

R&R Lotion, Inc.

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www.rrlotion.com
August 1, 2025

Subject: Immediate Pricing Adjustment & Partnership Program Update

Dear Valued Distribution Partner,

I hope this message finds you well. We sincerely appreciate your continued support and the role you play in representing R&R Lotion's product line. We are reaching out today to inform you of an important pricing adjustment, as well as a revision to our Partnership Pricing Program.

As of August 1st, 2025, the U.S. government has implemented new tariffs on imported goods from over 90 countries, with rates ranging from 10% to 50%. These tariffs have placed immediate pressure on industries dependent on raw materials from international markets. While R&R Lotion proudly manufactures its products domestically, many of our core ingredients—such as palm oil, coconut oil, petrochemicals, and various emulsifiers—are sourced in raw form from global suppliers before being processed in the United States. These newly imposed tariffs have significantly increased our procurement costs.

We have worked diligently to maintain stable pricing for the past several years, absorbing inflation and cost volatility wherever possible. Earlier this year, when the new tariff structure was first introduced in March, we made the deliberate decision to hold our prices steady in hopes that the situation would stabilize. For several months, we absorbed the rising costs internally, choosing to prioritize consistency for our partners. However, this sudden and wide-reaching tariff mandate has only intensified, forcing us to reevaluate our position. Effective **August 15th, 2025**, we will be implementing a price increase across our product catalog. We regret the short notice and understand the impact this may have on your planning, but circumstances have dictated an immediate response. Our aim, as always, is to continue delivering the highest quality skincare solutions with transparency and integrity.

In addition to this change, we are also updating the structure of our **Partnership Pricing Program**. Historically, we extended our most competitive pricing—10% below standard distributor rates—to partners without requiring a minimum purchase threshold, provided they featured R&R Lotion products on their websites, allowed for collaboration with their outside sales teams, and participated in at least one annual product training. While many of you have upheld these expectations and contributed meaningfully to our joint success, a growing number have not maintained these commitments while still benefiting from our most preferential pricing.



To ensure fairness and value alignment, we are now introducing a minimum requirement of \$5,000 in annual sales to qualify for Partnership Pricing. This will be evaluated based on the previous year's total sales or year-to-date performance. Distributors who meet this threshold and continue to honor the program's collaborative expectations—featuring our brand online, engaging in co-marketing and training, and working with our team will retain Partnership status and associated benefits. Those who do not meet these standards will revert to standard distributor pricing.

We believe this adjustment represents a modest and reasonable commitment that reflects genuine partnership. It ensures our most dedicated distributors receive the added support and advantages they've earned, while providing a clear and attainable path for others to qualify.

We remain committed to growing alongside you and supporting your success through competitive pricing, exclusive sales tools, marketing collaboration, and product training resources. Should you have any questions regarding your current standing or wish to explore opportunities to requalify, please don't hesitate to contact us directly at **info@rrlotion.com**.

Thank you again for your continued partnership. We look forward to a strong finish to the year—and to building a mutually rewarding future together.

Sincerely, Best Regards,

R. Fletcher Rich Managing Partner