our standard confidentiality agreement.

Appointments

- Our authorized Buyers and Category Managers will make every effort to be prompt and available at the scheduled time and location.
- We are sensitive to the time and expense that is involved with business travel, and, if the Buyer and Category Manager you are scheduled to meet with are unavailable for any reason, we will try to notify you at least thirty-six (36) hours before the scheduled meeting time.
- If we are unable to provide prior notice, another authorized Buyer or Category Manager will attend the scheduled meeting, but you may request a new meeting with the original individual(s) at a later date, if you prefer.

Ethics

- We hold all of our Associates to the highest standards of ethics and performance. All transactions with existing or prospective suppliers will be conducted in an honest and professional manner.
- We pride ourselves on prompt and accurate payment of all agreed upon invoices. Should you have a concern or question about payment, you should contact your authorized Buyers and Category Managers immediately. You can expect a prompt response to your communication.

Gift & Entertainment Policy

- Our Associates, regardless of their capacity, must comply with our Gift and Entertainment Policy.

- Under our Gift & Entertainment policy, when dealing with customers, partners, and/or Government Officials (as defined below), our Associates must ensure they offer, give, and receive gifts, provide meals or entertainment, and pay for travel only if it is of reasonable value, complies with the recipients' local laws and corporate regulations, is not given with any corrupt intent to improperly influence the person's actions or decisions, and is infrequent. "Government Official" means: (i) any official, officer, employee, or representative of (a) any federal, state, provincial, territory, county or municipal government or any department or agency thereof, (b) any public international organization or any department or agency thereof, or (c) any company or entity owned or controlled by any government; (ii) any political party or party official; and (iii) any candidate for political office.
- For purposes of our policy, a "gift" means any gift, gratuity, favor, benefit, discount, forbearance, or other tangible or intangible item having monetary value for which the recipient does not pay fair market value. A "gift" also includes meals, drinks, entertainment and recreation (tickets, passes, etc.), services, training, transportation, discounts, promotional items, lodging, gift cards or door prizes.
- If any of our Associates purchases merchandise directly from you for personal use, or for the personal use of the Associate's friend or relative, you must invoice the Associate at a price not less than established wholesale prices.
- If you become aware of an Associate requesting goods or services for personal gain or consideration in violation of our Gift & Entertainment policy, you are obligated to report this directly to our senior management by contacting our Office of General Counsel at (631) 200-2000, or to the third-party anonymous hotline "Convercent" at 1-800-461-9330 - Company access code "NBTY". Your violation of this policy can result in your being barred from future business dealing with Nature's Bounty. Associate violation or abuse of this policy may result in the Associate's immediate termination.
- We believe this policy supports our mission to deliver the highest quality nutritional supplements with the best value to our customers.

Labor Law Compliance

- We only do business with Suppliers that comply with wage and hour laws, rules and regulations of the countries in which they do business.
- We only do business with Suppliers that comply with the child labor laws, rules and regulations of the countries in which they do business.
- We only do business with Suppliers that comply with the laws, rules and regulations regarding slavery and human trafficking of the countries in which they do business.
- We expect our Suppliers to require that the contractors and subcontractors with whom they do business also comply with wage and hour, child labor, and slavery and human trafficking laws, rules and regulations of the countries in which they do business.

Nature's Bounty shall abide by the requirements of 41 CFR 60-300.5(a). This regulation prohibits discrimination against qualified protected veterans, and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified protected veterans."

Nature's Bounty shall abide by the requirements of 41 CFR 60-741.5(a). This regulation prohibits discrimination against qualified individuals on the basis of disability, and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified individuals with disabilities.

If you learn of any violation of this Purchasing Policy, report it to our General Counsel at (631) 200-2000, or to the third party anonymous hotline "Convercent" at 1-800-461-9330 - Company access code "NBTY".

Standard Terms and Conditions

1. **Complete Agreement.** In the absence of a specific written, fully executed, supply or vendor agreement between you and us governing the purchase of **Packaged Goods or Merchandise** (“Master Agreement”), this Guide, together with each Purchase Order, constitutes the entire agreement between you and us, with respect to the purchase of **Packaged Goods or Merchandise**. In the event that a Master Agreement exists, if the terms and conditions agreed to as part of the Master Agreement conflict with any terms or conditions contained in this Guide, then, with respect to such conflict, the terms and conditions contained in the Master Agreement shall take precedence over those listed in this Guide. No terms or conditions of sale set forth in your quotation, order, invoice, or sales acknowledgment, or in any other document or conversation constitute any part of the agreement between you and us concerning our purchase unless we expressly agree to those terms in a writing signed by an officer of Nature’s Bounty. This Guide governs all past and future transactions between you and us, unless we provide additional or different terms and conditions, in which event those additional terms and conditions will govern if you choose to sell us goods or services after the effectiveness of such terms. Your proceeding in any way with the transactions or deliveries contemplated by the Purchase Order, including acknowledging and accepting an order, or your partial or complete delivery of goods to us, constitutes your acceptance of these terms and conditions.

2. **Payments; Set-Off.** Upon submission of proper invoices in accordance with this Guide, we will pay the prices specified in the Purchase Order for goods delivered and accepted. We will not allow any additional fees or charges of any kind, including charges for boxing, packing or crating, unless we specifically agree to these fees in writing in advance. We will pay invoices under our standard payment terms after the later of (i) the date we accept the goods, and (ii) the date we receive a proper invoice for the goods in question, unless otherwise provided in the Purchase Order. We have the right (but not the obligation) to set off our claims (liquidated or unliquidated) against payments you claim we owe you or anyone else under the Purchase Order, whether or not the claims arise from the Purchase Order. You represent and warrant to us that no sales tax or use tax is included in the selling price, and, to the extent applicable, you will charge tax as a separate line item and cooperate with us to obtain available tax exemptions. Except as provided above, you further represent that the price in the Purchase Order includes all foreign, federal, state and local taxes. We will not incur interest or late charges on payments for shipments that are subject to dispute. If you provide defective or unusable product which you must replace, and, as a result of our lack of product we must employ multiple shipments to our retail customers, you must reimburse us for such additional shipments.

3. **Representations and Warranties.** Supplier hereby makes the following representations and warranties with respect to this Guide, each Purchase Order and the **Packaged Goods or Merchandise** delivered to us, which representations and warranties will be deemed to be repeated and confirmed upon the creation of any new Purchase Order and the delivery of **Packaged Goods or Merchandise** pursuant thereto.

- (a) The price of the items covered by the Purchase Order are your lowest price in effect as of the Purchase Order date for comparable quantities of similar items under similar circumstances and your lowest price offered to any of our divisions or affiliates for comparable quantities of similar items. If either supplier or we discover at any time that the price violates this Section 3, supplier will pay in cash or credit us, at our option, an amount equal to such difference. Supplier represents and warrants that any goods furnished conform to any specifications contained in the corresponding Purchase Order and that the goods are free and clear of any security interest or other lien or

encumbrance or adverse claim of any kind, and that supplier has good title thereto, the transfer of which to us is rightful.

- (b) The items covered by the Purchase Order were produced, or provided, in full compliance with all laws, rules and regulations, including the Act (defined below), Proposition 65 and laws regarding slavery and human trafficking of the country or countries of their manufacture.
- (c) The items covered by the Purchase Order will be shipped to us in compliance with all import laws and regulations of the United States of America ("US") or any political subdivision thereof and all export laws or regulations of any foreign government or any political subdivision thereof (as the same may be amended from time to time) or any successor thereto, in each case as in effect at the time such goods are shipped to us.
- (d) The items covered by the Purchase Order are free from defect in design, material and workmanship and, if applicable, none of such items are adulterated or misbranded within the meaning of the United States Federal Food, Drug and Cosmetic Act, as the same may be amended from time to time, (the "Act"), or within the meaning of any applicable federal, state or municipal law within which the definitions of adulteration or misbranding are substantially the same as those contained in the Act and are not articles which may not, under the provisions of Section 404, 505 and 512 of the Act, may not be introduced into interstate commerce, in each case as in effect at the time such goods are shipped to us.
- (e) Supplier is duly qualified to do business and is in good standing in each jurisdiction in which such qualification is required; supplier has the full right, power and authority to perform its obligations under this Guide and each Purchase Order; supplier has complied, and will comply, with all applicable laws, rulings, regulations, acts and orders as they relate to the performance of supplier's obligations under this Guide and each Purchase Order; the performance of supplier's obligations under this Guide and each Purchase Order will not violate, conflict with, require consent under or result in the breach of or default under any material agreement of supplier.

If **Packaged Goods or Merchandise** delivered to us are defective, adulterated or breach any of the representations and warranties listed above, we reserve the right to destroy such **Packaged Goods or Merchandise** immediately and receive full reimbursement of the cost of such **Packaged Goods or Merchandise** plus the cost of destruction or pickup by the supplier.

4. **Cancellations and Terminations.** We may terminate a Purchase Order, with or without cause, in whole or part, at any time, upon notice to supplier, except for items already delivered and accepted.

5. **Intellectual Property Rights.** Supplier hereby grants Nature's Bounty a non-exclusive, perpetual, royalty free license to use trademarks, copyright materials and patents associated with all advertising, marketing and other materials associated with any goods or services that include products purchased from you.

6. **International Shipments.** If you are shipping **Packaged Goods or Merchandise** to us from outside the US, you must ship under DDP, as defined in the Incoterms® 2010 rules. This means that supplier is responsible for (i) the arrangement and cost of international freight, U.S. delivery, and insuring goods in transit; (ii) the entry of the goods into the United States and all regulatory requirements of U.S. Customs and

Border Protection and any other U.S. governmental authority having jurisdiction over your **Packaged Goods or Merchandise**; (iii) freight forwarding and customs brokerage costs; and (iv) payment of all customs bonds, duties and fees. We will not serve as importer of record for the import of your **Packaged Goods or Merchandise**, and we will not accept freight-collect shipments. The unit cost for your **Packaged Goods or Merchandise**, as it appears on our Purchase Orders, must include all freight, insurance and entry costs. If supplier is unable to comply with these requirements, please contact the Buyer listed on the Purchase Order immediately to discuss potential alternative terms of sale, which may be offered at our sole discretion.

7. **Waiver; Severability.** Our failure to insist upon strict performance of any of the terms of the Purchase Order or this Guide, or to exercise any rights conferred, will not be construed as a waiver of our rights to assert or rely on any such terms or rights on any future occasion. Our rights and remedies under this Guide are not exclusive, but in addition to any other rights or remedies provided by equity, law or under the Purchase Order. If any term or provision of this Guide, or any Purchase Order, is held invalid or unenforceable, the remainder of this Guide and the Purchase Order, and any other application of such term or provision, will not be affected thereby.

8. **Disputes and Remedies; Governing Law and Venue.** The Purchase Order, this Guide and the transactions contemplated hereby and thereby will be governed by New York law, without regard to its principles of conflicts of law, and all legal proceedings with respect thereto must be commenced in the New York State Courts sitting in Suffolk County, New York. In any legal proceeding, we are entitled to recovery of reasonable attorneys' fees and expenses consistent with Section 10 below. In addition to the provisions set forth in this Guide, the provisions of the Uniform Commercial Code of the State of New York (as amended from time to time), and all warranties, express or implied, included therein and any other applicable law or regulation, will apply to this Agreement and the **Packaged Goods or Merchandise** covered by the Purchase Order furnished to supplier

9. **Adverse Events.** We may purchase finished-product, over-the-counter drugs or dietary supplements ("Supplements"). Supplements are regulated by the U.S. Dietary Supplement and Nonprescription Drug Consumer Protection Act ("CPA"). Under the CPA, and guidelines issued by the U.S. Food and Drug Administration ("FDA"), the manufacturer, packer, or distributor of a Supplement, whose name appears on the Supplement's label, must report all "serious adverse events" (as defined in the CPA) pertaining to such Supplements to the FDA.

From time-to-time, consumers communicate information to us concerning an event potentially associated with a Supplement that may involve a serious adverse event. If you supplied the Supplement, we will notify you (by e-mail to the address we have on record for you) within three (3) business days of receipt of such information; and use commercially reasonable efforts to provide you with the following information:

- the reporting consumer's contact information;
- the Supplement (and its lot number if available); and,
- information describing the event.

Supplier agrees to comply with the CPA reporting obligations, and will review the information in a timely manner, follow-up with the reporting consumer, and report all serious adverse events to the FDA. Supplier also agrees to report the information to all other manufacturers, packers or distributors whose name appears on the Supplement's label. Supplier also will maintain a file of all adverse events reported to you, and provide a summary of this information to us upon request.

10. **Product Recalls.** FDA, voluntary or other product recalls must be immediately communicated to the following individuals at Nature's Bounty:

- Jessica Rendall – jrendall@nbty.com
- Brian Dennis – bdennis@nbty.com
- Pawel Rudzinski – prudzinski@nbty.com
- Alan Thomas – athomas@nbty.com
- Kirsten Zeman – kzeman@nbty.com

Recall notifications need to include recall description, product description, product size, affected lot #'s and manufacturing dates, recall type – voluntary or otherwise, return information, certificate of destruction information and any other pertinent correspondence. Specific timelines for the information processing and timing of the recall must also be included. Any product returned or destroyed will be charged back to supplier for all recalled products. Nature's Bounty reserves the right to charge supplier for any recall related expenses.

11. **Indemnification.** You agree to indemnify us and our affiliates, and our and each of our affiliate's respective employees, shareholders, officers, directors, customers, agents and attorneys (collectively, the "Nature's Bounty Indemnified Parties") and hold each Nature's Bounty Indemnified Party harmless against any loss, cost, damage, expenses or liability paid or incurred by such Nature's Bounty Indemnified Parties (including all costs of defense and attorneys' fees and other professional fees and including all investigative costs and all indirect and consequential damages) arising from or relating to, directly or indirectly, any of the following: (i) your breach of any terms of this Guide, any Purchase Order or any Master Agreement, including, without limitation, the breach of any representations and warranties; (ii) claims for injuries or other damage arising from the **Packaged Goods or Merchandise** covered by the Purchase Order, notwithstanding any actual or alleged defect or hazard inherent in the goods or negligence of any Nature's Bounty Indemnified Parties; (iii) any recall, inspection, testing, replacement or correction of the **Packaged Goods or Merchandise** covered by the Purchase Order or goods in which such product is incorporated, whether required by governmental authority or otherwise, (iv) claims by any of your subcontractors or suppliers, (v) any product liability (including bodily injury and property damage), quality control issues, false advertising claims or any claims regarding efficacy or effectiveness, directly or indirectly, relating to the **Packaged Goods or Merchandise**; (vi) your negligent act or omission, or that of your employees, agents or contractors; or (vii) your infringement of any patents, copyrights, trademarks, trade names, trade dress or any other intellectual property rights of a third party relating to the product. We will notify supplier of any claim against any Nature's Bounty Indemnified Party, if that party intends to seek indemnification from you. We will control the defense and related settlement negotiations relating to any such claim, provided that we have the right to request at our full discretion that supplier lead or control the defense. Supplier will cooperate with us in the preparation of such defense and negotiations.

12. **Equal Employment Opportunity.** Supplier will comply with all provisions of Executive Order 11246 or by rule or order of the Secretary of Labor, or as otherwise provided by law. Supplier will comply with the provisions of Section 503 of the Rehabilitation Act of 1973, Title 1 of the Americans with Disabilities Act of 1990 and the Vietnam Era Veterans' Readjustment Assistance Act of 1974.

13. **Anti-Corruption Policy.**

- (a) In connection with you providing us with the **Packaged Goods or Merchandise** pursuant this Guide and each applicable Purchase Order, and any related agreement or activity:
 - i. You agree and understand that you shall comply with all applicable anti-bribery laws and regulations, including the United States Foreign Corrupt Practices Act, and all other applicable laws dealing with bribery, extortion, and kickbacks (collectively, "Applicable Anti-Corruption Laws");
 - ii. You represent and covenant that you have not offered and will not offer, directly or indirectly, any illegal bribe, kickback, or other improper or illegal payment to any person;
 - iii. You represent and covenant that no payments of money or anything of value have been or will be corruptly offered, promised, paid, or authorized, directly or indirectly, to any Government Official for purpose of: (A) influencing any act or decision of the Government Official in his or her official capacity; (B) inducing the Government Official to do an act in violation of a lawful duty; or (C) inducing the Government Official to use his or her influence with a government or instrumentality thereof, in order to assist you or Nature's Bounty in obtaining or retaining business or securing any improper advantage, in connection with any business venture, contract, or agreement in which Nature's Bounty is a participant;
 - iv. You represent and covenant that you have not made and will not make or permit any off-the-books accounts, inadequately identified transactions, recording of non-existent expenditures, entry of liabilities with incorrect identification of their object, or the use of false documents;
- (b) Upon our request, you shall execute the Certification of Anti-Corruption Compliance, the latest version that we provide to you.
- (c) From time-to-time upon our reasonable request, in connection with the **Packaged Goods or Merchandise** you provide to us pursuant this Guide and each applicable Purchase Order, you agree to make your applicable books and accounting available to us for our (or our designated representative's) review in connection with your compliance with the Applicable Anti-Corruption Laws.

14. **Construction.** Unless the context of this Guide otherwise requires, (i) words of any gender include each other gender; (ii) words using the singular or plural number also include the plural or singular number, respectively; (iii) the term "hereof," "herein," "hereby" and similar or derivative words refer to this entire Guide; (iv) the term "paragraph" or "section" refers to the specified paragraph or section of this Guide; (v) the term "Exhibit" refers to the exhibits to this Guide; (vi) this Guide will be deemed to have been drafted by the parties equally; (vii) the word "or" will be deemed to include both its disjunctive and its conjunctive meaning; (viii) the term "including" and similar or derivative words will be deemed to be followed by the words "without limitation;" and (ix) the word "Person" means any natural person, corporation, limited liability company, partnership, joint venture, association, company, trust, bank or similar financial institution, other entity, government, agency, and political subdivision of a government. Whenever this Guide refers to a

number of days, that number will refer to calendar days unless business days are specified. As used herein, (a) “business day” means any day other than Saturday, Sunday or any day on which banks located in New York City are authorized or obligated to close, and (b) “affiliate” means, with respect to any person or entity, any other person or entity that controls, is controlled by, or is under common control with, such person or entity.

15. **Notices.** Unless otherwise noted in this Guide, all notices or other communications provided for or permitted herein will be in writing, and delivered by nationally recognized overnight courier, such as FedEx, to the party entitled or required to receive the same, at the address first set forth in the Introduction with respect to us, such address specified in the Purchase Order with respect to supplier or such other address as either party may designate by written notice given pursuant to this section. All notices and other communications will be deemed given on actual delivery, or first attempted delivery if delivery is refused by the intended recipient

16. **Non-solicitation.** For so long as you provide us with **Packaged Goods or Merchandise** pursuant to the terms of this Guide, supplier agrees to not directly or indirectly solicit, induce, recruit, encourage or otherwise endeavor to cause or attempt to cause any employees or consultants of Nature’s Bounty or its subsidiaries to terminate their relationship with Nature’s Bounty or its subsidiaries, as applicable; provided, however, that nothing in this paragraph shall prohibit the use of a general solicitation in a publication or by other means.

Nature's Bounty's Minimum Levels of Insurance Coverage

In the absence of a supply or vendor agreement between you and us that addresses the minimum level of insurance coverage, supplier will obtain and maintain in full force and effect during the course of conducting business with Nature's Bounty, at its own expense, policies of insurance with carriers with a minimum AM Best Financial Rating of A-VII, the following insurance coverage lines, as applicable to the business relationship between supplier and Nature's Bounty.

The Nature's Bounty Co. and its affiliates must be named as an Additional Insured and Loss Payee for General Liability coverage in the description of operations box, along with The Nature's Bounty Co. as Certificate Holder.

Note: In the case where a supplier's current insurance coverage does not meet the levels listed below and the supplier wishes to request an exception from any of the below coverage levels, an email request should be sent to SupplierManagement@nbty.com. The email should include a copy of the supplier's current Certificate of Insurance as well as a list of the insurance levels that do not meet Nature's Bounty's recommended levels. If the supplier believes that a specific type of insurance coverage area or level of coverage is not applicable to the business relationship between supplier and Nature's Bounty this should also be explained as part of the email communication. Nature's Bounty will promptly review requests for insurance coverage exceptions on a case-by-case basis. Suppliers will be notified of the results of the review and will be required to comply with Nature's Bounty's final decision in order to remain an approved supplier. Conformance to our insurance coverage requirements, as applicable to the business relationship between supplier and Nature's Bounty, is required to maintain your approved supplier status.

Insurance Coverage Area	Minimum Limits
General Liability	
Including contractual liability coverage on an occurrence basis for bodily injury, death, "broad form" property damage, advertising injury and personal injury.	\$1,000,000 per occurrence; \$1,000,000 Personal and Advertising Injury; \$3,000,000 General Aggregate; \$100,000 - Damages to premises rented to you
Employer's Liability	
Employer's Liability coverage for injury, disease and death.	Bodily injury by accident - \$1,000,000 each accident Bodily injury by disease - \$1,000,000 policy limit Bodily injury by disease - \$1,000,000 each employee
Product Liability	
This can either be included in the General Liability or via standalone policy. If Self Insured Retention is applicable, the SIR should be noted on certificate and if Claims Made this should be referenced as well (all Accord certs have a box for Claims Made or Occurrence).	\$1,000,000 per occurrence; \$1,000,000 aggregate
Excess or Umbrella Coverage	
Excess or Umbrella Coverage	\$3,000,000 per occurrence; \$3,000,000 aggregate
Workers Compensation	
Workers Compensation as required by law in the state where services will be performed.	Statutory

Nature's Bounty's Supplier Onboarding, Qualification and Risk Screening Program

All suppliers of **Packaged Goods or Merchandise** are required to participate in Nature's Bounty's Supplier Qualification and Risk Screening process, which includes a nominal annual enrollment fee. For more information about Nature's Bounty's Supplier Onboarding Program, inclusive of the Supplier Qualification and Risk Screening process, please contact Nature's Bounty's Supplier Management Office at SupplierManagement@nbty.com or visit <http://nbty.globalrms.com/>.

Exhibit A: Pallet Label

Supplier Name		
Purchase Order #		
Nature's Bounty Part #		
Product Description		
Manufacturer's Lot #		
Expiration Date		
Pallet #		of

Supplier Acknowledgement (Signature Required)

As an authorized representative of my company (which is referred to in the Supplier Compliance Guide as “you” or “supplier”), I acknowledge that I have read and understand Nature’s Bounty’s expectations as well as the practices to be followed by suppliers as described within this Supplier Compliance Guide, and that I am authorized to sign this Supplier Compliance Guide on behalf of my company. I also understand that non-compliance to Nature’s Bounty’s guidelines and requirements may result in the assessment of surcharges to my company as well as the potential loss of ‘approved’ supplier status with Nature’s Bounty. By signing below, supplier acknowledges its agreement with and its acceptance of this Supplier Compliance Guide

Company (Supplier) Name: _____

Signature of Authorized Supplier Representative: _____

Printed Name: _____

Title: _____

Phone Number: _____

Email: _____

Date: _____

If you have any questions/comments/concerns regarding this Supplier Compliance Guide, please feel free to reach out to our Supplier Management Office at **SupplierManagement@nbty.com**.

PLEASE RETURN THIS COMPLETED SUPPLIER ACKNOWLEDGMENT TO NATURE’S BOUNTY AND RETAIN A COPY FOR YOUR RECORDS.