



ATTORNEY GENERAL LESLIE RUTLEDGE

March 17, 2020

Mr. Jeffrey P. Bezos  
Chairman, President and CEO  
Amazon.com, Inc.  
410 Terry Avenue North  
Seattle, WA 98109-5210

Dear Mr. Bezos:

I am writing to thank you for Amazon.com's efforts to prevent price gouging during the current public health crisis and the company's cooperation with my office in addressing instances where bad actors have attempted to scam Arkansans by charging excessive prices for basic needs products in violation of Arkansas law.

Like many other states, Arkansas has laws that prohibit price gouging during states of emergency. On March 11, 2020, Arkansas Governor Asa Hutchinson declared a public health emergency relating to coronavirus disease 2019 (COVID-19) triggering the protections of our price gouging law. The ban on price gouging will remain in effect for at least 30 days on goods and services related to the emergency and can be extended another 30 days by the Governor, if needed.

The price gouging law prohibits any person or business from charging more than ten percent (10%) above the pre-disaster price of goods or services. The scope of the law is broad and is intended to cover anything that may be needed in the event of a state of emergency. As it relates to the COVID-19 public health emergency, covered goods and services include, but are not limited to, cleaning and disinfecting products, personal protective equipment, medicine and medical supplies, and goods used for personal care.

While the law sets a general 10% cap on price increases during an emergency, businesses may lawfully charge a higher price if they can establish that the higher price is directly attributable additional costs for labor or materials used to provide the goods or service. In such a limited situation, the business may charge no more than 10% above the total of the cost to the business, plus the mark-up that is customarily applied by the business for that good or service in the normal course of business.

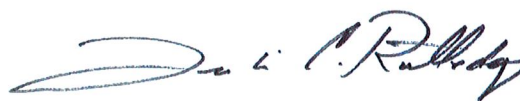
Wholesale distributors and other vendors are not exempt from the price gouging law. If a supplier has recently increased its prices for goods or services by more than 10%, please contact our office immediately.

If a business or individual violates the price gouging law, the Attorney General can seek injunctive relief, restitution to consumers, costs, attorneys' fees, and civil penalties up to \$10,000 per violation. Criminal sanctions may also apply to violators.

We have been successfully fighting bad actors that are located in the State of Arkansas, and we intend to pursue online vendors who have sold consumer goods in Arkansas at excessive prices. My staff and I have been in contact and working with Amazon.com since March 6 to address price gouging complaints affecting Arkansans. We understand that the Company is monitoring its online store and since the beginning of the COVID-19 outbreak, Amazon.com has removed hundreds of thousands of high-priced offers on high-demand products, removed millions of products that make unsupported claims about COVID-19, and suspended thousands of accounts of third-party sellers who have engaged in price gouging.

There should be no place for price gouging in online stores, and we appreciate the opportunity to work with Amazon.com to stop bad actors from artificially raising prices on basic needs products during this public health crisis.

Sincerely,

A handwritten signature in black ink, appearing to read "Leslie C. Rutledge". The signature is fluid and cursive, with a large initial "L" and "R".

Leslie C. Rutledge  
Attorney General