

Minimum Advertised Price (MAP) Policy

Effective May 29, 2023

This policy applies to all customers selling directly to patients (“Dealers”) of Transcend Inc. who are authorized to advertise and sell Transcend’s products, including all dealers and distributors (including those dealers and distributors who only sell with an online presence).

Transcend makes unique medical devices for those persons who have been diagnosed with sleep apnea. Patient adherence is known to be key to treatment and the involvement of health professionals helps to increase adherence. Our CPAP devices are regulated by the US Food and Drug Administration (FDA), are classified as Class II medical devices and require a physician’s prescription. We believe that the sale of our products is best for patients when coupled with a high degree of service to those patients. We also know that many of our Dealers invest significant time and resources to deliver an extraordinary customer experience. We have unilaterally established this Minimum Advertised Price (“MAP”) Policy (the “MAP Policy”) to enhance the Transcend brand and to encourage our Dealers to provide more sales assistance to patients as well as increased post-sale support and services. The MAP Policy applies to those products listed in Exhibit A (the “Covered Products”).

Dealers are free to advertise and sell the Covered Products at any price of their choosing. However, to be in compliance with the MAP Policy, Dealers may not advertise a Covered Product at a price lower than its MAP.

The term “advertise” includes all promotional or pricing information regarding the Covered products, whether digital or non-digital, including, but not limited to information in or conveyed by:

- newspapers
- catalogs
- magazines
- brochures
- coupons
- websites
- blogs
- social media
- affiliate marketing networks/comparison shopping engines
- Dealer-initiated text messages or emails to customers or prospective customers
- mobile/smart phone applications
- banner ads
- online product ads
- paid search ads
- pay-per-click ads
- display ads

- mobile ads
- product listing ads
- sponsored links
- ads in any other media in a digital format that is conveyed via the internet
- any other marketing or promotional materials displayed online

The term “advertise” also includes website features such as automated “bounce-back” pricing e-mails, pre-formatted e-mail responses, forms, automatic price display for any items prior to being placed in a customer’s shopping cart and other similar features as they are considered to be communications initiated by the Dealer (rather than by the end customer).

“Advertise” does not include:

- Advertising inside a physical store that is not distributed to customers;
- Pricing information or discounts that first appear on internet shopping cart pages after customers have already placed a Covered Product into the shopping cart;
- Communications directly between a Dealer and its existing customer base or any person who has agreed to receive marketing materials, including text and email correspondence, from the Dealer; and
- Free or reduced-price shipping advertisement (as long as such offer applies to all or almost all other products in the same product category)

It is not a violation to advertise:

- That a customer may “click for price,” “call for price,” “email or text for price” and “add to cart for price” or similar language so long as no price is listed; or
- That the Dealer has “the lowest prices” or will match or beat its competitors’ prices, or to use similar phrases; so long as the Dealer does not include any advertised price below MAP and otherwise complies with this MAP Policy

Please note that pricing information shown in “checkout” pages or in “shopping carts” must be obscured technically so that it is not retrievable by shopping and pricing engines, is not displayed on search page results on a Dealer’s website and is not listed on the product page.

“Bundling” or advertising a bundle or combination of two or more Covered Products at a price not lower than 90% of the combined MAP for such Covered Products will not violate this MAP Policy. Bundling a Covered Product and either (a) another brand of product or (b) a Transcend product that is not a Covered Product, will comply with this MAP Policy so long as (i) the effective or stated discount is not greater than 10% of the highest priced Covered Product’s MAP in the bundle and (ii) the effective or stated discount is not greater than the normal retail price of the Non-Covered Product item. For example, if a dealer advertises a Product at the MAP, and provides free CPAP wipes, the advertisement would comply with this MAP Policy. If, however, the advertisement shows the Covered Product at the MAP and the CPAP wipes at the store’s normal retail price, and then shows a “15% off” of the package, the advertisement violates this

MAP Policy. As another example, assume the dealer advertises a Covered Product and mask as \$774. If the Covered Product has a MAP of \$860 and the mask has a normal retail price of \$75, then the advertisement violates this MAP Policy because the discount of \$86 is greater than the normal retail price of the mask.

This MAP policy also applies to any activity which Transcend determines, in its sole discretion, is designed or intended to circumvent the intent of this MAP Policy.

SELLING TRANSCEND PRODUCTS ON EBAY OR AMAZON IS STRICTLY PROHIBITED WITHOUT THE EXPRESS PRIOR WRITTEN CONSENT OF TRANSCEND. DEALERS MAY NOT SELL COVERED PRODUCTS TO B2B/COMMERCIAL CUSTOMERS, WHOLESALERS, OR FREIGHT FORWARDERS/DROP SHIPPERS WITHOUT THE EXPRESS PRIOR WRITTEN CONSENT OF TRANSCEND. DEALERS MAY ONLY SELL TO PATIENTS/END CONSUMERS/USERS. DEALERS MAY NOT ALTER ORIGINAL TRANSCEND PACKAGING IN ANY WAY PRIOR TO RESELLING TRANSCEND PRODUCTS. REMOVING TRANSCEND PRODUCTS FROM THEIR PACKAGING AND RESELLING TRANSCEND PRODUCTS IN A DIFFERENT PACKAGING OR UNDER A DIFFERENT NAME IS STRICTLY PROHIBITED.

Our MAP Policy is a unilaterally adopted policy. It is not a contract, or an offer from us to form a contract. Each Dealer is free to independently decide whether to comply with this MAP Policy. We do not ask for, and we will not accept, any agreement about a Dealer's choice to follow or not follow our MAP Policy, nor will we ask for or accept any assurances of a Dealer's compliance with this MAP Policy. Our MAP Policy does not require any Dealer to charge a particular price for any Product. Dealers remain free to sell our Covered Products at the prices they choose in their sole discretion. Transcend reserves the right to choose the Dealers with which it chooses to do business.

If a Dealer advertises Covered Products in a manner inconsistent with this MAP Policy, then we reserve the unilateral right to cancel all pending orders and refuse to accept new orders from that Dealer, to suspend or terminate the Dealer's account with us or to take such other actions as we, in our sole discretion, deem appropriate in light of the particular circumstances. Generally, for a first offense, we will issue a warning and the Dealer will have 24 hours to rectify the issue.

Transcend reserves the right to modify or discontinue this MAP Policy at any time in our sole discretion, provided that we will give Dealers at least 14 days advance notice of any changes to this MAP Policy (including MAP changes).

The Transcend MAP Policy Administrator is the only Transcend person authorized by Transcend to discuss or answer questions regarding the MAP Policy. Other than the Administrator, Transcend employees, including persons involved in sales or marketing, are prohibited from discussing any resale pricing practices of Dealers, or to discuss, modify or grant exceptions to this MAP Policy or to discuss with any Dealers the advertising or sales practices of other resellers. The MAP Policy Administrator at Transcend is solely responsible for determining whether a violation of the MAP Policy has occurred, as well as determining appropriate sanctions.

All questions regarding our MAP Policy should be directed to the Administrator via email at Map.Policy@MyTranscend.com.

EXHIBIT A

<u>Product</u>	<u>Product Number</u>	<u>Minimum Advertised Price</u>
Transcend Micro	505000	\$860.00
Transcend T3	503104	\$625.00
Transcend 365	503091	\$825.00
Transcend White P8 Battery	505023-W	\$319.00
Transcend P10 Battery	503098	\$369.00
Transcend Micro Travel Case	505008	\$49.95
Transcend WhisperSoft Muffler	505029	25.95
Transcend Micro PSA5 Power Supply	505010	\$56.95
Transcend Micro PSA4 Power Supply	505032	\$56.95
Transcend Filter Cover	505007	\$8.95
Transcend AirMist Starter Pack	505030	\$11.95
Transcend AirMist 4 Pack with Adapter	505009	\$18.95
Transcend AirMist 4 Pack	505014	\$15.95
Transcend AirMist 8 Pack	505015	\$27.95
Transcend AirMist 12 Pack	505016	\$39.95
Transcend AirFlex 6 ft hose for Micro	505004	\$18.95
Transcend Airflex 6 ft hose - S	503120	\$11.95
Transcend Airflex 4 ft hose - S	503119	\$10.95
Transcend PureFresh Micro Filters	505017	\$5.95
Solar Battery Charger	503056	250.00