

February, 2020

Dear Natrol Distributor,

Natrol wishes you the best for 2020, the year of the Rat on the Chinese Zodiac, and the beginning of a new decade on the Gregorian calendar. Whatever your measure, Natrol hopes that you achieve your personal and business goals in these increasingly more turbulent times.

As you have seen, the world economies and relationships between countries are moving away from a known global order with clear rules, precedents, and mutual respect; and are moving toward more nuanced bilateral economic arrangements. Some of those arrangements have hampered Natrol's International division by reducing access and increasing costs, both of which affect our business and will result in some changes.

Another development is the unstoppable expansion and growth of online services, e-commerce, and web based social media, which have changed consumer behaviors and have reached unprecedented levels of influence in our daily lives. These changes are creating new business opportunities and new solutions such that now, together, we can reach new consumers in every corner of the planet. Natrol can help support you by leveraging these new opportunities.

Changes effective May 1st, 2020

The above conditions are leading Natrol to modify the conditions for doing business within the International division, and these changes will take effect May 1st, 2020, as follows:

- Natrol will raise its minimum annual purchases to \$40,000/year.
- Natrol needs a forecast to have products available, aiming towards shipping US \$10,000 per quarter minimum to reach the \$40,000/year minimum.
- New Natrol pricing takes effect June 1st, 2020, increasing to reflect raw materials and other changes in Natrol's cost structure.

More details to come next month.

Best regards,

Andrew Houlberg
President
Natrol LLC

