



BREAS MINIMUM ADVERTISED PRICE (MAP) POLICY
Effective: December 13, 2023

Breas Medical, Inc., ("BREAS") manufactures unique medical devices for respiratory applications. BREAS has unilaterally adopted this minimum advertised price policy (this "Policy"), which is applicable to all of BREAS's distributors, dealers, resellers, and/or any party selling the Covered Product(s), including those of only online presence, (collectively, "Dealers") effective as of August 26, 2022 for those products described in the table in Exhibit A, as it may be amended from time to time (collectively, the "Covered Products"). This Policy is being implemented to enhance the BREAS brand and to incentivize Dealers to promote and to provide valuable sales assistance and support and other services to their customers relating to the Covered Products.

BREAS products for sale in the United States are Class II medical devices and require a physician's prescription as set forth by the U.S. Food and Drug Administration (FDA). Certain BREAS products that are manufactured for sale in the U.S. are approved only for sale in the U.S. Accordingly, resales of such products outside of the U.S. is strictly prohibited.

Minimum Advertised Price (MAP)

BREAS may from time to time unilaterally establish a minimum advertised price ("MAP") for Covered Products, as set forth in Exhibit A. The Dealers are free to advertise, promote, or sell the Covered Products at any price they choose in their sole and absolute discretion; provided, however, that Dealers may not advertise or otherwise promote the Covered Products at a **Net Price** less than MAP and may not sell the Covered Products to any other person or entity which advertises or otherwise promotes the Covered Products at a **Net Price** less than MAP. The Dealers are not required to list prices in advertising. If a price is listed in an advertisement or promotion (including any advertisement using the Internet), the **Net Price** must be at or above MAP.

For purposes of this Policy, the "**Net Price**" shall mean the published or advertised price that the Dealer makes the Covered Product available to its customers taking into account all discounts, deductions, rebates, allowances, credits, charges, trade-ins, the separate price of products bundled with the Covered Products by the Dealer, coupons, premiums, promotions, and free goods and services and gifts offered with the Covered Product. Customer paid taxes shall not be included in the determination of the **Net Price**.

Coverage

This Policy applies to any and all forms of advertising, promoting, or soliciting (collectively, "Advertising") the Covered Products, including, but not limited to, mailings, catalogs, flyers, in-store advertising, posters, coupons, mailers, inserts, newspaper, magazines, mail order catalogs, television, radio, public signage, displays at exhibitions and shows, advertising via email, e-commerce sites, websites, natural or paid search engine listings, social media, web applications,, the Internet or any other electronic network, and any other forms of media. For purposes hereof, a Dealer will be deemed to have used the Internet to advertise or otherwise promote Covered Products if such advertisement or other promotion is delivered through any online format or medium, including, but not limited to, shopping feed and comparison shopping engine advertising and toolbars, metadata, banner ads and other online ads, websites, social media platforms, general online discussion boards, blogs, Internet auction sites, mobiles sites, mobile applications or any other similar online platform or forum.

This Policy does not apply to Refurbished Products, Remanufactured Products, or Used Products (collectively, the "Products"), provided, however, that these Products shall be explicitly and clearly identified as such and shall not have the appearance and/or labeling of a new Covered Product. The term "Refurbished Product" or "Remanufactured Product" means any Covered Product that has been refurbished by Breas or its authorized service centers and/or service providers; and the term "Used Product" means any Covered Product



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that has been used or a Covered Product that has been refurbished by a third party other than Breas or its authorized service centers and/or authorized service providers.

This Policy does not apply to prices that appear on Internet site “checkout” pages where the customer makes its final purchase or in communications directly with a Dealer’s existing customer base or anyone who has agreed to receive from the Dealer’s organization marketing materials including text and email correspondence. In addition, statements such as “call for price,” “call for quote,” “click for price” or “add to cart for price” are acceptable.

Compliance

This Policy applies to each Dealer Advertising the Covered Products. This Policy does not constitute a contract or an agreement to purchase the Covered Products between BREAS and any Dealer. BREAS does not ask for, nor will it accept, any assurances of compliance or agreement from any Dealer regarding this Policy or Dealer’s intent to comply with the Policy. BREAS will not discuss or negotiate the terms of this Policy or any conditions relating to any Dealer’s acceptance of this Policy. No BREAS employee or representative shall seek or accept, or is authorized to seek or accept, any Dealer’s agreement, nor solicit any Dealer’s understanding, to sell or advertise the Covered Products at or above the applicable MAP or to modify or grant exceptions to this Policy. No Dealer shall have any right, contractual or otherwise, to enforce this Policy against BREAS or any other Dealer.

BREAS reserves the unilateral right to cancel all orders and refuse to accept any new orders from any Dealer for the Covered Products immediately following verification by BREAS to its reasonable satisfaction that the Dealer has advertised or otherwise promoted a Covered Product at a **Net Price** less than MAP or the Dealer has sold a Covered Product to a person or entity which advertised or otherwise promoted a Covered Product at a **Net Price** less than MAP. Specifically, in the event that BREAS determines, in its sole discretion, that a Dealer has violated or taken an action that is inconsistent with this Policy, BREAS reserves the right to take one or more of the following actions:

1. 1st Offense: Breas will issue a written warning and the offending Dealer has one (1) business day to rectify the issue(s) outlined in the written warning.
2. 2nd Offense: Breas will refuse to accept any new orders from the offending Dealer, suspend or terminate the offending Dealer’s account, and/or take such other actions as Breas, in its sole discretion, deems appropriate.

Amendments

BREAS shall communicate from time to time to the Dealers the list of Covered Products subject to the Policy and the applicable MAP for such Covered Products. This Policy is subject to change or cancellation at any time by BREAS in BREAS’s sole and absolute discretion. BREAS will provide the Dealers at least ten (10) days advance written notice of any change or cancellation of this Policy. This Policy does not restrict in any way the price at which the Covered Products are sold, which the Dealers may set in their sole discretion.

All questions with respect to this policy and its enforcement must be directed solely to BREAS via e-mail at SupportUS@breas.com.



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Exhibit A: Covered Products and MAPs

Item No.	Products	Minimum Advertised Price
<i><u>CPAP and Accessories</u></i>		
718116	Z2 Auto APAP System	\$799.00
005767	Z2 Powershell	\$379.00
006910	Z2 Battery	\$329.00
009001	Z2 Premium Travel Bag	\$18.00
<i><u>Ventilator and Accessories</u></i>		
230016	Vivo 45LS Ventilator (Includes power cord, manual, carry bag, oxygen adapter, single limb circuit	\$13,382
230916	Vivo 45LS Factory Refreshed Ventilator (includes power cord, manual, carry bag, oxygen adapter, single limb circuit	\$11,744.08
224916	Vivo 65 Factory Refreshed Ventilator (includes power cord, manual, carry bag, oxygen adapter, single limb insert	\$10,841.04
224516	Vivo 65 Ventilator (includes power cord, manual, carry bag, oxygen adapter low pressure, single limb insert)	\$12,353.00
004559	Click on battery Li-Ion (compatible with Vivo 50/65)	\$981.23
007555	Lightweight mobility bag	\$263.94
006265	Click-In Battery (Vivo 45 LS)	\$541.77
007994	Breas XPAC (Single Battery) US	\$937.13
007998	Breas XPAC (Dual Battery) US	\$1,102.50
007804	XPAC Cable Vivo 50/60 55/65	\$242.55
007671	XPAC Cable Vivo45/NIPPY4 series	\$154.30
007932	XPAC Carry Bag	\$44.10
007727	Power supply XPAC	\$88.20
008521	Extended Life battery XPAC	\$330.75