TRANONT ASSOCIATE POLICIES AND PROCEDURES APRIL 2022

SECTION 1 – PURPOSES OF POLICIES AND PROCEDURES

SECTION 2 – INTRODUCTION

- 2.1 Policies and Procedures Incorporated into Associate Agreement
- 2.2 Purposes of Policies
- 2.3 Changes to the Agreements

SECTION 3 – BECOMING AN ASSOCIATE RULES OF CONDUCT – CODE OF ETHICS

- 3.1 Requirements to Become an Associate
- 3.2 New Associate Applications
- 3.3 Renewal of a Distributorship
- 3.4 Required Purchase

SECTION 4 - OPERATING A DISTRIBUTORSHIP

- 4.1 Adherence to the Compensation Plan
- 4.2 Business Entities
- 4.3 Minors
- 4.4 Enrolling/Placing or Sponsoring
- 4.5 Independent Contractor Status
- 4.6 Compliance with Laws
- 4.7 Competitors' Product and Business Opportunity
- 4.8 Promotion of Competing Products or Services
- 4.9 Retail Sales
- 4.10 Changes to a Distributorship
- 4.10.1 General
- 4.10.2 Addition of Co-Applicant
- 4.10.3 Change of Sponsor
- 4.10.4 Cancellation and Reapplication
- 4.11 Roll-up of Marketing Organization
- 4.12 Sale, Transfer or Assignment of a Distributorship
- 4.13 Separation and/or Dissolution of Associate(s)
- 4.14 Succession
- 4.15 Transfer Upon Death of an Associate
- 4.16 Transfer Upon Incapacitation of an Associate
- 4.17 Errors or Questions

SECTION 5 – RESPONSIBILITIES OF ASSOCIATES

- 5.1 Change of Address, Telephone or Email
- 5.2 Continuing Development Obligations
- 5.2.1 Ongoing Training

- 5.2.2 Increased Training Responsibilities
- 5.2.3 Ongoing Sales Responsibilities
- 5.3 Non-Disparagement
- 5.4 Providing Documentation to Applicants
- 5.5 Reporting Policy Violations
- 5.6 No Claims of Special Privileges
- 5.7 No Reliance
- 5.8 Email, Text Message, and Other Direct Marketing Communications
- 5.9 Data Security and Privacy

SECTION 6 - CONFLICTS OF INTEREST

- 6.1 Non-Solicitation
- 6.2 Targeting Other Direct Sellers
- 6.3 Cross-Line Recruiting
- 6.4 Cross-Sponsoring
- 6.5 Cross-Company Recruiting
- 6.6 Holding Enrollments or Orders
- 6.7 Stacking

SECTION 7 - COMMUNICATION AND CONFIDENTIALITY WITHIN A DISTRIBUTORSHIP

- 7.1 Confidential Information
- 7.2 Communication Opt-in

SECTION 8 – ADVERTISING

- 8.1 General
- 8.1.1 Approval of Materials
- 8.1.2 Right to Rescind
- 8.1.3 Strict Compliance Required
- 8.2 Trademarks and Copyrights
- 8.3 Unauthorized Claims and Actions
- 8.3.1 Indemnification
- 8.3.2 Product Claims
- 8.3.3 Income Claims
- 8.3.4 Use of Celebrity Names and Likeness
- 8.3.5 Governmental Approval or Endorsement
- 8.4 Mass Media
- 8.4.1 Promotions Utilizing Mass Media Prohibited
- 8.4.2 Media Interviews
- 8.5 Internet
- 8.5.1 General
- 8.5.2 Associate Websites
- 8.5.3 Social Media and Other Internet Use
- 8.5.3.1 The Official Company Public Facebook (or similar) Pages
- 8.5.3.2 Closed Associate Facebook (or similar) Pages
- 8.5.4 Use of Third-Party Intellectual Property

- 8.5.5 Respecting Privacy
- 8.5.6 Professionalism
- 8.5.7 Responding to Negative Online Posts
- 8.5.8 Cancellation of a Distributorship
- 8.5.9 Use of "Independent Associate" in Advertising
- 8.5.10 Method of Advertising
- 8.5.11 Advertising at Company Sponsored Events
- 8.5.12 Internet Advertising
- 8.5.13 Advertising and Selling Price of Products on the Internet
- 8.5.14 Mass Communications
- 8.5.15 Lead Generation
- 8.5.16 Telemarketing
- 8.5.17 Retail Establishments
- 8.5.18 Service-Related Establishments
- 8.5.19 Public Relations Matters

SECTION 9 - RULES AND REGULATIONS

- 9.1 Identification
- 9.2 Income Taxes
- 9.3 Insurance
- 9.3.1 Business Pursuits Coverage
- 9.3.2 Product Liability Coverage
- 9.4 International Marketing
- 9.4.1 Unauthorized Markets (Pre-Market)
- 9.4.2 Not for Resale (NFR)
- 9.5 Compliance with Applicable Laws and Ordinances
- 9.5.1 Anti-Corruption Laws

SECTION 10 - SALES AND SALES REQUIREMENTS

- 10.1 Earnings Through Sales
- 10.2 Seventy Percent Rule
- 10.3 Sales Tax, GST VAT
- 10.4 No Manipulation
- 10.5 Inventory

SECTION 11 – REBATES, BONUSES AND COMMISSIONS

- 11.1 Rebates, Bonuses and Commissions Qualifications
- 11.1.1 Payment Processing Fee
- 11.1.2 Replacement Check Fee
- 11.1.3 Chargebacks
- 11.2 Adjustment to Rebates, Bonuses and Commissions
- 11.2.1 Cancellation Within the First 30 Days
- 11.3 Unclaimed Commissions and Credits
- 11.4 Incentive Trips and Awards
- 11.5 Reports

- 11.5.1 Downline Reports
- 11.5.2 Report Indemnification

SECTION 12- PRODUCT GUARANTEE, RETURNS AND INVENTORY REPURCHASE

- 12.1 Product Guarantee
- 12.2 Inventory Repurchase
- 12.2.1 Refusal
- 12.3 Impact on Financial Distributions as a Result of Refund

SECTION 13 - DISPUTE RESOLUTION AND REMEDIES

- 13.1 Breach and Remedies
- 13.2 Breach of Agreement Procedures
- 13.3 Grievances and Complaints
- 13.4 Reporting Agreement Breaches
- 13.5 Governing Law and Resolution of Disputes
- 13.6 Injunctive Relief
- 13.7 Liquidated Damages
- 13.8 Court Proceedings Relating to Seller Information
- 13.9 Circumvention of the Agreement

SECTION 14 - CANCELLATION

SECTION 15 - ORDERING

- 15.1 Direct Retail Customers
- 15.2 Purchasing Products
- 15.3 Shipping and Back Order Policy
- 15.4 Confirmation of Order

SECTION 16 - PAYMENT AND SHIPPING

- 16.1 Deposits
- 16.2 Insufficient Funds
- 16.3 Electronic Funds Transfer (EFT)
- 16.4 Restrictions on Third-Party Use of Credit Cards
- 16.5 Sales Taxes

SECTION 17 – INACTIVITY AND CANCELLATION

- 17.1 Effect of Cancellation
- 17.2 Involuntary Cancellation
- 17.3 Voluntary Cancellation
- 17.4 Non-Renewal

SECTION 18 - PERSONAL DATA AND RIGHT OF PRIVACY

- 18.1 Personal Information
- 18.2 Communicating Personal Information to Third Parties
- 18.3 Associate Access to Personal Information

SECTION 19 – MISCELLANEOUS

SECTION 20 - DEFINITIONS

SECTION 1 – PURPOSES OF POLICIES AND PROCEDURES

The Company has developed the following guidelines to assist in the success of the Company and its Associates. These Policies and Procedures will help provide the following benefits:

- 1) Protect the rights of all Associates by providing a framework within which each Associate may work in an ethical, effective and secure manner.
- 2) Provide an equal and level playing field of opportunity to all Associates.
- 3) Define the contractual relationship between the Company and its Associates.
- 4) Inform Associates regarding compliance issues and regulatory requirements. The Company requires that all Associates understand and abide by these Policies and Procedures as we work together in promoting the Company's Products and opportunity.

SECTION 2 – INTRODUCTION

2.1 – Policies and Procedures Incorporated into Associate Agreement

These Policies and Procedures in their present form, and as amended from time to time at the sole discretion of iMoney Tools, LLC dba Tranont (the "Company"), are incorporated into and form an integral part of Associate Agreement. Throughout these Policies and Procedures when the term "Agreement" is used it collectively refers to these Policies and Procedures, the Privacy Policy, and the Compensation Plan as each may be amended from time to time. These documents are incorporated by reference into the Associate Agreement. It is the responsibility of each Associate to read, understand, adhere to and ensure that he or she is aware of and operating under the most current version of these Policies and Procedures. When enrolling a new Associate, it is the responsibility of the Sponsor to provide the most current version of these Policies and Procedures and the Compensation Plan to the applicant prior to his or her enrollment as an Associate.

2.2 - Purpose of Policies

The Company is a direct-sales company that markets products through Associates. It is important that all Associates understand that their success is dependent upon, among other factors, the integrity of all who market Company Products. To clearly define the relationship that exists between Associates and the Company, and to explicitly set standards for acceptable business conduct, Company has established the Agreement. Associates are required to comply with all the terms and conditions set forth in the Agreement, as well as all federal, state and local laws and regulations governing their business and their conduct. It is very important that all Associates read and abide by the Agreement as it explains and governs the relationship between Associates and the Company. Any questions regarding any policy or rule should be directed to the Company.

2.3 – Changes to the Agreement

Because federal, state and local laws as well as the business environment periodically change, the Company reserves the right to amend the Agreement (including, without limitation, the Privacy Policy, Compensation Plan, and Policies and Procedures) and its prices and Product offering in its sole and absolute discretion. The Company shall provide or make available to all Associates a complete copy of the amended provisions by one or more of the following methods: (1) posting on the Company's official website, (2) electronic mail (email), (3) fax-on-demand, (4) voicemail system broadcast, (5) inclusion in

Company periodicals, (6) inclusion in Product orders or Financial Distributions, or (7) special mailings from the Company. The most current and controlling version will be found in the Associate back office. It is the responsibility of all Associates to regularly review the Agreement and the most recently published amendment(s). Once the amendment(s) are published, the Associate may elect to accept the amendment(s) or terminate their Agreement in writing if they reject them. If the Associate continues to purchase or sell Company Products, enrolls Customers or Associates, and/or accepts Financial Distributions of any kind from the Company, such actions shall be deemed acceptance of any amendments.

SECTION 3 - BECOMING AN ASSOCIATE - RULES OF CONDUCT

CODE OF ETHICS

The Company has made a commitment to provide products and services of the finest quality backed with impeccable service. In turn, the Company expects its Independent Associates to reflect that image in their relationship with consumers and other Independent Associates. An Associate is generally free to operate his or her business as he or she sees fit but it is in the Associate's and Company's mutual, long-term advantage if Associates accord to the highest standards of integrity and fair practice in their roles as Independent Associates. The Code of Ethics, therefore, states:

Independent Associates promise to:

- 1. Handle themselves and their operations as an Associate honestly, morally and legally.
- 2. Keep their activities honorable to reflect well on themselves and on the Company.
- 3. Speak well of the Company as well as competitors.
- 4. Honestly present the Product(s) in keeping with what is set forth in the Company literature, including references to health claims and benefits.
- 5. Explain the Compensation Plan honestly and completely as set forth in the Company Agreement.
- 6. Respect the privacy of others and keep private their personal earnings and the earnings of others.
- 7. Take their Sponsor and Upline responsibilities seriously, including, without limitation, readily training, aiding and supporting those in their Downline.
- 8. Abide by the Product guarantee and return policies for themselves and for their Customers.
- 9. Respect the professional relationships between the Company and any of its advisors, endorsers or affiliates by speaking of them appropriately as set forth in the Company policies and refraining from contacting them.
- 10. Direct all media inquiries to the Company.
- 11. Maintain professional business relationships and avoid conflicts of interest with other Associates and their Enrollees.
- 12. Adhere to the Agreement.
- 13. Conduct their Company business professionally in order to help protect the Company opportunity for all.

3.1 - Requirements to Become an Associate

To become an Associate, each applicant must:

- 1. Be a minimum of eighteen (18) years of age;
- 2. Have a valid Social Security or Federal Tax ID number; and
- 3. Pay any applicable annual Associateship fee.

The Company reserves the right to reject any applications for a new Associate or applications for renewal in its sole and absolute discretion. The Agreement is effective upon acceptance by the Company of the enrollment by the Associate. Failure of the Associate to submit a complete and correct Agreement or to provide associated documentation, when requested at any time by the Company, may result in the Agreement being rejected by the Company and/or termination of the Associate. The right to accept or renew any Agreement remains solely with the Company.

3.2 – New Associate Applications

An applicant is authorized by the Company to operate a Distributorship when: (i) he or she signs up through the Company's on-line application process; and (ii) the Company accepts the Agreement.

3.3 – Renewal of an Associate Agreement

The term of the Agreement is one (1) year from the date of its acceptance by the Company. A renewal fee will be required and billed each successive year on the anniversary date of the Agreement. Once the annual renewal fee has been collected, the Agreement will be renewed, provided the Associate is in good standing and the Agreement has been accepted by the Company and has not been cancelled as provided herein.

- 3.3.1 The Associate expressly authorizes the Company to collect the annual renewal fee using the payment method saved to their Associate account.
- 3.3.2 An Associate will forfeit their rights and agrees that his or her position may lose its downline organization and may forfeit the right to participate in the Compensation Plan if the annual renewal fee is not paid by the renewal date.

3.4 – Required Purchase

Unless otherwise prohibited by law, the only purchases required to obtain and maintain an Associate Distributorship is the annual Associate fee. Product purchases are optional.

SECTION 4 – OPERATING A DISTRIBUTORSHIP

4.1 – Adherence to the Compensation Plan

Associates must adhere to the terms of the Compensation Plan as set forth in the Agreement. Associates shall not offer the opportunity through, or in combination with, any other system, program, or method of marketing other than that specifically set forth in the Agreement. Associates shall not require or encourage other current or prospective Associates to participate in any manner that varies from the program as set forth in the Agreement. Associates shall not require or encourage other current or prospective Associates to execute any agreement or contract other than official Company Agreements and contracts in order to become a Company Associate. Similarly, Associates shall not require or encourage other current or prospective Associates to make any purchase from, or payment to, any

individual or other entity to participate in the Compensation Plan other than those purchases or payments identified as recommended or required in the Agreement.

4.2 - Business Entities

A corporation, limited-liability company, partnership, trust, or local equivalent may apply to become an Associate by submitting a Business Entity form to the Company. If an Associate has previously enrolled online, such form must be submitted to the Company within thirty (30) days of the online enrollment. If the form is not received with in the 30-day period, the Agreement may be terminated by the Company. An Associate Distributorship may change its status under the same Sponsor from an individual to a partnership, corporation, trust or local equivalent or from one type of entity to another by requesting and completing a name change request form and a Business Entity form. The Business Entity form must be signed by all the shareholders, partners, trustees, Associates and owners of the relevant Business Entity. Associates, shareholders, partners, trustees, and owners of the relevant Business Entity are jointly and severally liable for all indebtedness, liability, responsibility, and all obligations to the Company under the Agreement. A Business Entity may have a second and third position only as they are earned as "multiple Distributorships" as described in the Compensation Plan.

4.3 - Minors

A person who is recognized as a minor in his or her state of residence may not be an Associate. Associates shall not enroll or Recruit minors into the program. If it comes to the attention that the Company has inadvertently entered into an Agreement with a minor, any such Agreement or agreement(s), shall be considered immediately null and void from its inception and any associated Associate position and related Financial Distributions shall be forfeited to the Company.

4.4 - Enrolling/Placing or Sponsoring

All Active Associates in good standing may enroll and place ("Sponsor") others into the program. Each prospective Customer or Associate has the ultimate right to choose his or her own Sponsor before enrollment as an Associate. If two Associates claim to be the enroller and/or Sponsor of the same new Associate or Customer, the Company shall presume that the first application received by the Company is controlling. A member of an Associate's Immediate Household may not be enrolled by him/her as a Customer for purposes of earning Financial Distributions, and no purchases by any such Customer shall be included in the calculation of any Financial Distribution qualification. A spouse and/or co-habitant must be enrolled by his/her spouse or co-habitant as his/her Sponsor and be placed on the spouse's or co-habitant's first Level. The Company, in its sole discretion, reserves the right to address any violations of this section by moving any Associate and any or all of his/her respective Downline Organization to another Sponsor and/or placement to ensure compliance with this provision and make adjustments to any or all Financial Distributions retro and proactively.

4.5 – Independent Contractor Status

Associates are independent contractors, not employees of the Company. Associates are not purchasers of a franchise or business opportunity. The Agreement between the Company and its Associates does not create an employer/employee relationship, agency, partnership or joint venture between the Company and the Associate. An Associate is responsible for paying all applicable local, state, and federal taxes due from all compensation earned as an Associate of the Company. An Associate has no authority, express or implied, to bind the Company to any obligation. Each Associate shall establish his or her own

goals, hours, and methods of sale, so long as he or she complies with the terms of the Agreement and all applicable laws and regulations. An Associate shall make no printed or verbal representations, which state or imply otherwise. An Associate is fully responsible for all of his or her verbal and/or written statements regarding the Products and the Compensation Plan which are not expressly contained in Official Company Materials and the Associate agrees to indemnify the Company against any claims, damages, or other expenses, including attorneys' fees, arising from any representations or actions made by the Associate that are outside the scope of or in violation of the Agreement. The provisions of this section survive any termination of the Agreement.

4.6 - Compliance with Laws

In conducting its Associate Business, an Associate must comply with all applicable national and local laws, regulations, and ordinances. An Associate shall not violate any laws which apply to unfair competition or business practice, including any law that prohibits the advertising, offer to sell, or sale of Products at less than the Wholesale Price of the Products.

4.7 – Competitors' Product and Business Opportunities.

An Associate may not offer or promote any non-Company plans, incentives, opportunities, non-approved sales tools, or non-Company products of another Network-Marketing Venture. Associates may be a customer or recurring customer of a Network-Marketing Venture but cannot receive any form of compensation from that Network-Marketing Venture.

4.8 – Promotion of Competing Products or Services

An Associate is prohibited during the term of the Agreement from promoting or selling any non-Company offered services or non-Company offered products, which have the same core intellectual properties as any of the Company Products.

4.9 - Retail Sales

Achieving success as an Associate requires hard work, time, effort and commitment. There are no guarantees of Commissions or rewards. A successful Associate business requires regular and repeated Retail Sales of Products by an Associate. Retail Sales by an Associate's Downline Organization also contribute to the success of an Associate's business. An Associate is required to keep records of all Retail Sales for a period of three (3) years and the Company may randomly monitor compliance with Retail Sales requirements of the Company. Each Product purchased by a non-Associate or Customer is automatically counted on a monthly basis toward qualification requirements.

4.10 – Changes to a Distributorship

4.10.1 – General

Each Associate must immediately notify the Company of all changes to the information provided in connection with a Distributorship. Subject to Company acceptance, Associates may modify their existing Associate information (i.e., change Social Security Number to Federal I.D. number, or change the form of ownership from an individual proprietorship to a Business Entity owned by the Associate) by submitting a completed name change request form and Business Entity form and appropriate supporting

documentation. The Company may, at its discretion, require notarized documents before implementing any changes to a Distributorship. Changes may require up to thirty (30) days or more after the receipt of all necessary completed forms and documentation by the Company for processing.

4.10.2 – Addition of Co-Applicant

When adding a co-applicant (either an individual or a Business Entity) to an existing Distributorship, the Company requires a written request containing the applicant's and co-applicant's Social Security Numbers and signatures. To prevent the circumvention of Section 4.12 (regarding transfers and assignments of a Distributorship), the original applicant must remain as the main party to the original Distributorship. If the original Associate wishes to terminate his or her relationship with the Company, he or she must transfer or assign his or her Distributorship in accordance with Section 4.12. If this process is not followed, the Company may effect a Cancellation of the Distributorship upon the withdrawal or attempted withdrawal of the original Associate. All bonus and Commission payments will be sent to the address of record of the original Associate. Please note that the modifications permitted within the scope of Section 4.10.2 do not include a change of Sponsor. Changes of Sponsor are addressed in Sections 4.10.3. There is a processing fee for each change requested, which must be included with the written request and the completed re-application.

4.10.3 – Change of Sponsor

New Enrollees will, by default after fifteen (15) days, be placed Front Line to their Sponsor at the time of their enrollment. To protect the integrity of all Marketing Organizations and safeguard the hard work of all Associates, the Company *strongly discourages* changes in Sponsors. Maintaining the integrity of placement is critical for the success of every Associate and Marketing Organization. Accordingly, the transfer request of an Associate from one Sponsor to another is rare and subject to review, and any change will be at the sole discretion of the Company.

The Associate seeking a transfer/change must submit a properly completed and fully executed Sponsor change request form, which includes, at a minimum, the written approval of his or her Sponsor and immediate five (5) Sponsor Upline Associates. Photocopied or facsimile signatures are not acceptable. The Associate who requests the transfer must submit a processing fee for administrative charges and data processing. If the transferring Associate also wants to move any of the Associates in his or her Marketing Organization, each Downline Associate must also obtain a properly completed Sponsor change request form and return it to the Company with the processing fee (i.e. the transferring/changing Associate and each Associate in his or her marketing Organization multiplied by the processing fee is the cost to move an organization). Downline Associates will not be moved with the transferring/changing Associate unless all the requirements of this section are met and the Company approves, in its sole discretion, the transfers/changes.

Additionally, a change of Sponsor will be considered in the following two (2) circumstances: In cases involving a) fraudulent inducement or b) unethical Sponsoring. In such cases the Company may decide or an Associate may request that he or she be transferred/changed to another organization with his or her entire Marketing Organization intact. All requests for transfer/change alleging fraudulent or unethical enrollment practices shall be evaluated on a case-by-case basis and will be made at the sole discretion of the Company.

Transferring/changing Associates must allow at least thirty (30) days after the receipt of the Sponsor change request form by the Company for processing while a decision is being made.

4.10.4 – Cancellation and Reapplication

An Associate may change Sponsors and/or Marketing Organizations by voluntarily canceling his or her Distributorship and remaining inactive (i.e., no purchases of Company Products for resale, no sales of Company Products, no enrolling, no attendance at any Company functions, no participation in any other form of Distributorship activity, nor operation of any other Company Distributorship) for six (6) full calendar months). Following the period of six (6) months' inactivity, the former Associate may reapply under a new Sponsor. Under exceptional circumstances the Company may consider, in its sole discretion, waiving the six (6)-month waiting period. Such requests for waiver must be submitted to the Company in writing.

4.11 – Roll-up of Marketing Organization

When a vacancy occurs in a Marketing Organization due to any termination of a Distributorship for any reason, the Company may, in its sole discretion, proceed as follows: 1) each Associate or Customer in the first Level immediately below the terminated Distributorship on the date of the Cancellation may be moved to the first Level ("Front Line") of the terminated Associate's Sponsor (compresses up one Level within the Sponsor tree); 2) the position may be left as an empty place holder to avoid disruption of the qualification of Upline Associates; or 3) the position may be filled, adjusted, removed at any time or in any way the Company sees fit in the interest of the Company and/or Associates as a whole in the Company's sole determination.

4.12 – Sale, Transfer or Assignment of a Distributorship

Although a Distributorship is an independently operated Distributorship, the sale, transfer or assignment of a Distributorship is subject to certain limitations. If an Associate desires to sell his or her Distributorship, the following criteria must be met:

- 1. If the buyer is an Active Associate, he or she must first terminate his or her Distributorship and wait at least six (6) months before becoming eligible to purchase another Distributorship.
- 2. The transaction must be approved in writing by the Company in its sole discretion which may be withheld for any reason.
- 3. The selling Associate must be in good standing and not in violation of any of the terms of the Agreement in order to be eligible to sell, transfer or assign a Distributorship.
- 4. Prior to selling a Distributorship, the selling Associate must notify the Company, in writing, of his or her intent to sell the Distributorship, complete all paperwork required by the Company, and pay any/all regular designated fees associated with the transfer. No changes in line of enrollment can result from the sale or transfer of a Distributorship.
- 5. The selling Associate must wait a period of six (6) months from the date of the sale, transfer or assignment of their Distributorship before he or she will be eligible to again enroll as an Associate.

4.13 – Separation of and/or Dissolution of Associate(s)

Associates sometimes operate their Distributorships as spouses or business partners through a Business Entity. At such time as a marriage ends, or a Business Entity dissolves or materially changes, arrangements must be made to ensure that any marital separation or division of the Business Entity is accomplished so as not to materially adversely affect the interests and income of other Associates' Upline or Downline of the Distributorship. If the separating parties fail to provide for the best interest of other Associates and the Company, the Company may terminate the Agreement and proceed pursuant to Section 4.11.

Under no circumstances will the Downline of divorcing or legally separating spouses or a dissolving Business Entity be divided based on the requests or desires of the divorcing or legally separating parties. Similarly, under no circumstances will the Company split Commission and bonus payments between divorcing or legally separating spouse or Associates of dissolving Business Entities. The Company will recognize only one downline and will issue only one Commission check per Distributorship per Commission cycle. Commission checks shall be issued to the individual or Business Entity on the Distributorship. In the event parties to a divorce or dissolution proceeding are unable to resolve a dispute over the disposition of Commissions and ownership of the Distributorship, Commissions will continue to be paid to the primary Associate on the account. If a former spouse or a former affiliated individual has completely relinquished all rights in their original Distributorship, they are thereafter free to enroll under any Sponsor of their choosing, so long as they meet the waiting period requirements set forth in Section 4.10.4. In such case, however, the former spouse or partner shall have no rights to any downline in their former Marketing Organization. The former spouse or partner must develop the new Marketing Organization in the same manner as would any other new Associate.

4.14 - Succession

Upon the death or incapacitation of an Associate, his or her Distributorship may be passed to his or her heirs. Appropriate legal documentation must be submitted to the Company to ensure the transfer is proper. Accordingly, an Associate should consult an attorney to assist him or her in the preparation of a will or other testamentary instrument. Whenever an Distributorship is transferred by a will or other testamentary process, the legal successor in interest acquires the right to collect all Financial Distributions, as defined in Section 11, of the deceased Associate's Marketing Organization, provided the following qualifications are met. The successor(s) in interest must:

- 1. Enroll under the applicable process.
- 2. Comply with terms and provisions of the Agreement.
- 3. Meet all the qualifications for the deceased Associate's status.
- 4. Financial Distributions of a Distributorship transferred pursuant to this Section 4.14 will be paid in a single check jointly to the legal successor(s) in interest. Such successor(s) must provide the Company with an "address of record" to which all Financial Distributions checks will be sent.

4.15 – Transfer Upon Death of an Associate

To affect a testamentary transfer of a Distributorship, the successor in interest must provide the following to the Company:

- 1. A certified copy of the death certificate.
- 2. A copy of the duly executed notarized will or another instrument establishing the successor's right to the Distributorship.

3. A completed enrollment for legal successor(s).

4.16 - Transfer Upon Incapacitation of an Associate

To effect a transfer of a Distributorship because of incapacity, a legally appointed representative must provide the following to the Company: (1) a notarized copy of an appointment as trustee or other legally appointed representative, (2) a notarized copy of the trust document or other documentation establishing the trustee's right to administer the Distributorship; and (3) a completed enrollment executed by the trustee.

If the representative in interest is already a Company Associate, the Company may, in its sole discretion, grant an exception to the one (1) Associateship per Household rule upon written request from the representative in interest.

4.17 – Errors or Questions

If an Associate has questions about or believes any errors have been made regarding Commissions, bonuses, Downline Activity Reports or credit-card charges, the Associate must notify the Company in writing within sixty (60) days of the date of the purported error incident in question. The Company will not be responsible for any errors, omissions or problems not reported to the Company within sixty (60) days of the occurrence of the purported error or incident in question

SECTION 5 - RESPONSIBILITIES OF ASSOCIATES

5.1 – Change of Address, Telephone or Email

To ensure timely delivery of Products, support materials and Commission checks, it is critically important that the Company's files are current and accurate. Street addresses are required to be provided in order to enroll as an Associate and there may be instances where shipping a Company Product will not or cannot be delivered to a post-office box. Associates planning to move should send any change of address, telephone or email to the Company's corporate offices. If an Associate is presently on the Autoship program, the Autoship will automatically be updated to the new address. If more than one change-of-address notice or Autoship agreement has been submitted to the Company, the most recent one will supersede previous notices or Agreements. Please allow thirty (30) days after the receipt of the notice or Agreement by the Company for processing.

5.2 – Continuing Development Obligations

5.2.1 – Ongoing Training

Successful Associates perform a bona fide assistance and training function to ensure that their Downline is properly operating their Distributorship. Successful Associates have ongoing contact and communication with the Associates in their Downline Organizations. Examples of such contact and communication may include, but are not limited to: newsletters, written correspondence, personal meetings, telephone contact, voice mail, electronic mail and the accompaniment of downline Associates to Company meetings, training sessions and other functions. Successful Upline Associates also motivate and train new Associates in Company Product knowledge, effective sales techniques, the Company Compensation Plan and compliance with the Company Policies and Procedures. Communication with

and the training of Downline Associates must not, however, violate Section 8.1 (regarding the development of Associates in their Downline Organizations) to ensure that Downline Associates do not make improper Product or business claims, or engage in any illegal or inappropriate conduct. Upon request by the Company, every Associate should be able to provide documented evidence to the Company of his or her ongoing efforts as a mentor and a Sponsor.

5.2.2 – Increased Training Responsibilities

As Associates progress through the various levels of leadership, they will become more experienced in sales techniques, Product knowledge and understanding of the Company program. They may be called upon from time to time to share this knowledge with lesser experienced Associates within their Marketing Organization.

5.2.3 – Ongoing Sales Responsibilities

Regardless of their level of achievement, successful Associates are continually and personally promoting sales through the generation of new Customers, through servicing their existing Customers and through sales to Customers.

5.3 – Non-Disparagement

The Company wants to provide its Associates with the best products, Compensation Plan and service in the industry. Accordingly, the Company values Associates' constructive criticisms and comments. All such comments should be submitted in writing to the Associate support department. Associates should not, however, disparage, demean or make negative remarks about the Company, Company Associates, Company's Products, the Compensation Plan, or Company's directors, officers or employees.

5.4 – Providing Documentation to Applicants

A Sponsor must provide the most current version of the Policies and Procedures and the Compensation Plan to the individual(s) whom he or she is considering enrolling to become an Associate before such applicant enrolls as an Associate. Current copies of the Policies and Procedures and the Compensation Plan may be found on the official Company website.

5.5 – Reporting Policy Violations

Associates who become aware of a policy violation by another Associate should submit a written report of the violation directly to the attention of the Company compliance department. Details of the incidents such as dates, number of occurrences, persons involved, and all supporting documentation should be included in the report.

5.6 – No Claims of Special Privileges

No claims may be made or implied that any Associate has advantages with or special privileges with the Company or is in any way exempt from the same obligations and requirements of every other Associate. 5.7 – No Reliance

Except as expressly and specifically provided for otherwise by the Company in writing in the provision of certain services, no Associate or any other third party may rely on the Company to provide legal, tax, financial, or other professional advice, nor may it rely on any such advice if given, and each Associate agrees that the Company expressly declines to provide or disavows any such advice if given.

5.8 – Email, Text Message, and Other Direct Marketing Communications

Associates must comply with the laws and regulations applicable to telephone calls, text messages, emails, faxes, and other written or electronic communications. This obligation includes obtaining the appropriate consent required under applicable law to contact customers directly. The Associate must make it clear that the Associate, not the Company, is the sender of the communication. Associates should also provide recipients an opportunity to opt-out of receiving marketing communications from the Associate and ensure they have a process in place to honor opt-out requests. Associates are responsible for determining their legal obligations for any method of contact and are encouraged to consult their own legal advisor with questions.

Associates who wish to send emails or other communications to recipients outside of the United States in an Authorized Country in which the Company conducts business, must comply with the applicable laws and regulations of that country. The Company encourages its Associates to consult with their own legal advisor if they have any questions.

5.9 – Data Security and Privacy

All Associates must adopt, implement and maintain appropriate administrative, technical and physical safeguards to protect against foreseeable threats or hazards to the security of Confidential Information, including without limitation any Associate or Customer data, including but not limited to, data that personally identifies a Person, such as payment information, name, address, email address, and phone number. Appropriate safeguards for electronic and paper records may include but are not limited to: (i) encrypting data before electronically transmitting it, (ii) storing records in a secure location, and (iii) password protecting computer files or locking up physical files containing Confidential Information. Without limiting the preceding sentence or the provisions of Section 7.1 regarding Confidential Information, Associates must keep Confidential Information, including without limitation, Downline Activity Reports, Associate and Customer data, and other Confidential Information secure from all persons who do not have legitimate and lawful business needs to see or use such information. Associates should maintain Associate and Customer data for only so long as there is a legitimate business need or as required by applicable law. If Associates dispose of any paper or electronic record containing Downline Activity Reports, Associate or Customer data, and other Confidential Information, Associates shall do so by taking all reasonable steps to destroy the information by: (i) shredding; (ii) permanently erasing and deleting; or (iii) otherwise modifying the Associate or Customer data and other Confidential Information in those records to make it unreadable, unreconstructible, and indecipherable through any means. Upon request, Associates will certify to the Company that all forms of the requested personal information have been destroyed and will describe any exceptions.

Associates must understand and comply with all applicable privacy and data security laws, including security breach notification laws and protection of any Associate's and Customer's personal information (including, for example, Social Security numbers). Without limitation of the preceding sentence, in the event of an actual or suspected security breach affecting Associate and Customer Data, the applicable Associate shall promptly within 48 hours notify the applicable Associates and Customers and the

Company in writing after becoming aware of such security breach and specify the extent to which Associates and Customer data was or was suspected to be disclosed or compromised and shall promptly comply with all applicable information security breach disclosure laws. Associates, at their expense, shall cooperate with the Company and applicate Associates and Customers and use their best efforts to mitigate any potential damage caused by a breach of their obligations under the Agreement applicable to Associates and Customer data, including by sending notice to the affected individuals, state agencies, and consumer reporting agencies as required by law.

"Associate and Client data" means all data and information submitted by an Associate or Customer or potential Associate or potential Customer to an Associate regarding a purchase of Company Products, or otherwise including without limitation, such Associate's or Customer's name, address, phone number, Social Security number and financial account information, products ordered, and order volume.

SECTION 6 - CONFLICTS OF INTEREST

6.1 - Non-Solicitation

During the term of the Agreement, an Associate shall not engage in any actual or attempted Recruitment or enrollment of an Associate for other Network-Marketing Ventures, either directly, implied or through a third party. This includes, but is not limited to, presenting or assisting in the presentation of another Network-Marketing Venture to any Associate or Customer, or implicitly or explicitly encouraging any Associate or Customer to join another Network-Marketing Venture including on any social media account managed or controlled by the Associate which is "followed by", "linked to", or connected to as "friends" or other designation by any other Company Associate or Customer.

During the term of the Agreement, an Associate may not:

- a. Produce, offer or transfer any literature, tapes, CDs, DVDs, online video or recording or other promotional material of any nature for another Network-Marketing Venture which is used by the Associate or any third person to Recruit Company Associates or Customers for that Network-Marketing venture.
- b. Sell, offer to sell, or promote any competing non-Company products or services to Associates or Customers including on any social media account managed or controlled by the Associate which is "followed by", "linked to", or connected to as "friends" or other designation by any other Associate or Customer. Any product or service in the same generic category as a Company P(p)roduct is deemed to be competing (e.g., any nutritional supplement is in the same generic category as Company's nutritional supplements, and is therefore a competing product, regardless of differences in cost, quality, ingredients or nutrient content);
- c. Offer Company Products or promote the Company's Compensation Plan in conjunction with any non-Company products, services, business plan, opportunity or incentive; or
- d. Offer any non-Company products, services, business plan, opportunity or incentive at any meeting, seminar, launch, convention or other Company specific function, or immediately following such event.

6.2 – Targeting Other Direct Sellers

The Company does not encourage Associates to target the sales force of another Network-Marketing Venture to sell the Company Products or to become Associates for the Company, and the Company

prohibits Associates from soliciting or enticing Associates of the sales force of another Network-Marketing Venture to violate the terms of their contract with such other company. Any interested prospective Company Associate must ensure he/she is not in violation of any contractual obligation owed to any other Network-Marketing Venture in becoming a Company Associate.

6.3 - Cross-Line Recruiting

Associates are prohibited from engaging in Cross-Line Recruiting. The Company cannot punish an Associate who solicits or entices a Person who has not previously been an Associate, but who has been contacted by another Associate. As with any commercial enterprise, Associates who invest time and money into a Person are taking a risk that the Person may choose to be sponsored under someone else.

6.4 – Cross-Sponsoring

Actual or attempted Cross-Sponsoring is strictly prohibited. The use of a spouse's or relative's name, trade names, DBAs, assumed names, corporations, partnerships, trusts, federal ID numbers, or fictitious ID numbers to circumvent this policy or any other provision of the Agreement is strictly prohibited. Associates shall not demean, discredit or defame other Company Associates to entice another Associate to become part of the first Associate's Marketing Organization. Notwithstanding the foregoing, this policy shall not prohibit the transfer of a Company Distributorship in accordance with Section 4.10.3, 4.10.4, or 4.12. If Cross-Sponsoring is discovered, it must be brought to the Company's attention immediately. The Company may take action against the Associate who changed Marketing Organizations and/or those Associates who encouraged or participated in the Cross-Sponsoring. The Company may also move all or part of the offending Associate's downline to his or her original Downline organization if the Company deems it equitable and feasible to do so. However, the Company is under no obligation to move the Cross-Sponsored Associate's Downline Organization, and the ultimate disposition of the Marketing Organization remains within the sole discretion of the Company. Associates waive all claims and causes of action against the Company arising from or relating to the disposition of the Cross-Sponsored Associate's Downline Organization.

6.5 – Cross-Company Recruiting

1) During the term of the Agreement and all renewals thereof, and for a period of one (1) year after Cancellation or expiration of the Agreement for any reason, Associate shall not Recruit or attempt to solicit another Associate to enroll or participate in another Network- Marketing Venture. Associates also stipulate and agree during this time that they will not use any social media site on which they had discussed or promoted the Company's business opportunity or Products directly or indirectly to Recruit Associates or Customers to another Network-Marketing Venture. Recruiting or solicitation would include but is not limited to: 1) sending emails, social media posts or messages, texts, or other forms of communication to entice another Associate to join another Network-Marketing Venture; 2) requesting attendance of an opportunity meeting whether in person or virtually; 3) combining Company social networking sites, groups, posts, or events with another Network-Marketing Venture; 4) encouraging an Associate to cancel or alter their relationship with the Company; or 5) taking any action that may reasonably be foreseen to result in inviting an inquiry from Company Associates or Customers in relation to other Network-Marketing Ventures. The Associate stipulates and agrees that such conduct constitutes an unreasonable and unwarranted interference with the contractual relationship between the Company and its Associates, conversion of the Company's property, and misappropriation of the Company's trade secrets. The Associate

further stipulates and agrees that any violation of this rule will inflict immediate and irreparable harm on the Company, and that the Company shall be entitled, in addition to any other remedies that may be available, to immediate, temporary, preliminary, and permanent injunctive relief without bond and any violation of this provision extends an Associate's contractual obligations under the Agreement for a period of one (1) year from the date of the most recent violation. The provisions of this Section survive any termination of the Agreement. Nothing herein waives any other rights and remedies the Company may have in relation to the use of its Confidential Information or any other violations of the Agreement.

- 2) The Associate agrees that appearing in, being referenced in, or allowing the Associate's name or likeness to be featured or referenced in any promotional, Recruiting or solicitation materials for another Network-Marketing Venture constitutes Cross-Company Recruiting.
- 3) The Associate acknowledges and agrees that because Network-Marketing Ventures are conducted through networks of independent contractors dispersed across the entire United States and internationally, and business is commonly conducted via the internet and telephone, any effort to narrowly limit the geographic scope of this provision would render it totally ineffective. Therefore, Associate agrees that this provision shall apply to the United States and to all international markets in which the Company conducts business. The Associate further acknowledges and agrees that the restrictions contained in this Section are fair and reasonable in scope and duration, are necessary to protect the Company's legitimate business interests, and are a material inducement to the Company entering into the Agreement. The provisions of this Section shall survive any termination or expiration of the Agreement.
- 4) Furthermore, it is against Company policy to target members of the sales force of another direct selling company or Network-Marketing Venture to build a Company business. If an Associate encourages a prospect to breach or violate their agreement with another Network-Marketing Venture, the Associate bears the full responsibility and risk of litigation. The Company will not pay for the legal or defense costs or agree to indemnify any Associate who violates this policy.

6.6 – Holding Enrollments or Orders

Associates must not manipulate enrollments of new applicants and the purchase of Products. All Associate enrollments and Product orders must be sent to the Company within forty-eight (48) hours from the time they are signed or placed by a retail Customer, respectively (see Section 6.7 "Stacking").

6.7 – Stacking

"Stacking" is strictly prohibited. The term Stacking includes: (1) the failure to transmit to the Company or the holding of an Associate enrollment in excess of two (2) business days after its execution (see Section 6.6); (2) enrolling fictitious individuals or Business Entities into the Company program.

SECTION 7 – COMMUNICATION AND CONFIDENTIALITY WITHIN A DISTRIBUTORSHIP

7.1 – Confidential Information

The Company will make available to the Associate through the back office certain information and reports (e.g., Downline Activity Reports, order history reports, and contact lists) needed to run and grow their business. All back-office information and reports are confidential and are classified as proprietary information and business trade secrets (including under the Uniform Trade Secrets Act) exclusively

belonging to the Company and are referred to herein as "Confidential Information." This Confidential Information is made available to the Associate in the strictest confidence and for the sole purpose of assisting the Associate in working with their Downline Organizations in the development of their team and team business. Associates may not use any Confidential Information for any purpose other than for developing their Company business. The Associate may use the Confidential Information to assist, motivate, and train their Downline, and for no other purpose. In so doing, the Associate may not disclose the Confidential Information to any third party, including, without limitation, their Downline. The Associate agrees that, but for this agreement of confidentiality and nondisclosure, the Company would not provide Confidential Information to the Associate. The misuse of Confidential Information may subject Associate to disciplinary action and/or the Cancellation of their distributorship. Such misuse of Confidential Information may also subject Associate to liability under both state and federal law. The provisions of this Section 7.1 shall survive any termination or expiration of the Agreement.

To protect the Confidential Information, Associate agrees that they shall not, on their own behalf or on behalf of any other individual, partnership, association, corporation, or other entity:

- a) Directly or indirectly disclose any Confidential Information to any individual, partnership, association, corporation, or other entity;
- b) Directly or indirectly disclose, to any individual, partnership, association, corporation, or other entity, the password or other access code to your back-office;
- c) Use any Confidential Information to compete with the Company or for any purpose other than promoting or supporting their Company business; or
- d) Recruit or solicit any Associate or Customer listed on any Downline Report or contained in any Confidential Information for another Network-Marketing Venture, or in any manner attempt to influence or entice any such Associate or Customer to alter his or her business relationship with the Company.
- e) Upon demand by the Company, any current or former Associate will return the original and all copies of Confidential Information to the Company.

Notwithstanding any provision to the contrary, nothing prohibits Associate from reporting possible violations of law to any governmental agency or entity or making other disclosures that are protected under the whistleblower provisions of federal law and/or applicable state law. Likewise, nothing limits Associate's ability to communicate with any governmental agency or entity, or otherwise participate in any investigation or proceeding that may be commenced by any government agency or entity, including by providing documents or other information without notice to the Company. Similarly, nothing limits Associate's ability to communicate with the Company's compliance or support departments.

7.2 – Communication Opt-in

Associate agrees that the Company or a party acting on its behalf may contact them by telephone using automated technology (e.g., an auto-dialer or pre-recorded messaging), text messaging and/or email. Associate consents and agrees to the Company contacting them in this manner at the telephone number(s) or email address that they provided or as updated. Associate understands that their carrier's standard rates may apply for calls and text messages. Associate understands that they may opt-out of receiving text messages at any time by replying "STOP". Associate understands that their consent is not a condition of purchasing Products. Associate also consents and agrees to the Company's privacy policy when they sign and submit the Associate Agreement.

SECTION 8 - ADVERTISING

8.1 – General

In order to safeguard and promote the good reputation and established brands of the Company and its Products and ensure that the promotion of the Company, the Company opportunity, the Compensation Plan, and Company Products are consistent with the public interest and avoid all discourteous, deceptive, misleading, unethical or immoral conduct or practices, all Associates are required to use the sales aids and support materials produced by the Company. The Company has carefully designed its Products, Product labels, Compensation Plan and promotional materials to ensure that the presentation of each aspect of Company's business is fair, truthful, substantiated and complies with the vast and complex legal requirements of federal, state and other applicable local laws.

8.1.1 – Approval of Materials

In the event that an experienced Associate, as determined by the Company, produces supplemental marketing material of any kind including, but not limited to, advertisements of any media type, social-media or online marketing or recordings, flyers, brochures, CDs, audio recordings, posters, or banners, the Company requires that such be submitted to the Company's compliance department for approval before it may be used or made public. All such proposed materials may be mailed to the Company's compliance department. Unless the Associate receives specific written approval to use such materials the request shall be deemed denied. Also, the Company reserves the right, at its discretion, to edit or discontinue previously approved Associate materials and all such discontinued material may not be sold or offered free of charge.

8.1.2 – Right to Rescind

The Company further reserves the right to rescind approval at any time for any sales tools, promotional materials, advertisements or other literature, and Associates waive all claims for damages or remuneration arising from or relating to such rescission.

8.1.3 – Strict Compliance Required

Associates may not make any claims stating that documents or materials that they have written or produced have been given approval from the compliance department or that they are "compliance-approved" even if they have received approval through the compliance department for such materials. As these compliance policies are vital to the long-term stability of the Company and the preservation of the opportunity for all, violations of these policies will be strictly enforced. Failure to obtain approval for supplemental marketing materials of any kind and/or failure to implement the policies in any material may result in sanctions including, without limitation, any or all of the following:

- Formal warning letter and/or probation;
- 2. Suspension of Commissions or any Financial Distributions;
- 3. Cancellation of the Associate Agreement; and/or
- 4. Possible legal action.

8.2 - Trademarks and Copyrights

No Associate shall use the Company's trade names, trademarks, designs, or symbols without the Company's prior, written permission. For example, except in limited circumstances specifically addressed herein, Associates may not use or attempt to register "Tranont" or any of Tranont's trademarks, other product names or any derivatives thereof connected with the Company for use in any Internet domain name, Internet search-engine ad words, social-media pages or blogs, email address, user name, team names, telephone numbers or any other address or title or online aliases that could cause confusion or be misleading or deceptive, in that they cause individuals to believe or assume the communication is from or approved by the Company or is the property of or endorsed by Company explicitly. Associates may not produce for sale or distribution any recorded Company events or speeches without the prior written permission from the Company. Associates may not reproduce for sale or other use any recording of Company-produced audio or digital-media presentations.

8.3 - Unauthorized Claims and Actions

8.3.1 – Indemnification

An Associate is fully responsible for all his or her verbal and written statements made regarding Company Products and the Compensation Plan that are not expressly contained in Official Company Materials. Associates agree to indemnify the Company and its directors, officers, employees and agents and hold them harmless from any and all liability including, but not limited to, judgments, civil penalties, refunds, attorney fees, court costs or lost business incurred by the Company as a result of the Associate's unauthorized representation or actions. This provision shall survive the Cancellation of the Agreement.

8.3.2 - Product Claims

No claims, including but not limited to personal testimonials, as to therapeutic, curative or beneficial properties of any Products offered by the Company may be made except those contained in Official Company Materials. Any third-party material used for Associate's business must comply with all federal and local laws and regulations. An Associate may not make any express or implied health or medical claims of any kind relating to any Product, except for those claims, if any, that are published in Official Company Materials approved for the country in which the claims are presented. Under no circumstances may an Associate prescribe or promote any Product as suitable for any ailment. No claims may be made as to therapeutic or curative properties of a Product offered by the Company, and no Associate may make any claim that Company Products are useful in the cure, treatment, diagnosis, mitigation or prevention of any disease(s) or signs or symptoms of disease. Not only are such claims violations of Company policies, but they potentially violate applicable laws, including, but not limited to, federal and state laws and regulations, such as the Federal Food, Drug and Cosmetic Act and Federal Trade Commission Act and directives.

8.3.3 – Income Claims

An Associate is prohibited from making false, misleading, or unrepresentative claims regarding earning potential. An Associate, when presenting or discussing the Company opportunity or Compensation Plan to a prospective Associate, may not make income projections, income claims or disclose his or her Company income (including the showing of checks, copies of checks, bank statements or tax records). Hypothetical income examples that are used to explain the operation of the Compensation Plan and which are based solely on mathematical projections, may be made to prospective Associates, so long as

the Associate who uses such hypothetical examples makes clear to the prospective Associate(s) that such earnings are solely hypothetical and the Associate provides the prospect with a copy of the most current income disclosure chart prepared by the Company.

8.3.4 – Use of Celebrity Names and Likeness

No names or likeness of a celebrity may be used in any way or published by Associates in association with the Company without prior written approval of the Company and the respective celebrity.

8.3.5 – Governmental Approval or Endorsement

Government regulatory agencies do not approve or endorse any direct-selling or network-marketing companies or programs. Therefore, Associates shall not represent or imply that the Company or its Compensation Plan has been "approved," "endorsed" or otherwise sanctioned by any government agency.

8.4 – Mass Media

8.4.1 – Promotions Utilizing Mass Media Prohibited

Except as otherwise specifically authorized herein, Associates may not use any form of media or other mass communication advertising to promote the Products or opportunity. This includes news stories or promotional pieces on TV shows, newscasts, entertainment shows, Internet ads, etc. Associates may place generic opportunity advertisements in jurisdictions allowing that type of advertisement, but only in accordance with the Policies and Procedures of the Company and in compliance with applicable law.

8.4.2 - Media Interviews

Associates may not promote the Products or opportunity through interviews with the media, articles in publications, news reports, press releases or any other public information, trade or industry information source, unless specifically authorized in writing by the Company. This includes private, paid associateship or "closed group" publications. Associates may not speak to the media on the Company's behalf and may not represent that they have been authorized by the Company to speak on its behalf. All media contacts or inquiries should be immediately referred to the Company.

8.5 – Internet

8.5.1 - General

Regardless of compliance with the Policies and Procedures set forth herein, all Associates are personally responsible for their online postings and all other online activity that relates to the Company. Therefore, even if an Associate does not own or operate a blog or social media site, if an Associate posts to any such site that relates to Company or which can be traced to the Company, the Associate is responsible for the posting and must act in a way that builds, strengthens and enhances the Company's reputation, image and standing in the community and complies with all applicable laws and regulations. Associates are also responsible for postings which occur on any external website that the Associate owns, operates or controls.

Associates must disclose their full names on all relevant social media profiles that relate to the Company and its Products or business, and each must conspicuously identify himself or herself as an "Tranont Independent Associate." Anonymous postings or use of an alias is prohibited.

Associates must avoid inappropriate conversations, comments, images, video, audio, applications or any other lewd, profane, discriminatory or vulgar content. Determination of what is inappropriate is at the Company's sole discretion, and offending Associates will be subject to disciplinary action.

Associates may not use blog spam, spam-dexing or any other mass-replicating methods to leave comments on any website, social media, blog or message board. Comments Associates create or leave online must be useful, unique, relevant and specific to the blog's specific content.

Generally, Associates may not use any geographic references in the page names/titles or URLs of their Company-related social media or external websites. For purposes of clarification and the avoidance of doubt, other than for a Default URL or an approved amendment to a Default URL, Associates may not use the term "Tranont" or any derivation thereof, in any external website address or related URL.

Any external website which contains "Tranont" or other Company Product and program names, or any derivation thereof in the URL, must be transferred to the Company or closed/terminated upon demand by the Company. In no event may the Associate sell such domain name to any third party without the prior express written consent of the Company.

8.5.2 - Associate Websites

Unless expressly allowed otherwise in writing in certain instances, if an Associate desires to utilize an Internet web page to promote his or her Distributorship, he or she may do so only through the Company's replicated website program, using the official Company template. This program permits Associates to advertise on the Internet and to use a home page design that can be personalized with the Associate's contact information. These websites give the Associate a professional and Company-approved presence on the Internet. Unless otherwise expressly permitted in writing in certain instances, online sales may only be generated from an Associate's Company replicated website.

An Associate shall not use "blind" ads on the Internet that make inappropriate product or income claims which are ultimately associated with Company Products, the Company opportunity or the Company Compensation Plan.

8.5.3 – Social Media and Other Internet Use

Associates may use the Internet, social networking sites, blogs, social media and applications, and other sites that have content that is based on user participation and user-generated content, forums, wikis and podcasts to do the following:

- 1. Communicate preliminary information about the Company or their involvement with the Company;
- 2. Direct users to their Company replicated website; and
- 3. Post Tranont-produced business support materials from Company corporate sources.

Such use is permitted provided that (1) it is incidental to the primary use of the website or forum; (2) it does not contain any false or misleading information about the Company, its Products or business opportunities; (3) it conforms to the other policies set forth herein, including, without limitation, the policies related to the use of the Company's trademarks, trade names and other intellectual property; (4) videos posted to social media sites show the text "Tranont Independent Associate" for the entirety of the video; (5) the Company may monitor the social media sites for compliance with the Agreement and the Associate agrees to immediately remove or modify the social media sites upon the Company's request to comply with the Agreement; and (6) upon termination of the Agreement for any reason, any social media pages created with the sole intent of networking the Company business must be removed or signed over to the Company for proper dissemination of the group or page.

8.5.3.1 – The Official Company Public Facebook (or similar) Pages

The Company has an official public Facebook page which it uses to invite potential Customers, Associates, and investors to investigate the Company. It is not intended to be used by Associates to sell Product or promote their business or to interact with other Associates or Customers. As such, Associates may not place linking information on the public Company Facebook page, nor may they post any pricing, promotions, marketing material, sales, advertisements, or announcements relating to their businesses. The Company reserves the right to remove any messages posted on the official Company Facebook page as determined in its sole discretion.

8.5.3.2 – Closed Associate Facebook (or similar) Pages

The Company also has closed corporate Facebook communities for Company and Associate use. Associates may also create closed groups, and may utilize such groups to educate, discuss and disseminate information about its Products, science, and business opportunity amongst themselves. Associates may join these groups only with the consent of the Company, and all content and discussions will be password-protected and closed to the public. No Associate shall allow access to or disseminate information from such groups. All information and postings within such groups must comply with these Policies and Procedures including, without limitation, prohibitions against inappropriate health and/or income claims.

8.5.4 - Use of Third-Party Intellectual Property

If Associates use the trademarks, trade names, service marks, copyrights or intellectual property of any third party in any online posting, it is their responsibility to ensure that they have received the proper license to use such intellectual property and pay the appropriate license fee. All third-party intellectual property must be properly referenced as the property of the third party, and the Associate must adhere to any restrictions and conditions that the owner of the intellectual property places on the use of its property. ASSOCIATES ARE SOLELY RESPONSIBLE FOR ALL CONTENT POSTED ONLINE BY THEM AND AGREE TO INDEMNIFY THE COMPANY PURSUANT TO SECTIONS 4.5 AND 8.3.1 HEREIN FOR ANY LIABILITY AND DAMAGES ASSOCIATED WITH ALL SUCH CONTENT.

8.5.5 – Respecting Privacy

Associates must always respect the privacy of others in their postings. They must not engage in gossip or advance rumors about any individual, company or competitive products or services. Associates may not

list the names of other individuals or entities on their postings unless they have written permission of the individual or entity that is the subject of their posting.

8.5.6 - Professionalism

Associates may not make any postings or link to any postings or other material that:

- 1. Is sexually explicit, obscene or pornographic;
- 2. Is offensive, profane, hateful, threatening, harmful, defamatory, libelous, harassing, or discriminatory (whether based on race, ethnicity, nationality, creed, religion, gender, sexual orientation, physical disability, or otherwise);
- 3. Is graphically violent, including any animated or violent video game images;
- 4. Is solicitous of any unlawful activity;
- 5. Engages in personal attacks on any individual, group or entity; or
- Is in violation of any intellectual property rights of the Company or any third party.

8.5.7 – Responding to Negative Online Posts

Associates should not converse with anyone who places a negative post against them, other Associates or the Company. They should report negative posts to the Company at Compliance@Tranont.com. Responding to such negative posts simply fuels a discussion with persons carrying a grudge who do not hold themselves to the same high standards as the Company, and therefore damages the reputation and goodwill of the Company.

8.5.8 – Cancellation of a Distributorship

If a Distributorship is cancelled for any reason, the former Associate must discontinue using the Company's name, and all of the Company's trademarks, trade names, service marks and other intellectual property, and all derivatives of such marks and intellectual property, in any postings and all external websites that he or she utilizes. If a former Company Associate's post on any social media site previously identified his or herself as an Associate of the Company, he or she must conspicuously disclose that he or she is no longer a Company Associate.

8.5.9 - Use of "Associate" in Advertising

If an Associate selects a business title, the title must clearly state that the Associate is an "Tranont Independent Associate." An Associate's title may not imply that the Associate is an employee or agent of the Company. Each time the Company's logo or name is used in writing and in relation to the Associate, the Associate must identify itself as an "Tranont Independent Associate."

8.5.10 – Method of Advertising

When advertising, Associates must abide by the following:

 Newspaper: An Associate may place a generic business opportunity advertisement in the classified section of a local newspaper, provide the advertisement conforms to all applicable laws and regulations.

- 2. Phone Directory: Any Associate may place a text listing of its name in the white or yellow pages of a telephone directory followed by "Tranont Independent Associate." Graphical and display ads in telephone directories are prohibited.
- 3. Electronic Mail, Telephone, and Facsimile Advertisements: All advertisements sent via email, telephone, or facsimile must comply with all anti-spamming and related laws for the state and country where the intended recipient resides. The Associate is under obligation to research and comply with all laws concerning unsolicited commercial email.
- 4. Television and Radio: Television and/or radio advertising require prior written approval from the Company's marketing, public relations, and legal departments. Requests should be submitted through the compliance department.
- 5. Celebrity Endorsement: An Associate may use a celebrity endorsement only with written approval from the Company and the specific, prior, and written approval of the endorsing celebrity for each use of the celebrity's name.
- 6. Fairs, Swap Meets, Etc.: An Associate may sell or promote Products at bazaars, flea markets, fairs, swap meets, or other similar gatherings.
- 7. Internet Auction Sites: Unless otherwise expressly permitted in writing by the Company in its sole discretion, an Associate may not sell or facilitate the sale of Product on Internet websites including where an auction is the mode of selling or buying (e.g., eBay). An Associate may not use a third-party to place Product for sale online or sell Product to a third party if the Associate knows, or has reason to know, that such Product will be sold online.
- 8. The provisions of this Section survive any termination of the Agreement.

8.5.11 – Advertising at Company Sponsored Events

At Company-sponsored events, Associates may not, unless specifically authorized in writing by the Company, advertise, sell, or promote non-Company products or services, including, but not limited to: (i) the promotion of non-Company events, systems or materials, (ii) organized person to person solicitations, (iii) distribution of flyers, DVDs, or other materials, or (iv) the use of any other form of promotion deemed inappropriate by the Company.

8.5.12 – Internet Advertising

Subject to the provisions of Section 8.5.12(7) herein, Associates may use only a Company-Licensed Website to promote Products or the business opportunity over the Internet. Promoting Products or the business opportunity through an unlicensed Internet website is strictly prohibited. Associates that wish to operate a Company-Licensed Website must meet the following criteria:

- 1. An Associate must enter into a website licensing agreement with the Company.
- 2. All licensed websites are subject to a one-time initial fee and yearly maintenance fees, regardless of the date the website was created. The fees are described in the Internet licensing agreement, which is available upon request. These fees are necessary for the Company to provide training and personnel to monitor Company-Licensed Websites for compliance with these Policies and Procedures.
- 3. All licensed websites must first be reviewed and approved by the Company as Sales Tools, in accordance with these policies. Licensed websites must be Company-specific and may not advertise, promote, or link to any other product or opportunity. However, all such sites, and any changes thereto, must first be reviewed and approved by the Company as Sales Tools in accordance with these Policies and Procedures. If approved, the Associate must enter into a

- website licensing agreement with the Company and the site must display a Company-generated "licensed" designation. Changes made to the site after obtaining the initial license require written authorization from a representative of the Company's compliance department.
- 4. Associates may not use any key words or meta tags to advertise any licensed website on the Internet if the search words or meta tags explicitly or implicitly present illegal or unsubstantiated health or income claims.
- 5. Associates must obtain written approval from the Company before initiating any sponsored links on Internet search engines to direct Internet traffic to a Company-Licensed Website.
- 6. The Company may revoke the license for any previously approved website at any time and for any reason, including changes to federal and local laws and regulations.
- 7. Associates may promote the business opportunity and Products on social networking sites, such as (but not limited to) Facebook and Twitter, video sites such as (but not limited to) YouTube and Vimeo, and blogging sites such as (but not limited to) WordPress and Blogger without complying with Sections 8.5.12(1) through Sections 8.5.12(7), provided the following conditions are met:
 - a. All text, audio and video postings do not contain Product or income claims. For Product information, Associates may refer viewers to their Company replicated website, the Company website, or a Company-Licensed Website;
 - b. Videos posted to social-media sites show the text "Tranont Independent Associate" for the entirety of the video;
 - c. Completion of the Company's website training course; and
 - d. Agreement that the Company may monitor the social-media sites for compliance with these Policies & Procedures and the Associate agrees to immediately remove or modify the social-media sites upon the Company's request to comply with any/all policy(ies).

8.5.13 – Advertising and Selling Price of Products on the Internet or Otherwise

Associate acknowledges and agrees that the advertising and selling of all Products on the Internet (or otherwise) may only be done on a Company-Licensed Website if on the Internet, and that the advertising and selling price of all Products must not be lower than the Company's suggested retail price plus reasonable shipping and the amount the Company charges for taxes and handling of the Products. In connection with this Section, the Associate also agrees that all advertising regarding the price of Products will be truthful and will not contain misleading statements (e.g. "lowest price available" which implies that an Associate is able to sell the Products at a price lower than other Associates, etc.). Associate acknowledges and agrees that he or she shall not advertise or sell any Products which were purchased from another Associate. Any violation of this Section by an Associate shall constitute a breach of the Agreement.

8.5.14 – Mass Communications

For purposes of this Section, "Mass Communications" are defined as communications intended to reach fifty (50) or more Associates in the sender's Downline Organization or at least three (3) Associates who are cross-line, within a seven (7)-day period. The following rules apply to all Mass Communications issued by an Associate:

1. Associates targeted to receive the Mass Communications must have knowingly "opted in" to hear or receive the Mass Communication

- a. Through registration (if the Mass Communication will be received at an event or webinar); and/or
- b. Through an affirmative verifiable request if the Mass Communication is delivered through an email or on a website.
- 2. If by email, there must be an "opt-out" feature prominently displayed in the Mass Communication.
- 3. The Mass Communication must comply with the terms of this Section 8.
- 4. The following disclaimer shall be prominently positioned in all Mass Communications that promote any particular building method:
 - a. "There are many methods and techniques that can be used to successfully build your Tranont business. The building method promoted [in/at] this [website/webinar/email/meeting] may be different from that which is taught by your Upline. Please consult with your Upline if they have taught you a different building method or if you have any questions."
- 5. Associate acknowledges that allowing the Associate to create databases of Associate information for Mass Communications, the sale of tools, and for any other purposes constitutes the use of Company Confidential Information, which information is the Company's trade secret(s), and such use can be a substantial financial benefit to the Associate. Associate acknowledges that he or she is subject to the Cross-Company, Cross-Sponsoring, and Cross-Line Recruiting obligations. This Section shall survive any termination of the Agreement.

8.5.15 - Lead Distribution

Persons who are outside the Company network often make inquiries to the Company about its Products. If the Company is able to determine that the inquiring person received the information from a specific Associate or that there is a particular Associate with whom that the Person is acquainted, every attempt will be made to refer the Person to that Associate. If an association with a specific Associate cannot be determined, the Associate will be randomly positioned under an existing Associate. Final judgment with respect to the positioning of leads remains the right of the Company.

8.5.16 - Telemarketing

The Federal Trade Commission and the Federal Communication Commission, as well as other applicable local authorities, each have regulations that restrict telemarketing practices. Many authorities have "do not call" regulations as part of their telemarketing laws. Although the Company does not consider Associates to be "telemarketers" in the traditional sense of the word, these government regulations broadly define the term "telemarketer" and "telemarketing" so that an Associate's inadvertent action of calling someone whose telephone number is listed on a "do not call" registry could cause them to violate the law. Moreover, these regulations must not be taken lightly, as they can carry significant penalties and fines, per violation.

Therefore, Associates must not engage in telemarketing in the operation of their Distributorship. The term "telemarketing" means the placing of one or more telephone calls to an individual or entity to

induce the purchase of a Company Product, or to Recruit them for the Company opportunity. "Cold calls" made to prospective Customers or Associates that promote either the Company's Products or the Company's opportunity constitute telemarketing and are prohibited. In addition, Associates shall not use automatic telephone-dialing systems or random phone lists relative to the operation of their Distributorships. The term "automatic telephone-dialing system" means equipment which as the capacity to: (1) store or produce telephone numbers to be called using a random or sequential number generator; and (2) to dial such numbers. In addition, Associates acknowledge and agree to abide by telemarketing guidelines.

8.5.17 - Retail Establishments

Except as described herein or otherwise expressly permitted in writing by the Company in its sole discretion, an Associate may not sell Products or promote the business opportunity through Retail Establishments. The display of Independent Associate information within the premises of a Retail Establishment is acceptable if it complies with all the relevant advertising requirements of this Section and with the following:

- a) The display may incorporate one of each Product per Retail Establishment, and/or several images of such Products, into a display for the sole purpose of advertising.
- b) No Products, including the display, may be sold on the premises of the Retail Establishment.
- c) No Retail Establishment shall display or advertise Company Product(s) or opportunities in a manner that is visible from outside the store.
- d) The Company-designated disclaimer must be prominently posted near the displayed Products. The disclaimer should state the following:
 - "Thank you for your interest. As a direct selling company, Tranont products are distributed and sold by Independent Associates and not in retail stores. Please contact (Associate's Name) at (Associate's Contact Information) in order to purchase your Tranont products."
- e) If the Retail Establishment is a restaurant, café, juice bar, or the like, Products may be sold in trial amounts, and the Associate must provide ongoing support to the establishment.

8.5.18 - Service-Related Establishments

An Associate may conduct Associate Business through Service-Related Establishments, except that no Product banners or other Sales Tools may be displayed to the general public in a manner that would attract the public into the Service-Related Establishment. The Company has sole discretion in determining whether an establishment is a Service-Related Establishment and a proper place for the sale of Products.

8.5.19 - Public Relations Matters

Media inquiries must be referred immediately to the Company at pr@tranont.com. The purpose of this policy is to ensure accurate and consistent information is provided to the public at all times.

SECTION 9 – RULES AND REGULATIONS

9.1 – Identification

All Associates are required to provide their Social Security Number, Federal Employer Identification Number, or equivalent government issued identification number, to the Company during initial enrollment and thereafter. Upon enrollment, the Company will provide a unique Associate identification number (Associate ID) to the Associate by which he or she will be identified. This number will be used to place orders and track Financial Distributions.

9.2 - Taxes

Each Associate is responsible for paying all applicable local, state, and federal taxes on any payments received as an Associate. If an Associate Distributorship is tax-exempt, the Federal Tax Identification Number must be provided to the Company. Every year, the Company will provide an IRS Form 1099 MISC (Non-employee Compensation) earnings statement to each U.S. Associate who: (1) had earnings of over \$600 in the previous calendar year; (2) made purchases during the previous calendar year in excess of \$5,000; or (3) earned an incentive award trip.

9.3 - Insurance

9.3.1 - Business Pursuits Coverage

Associates may wish to arrange insurance coverage for their Distributorships. Often a homeowner's insurance policy does not cover business-related injuries or the theft of or damage to inventory or business equipment. Associates should contact their insurance agent to make certain that their relevant interests are protected. In the U.S., this can often be accomplished with a simple "Business Pursuit" endorsement attached to their present homeowner's policy.

9.3.2 – Product Liability Coverage

The Company maintains insurance to protect the Company and Associates against product-liability claims. The Company's insurance policy extends coverage to Associates so long as they are marketing Company Products in the regular course of conduct and in accordance with Company policies and Agreement and applicable laws and regulations. The Company's product-liability policy may not extend coverage to claims or actions that arise as a result of an Associate's misconduct in marketing the Products.

9.4 - International Marketing

Associates are authorized to sell Company Products and enroll Customers or Associates only in countries in which the Company is authorized to conduct business as announced in Official Company Materials or on the Company website. However, before initiating any Company-related activities in any Authorized Country, an Associate must first enroll and be accepted by the Company as an Associate . Once such enrollment has been received and approved, the Associate may begin activities in any Authorized Country in accordance with the applicable Terms and Conditions, and laws and regulations of that country. Permissible conduct and activity in unauthorized and/or Not-For-Resale (NFR) markets is described in Section 9.4.1 below.

9.4.1. Unauthorized Markets

Prior to the official opening of a country, permissible Associate activity is limited to providing business cards and conducting, organizing or participating in meetings with no more than five (5) attendees, including the Associate. Other attendees must be personal acquaintances or acquaintances of personal acquaintances. These meetings must be held in a home or a public establishment but may not be held in a private hotel room.

Associate pre-market opening conduct prohibited in all markets includes but is not limited to:

All cold-calling techniques (soliciting persons who are not prior personal acquaintances of the contacting Associate) are strictly prohibited in unauthorized markets;

Importing or facilitating the importation of, selling, gifting or distributing in any manner, Company Products, services or Product sample(s);

Placing any type of advertisement or distributing any promotional materials regarding the Company, its Products or the opportunity, except for Official Company Material specifically authorized for distribution in unopened markets as designated by the Company;

Soliciting, negotiating, or executing any agreement for the purpose of committing a citizen or resident of an unopened market to participate in the opportunity with a specific Sponsor or specific line of sponsorship. Furthermore, Associates may not sign up a citizen or resident of unopened markets in an Authorized Country or by using the Associate Agreement forms from an Authorized Country, unless the citizen or resident of the unopened market has, at the time of sign-up, permanent residence and the legal authorization to work in the Authorized Country. It is the enrolling Associate's responsibility to ensure compliance with residency and work-authorization requirements. Associateship or participation in or ownership of a corporation, partnership or other legal entity in an Authorized Country does not by itself fulfill the residence or legal authorization to work requirements. If a Person associated with an Associate Distributorship fails to provide verification of residency and work authorization when requested by the Company, the Company may, at its election, declare the Associate Agreement void from its inception;

Accepting money or other consideration, or being involved in any financial transaction with any potential Associate, either personally or through an agent, related to or involving Company Products or the opportunity for an unauthorized country, including renting, leasing or purchasing facilities for the purpose of promoting or conducting Company-related business;

Promoting, facilitating or conducting any type of activity which exceeds the limitations set forth in the Company's Policies and Procedures or which the Company, in its sole discretion, deems to be contradictory to the Company's business or ethical interest in international expansion.

9.4.2 – Not-For-Resale ("NFR")

Not-for-Resale "NFR" countries is understood to mean a country where residents of the country are allowed to import products for personal use only, on a "not-for-resale" basis, but where the reselling of those products is prohibited.

9.5 – Compliance with Applicable Laws & Ordinances

Associates must comply with all applicable national and local laws, regulations, and ordinances throughout the world. An Associate shall not violate any laws which apply to unfair competition or business practice, including any law that prohibits the advertising or the offer to sell Products, or that violates the Agreement regarding the sale of products at less than the Wholesale Price of the Products.

9.5.1 - Anti-Corruption Laws

Associates must comply with all anti-corruption laws, including the Foreign Corrupt Practices Act ("FCPA"), in the markets in which the Company does business and all Pre-Market countries.

SECTION 10 – SALES AND SALES REQUIREMENTS

10.1 – Earnings Through Sales

Commissions are paid to Associates who qualify pursuant to the Compensation Plan and who are in compliance with the Agreement. An Associate's success is only achieved through the regular and repeated Retail Sale of Products and the regular and repeated Retail Sales by its Downline Organization. As the success of any Associate depends largely on the personal efforts of that Associate, the Company does not guarantee any level of profit or success, nor does it guarantee an Associate a specific or any income. An Associate does not receive Commissions for Sponsoring or Recruiting other Associates. The only way to earn Commissions is through the retail sale of Products and all rewards are based on these sales.

10.2 – Seventy Percent Rule

An Associate certifies with each and every Product order that he or she has sold or consumed at least 70% of all Product purchased in prior orders. Each Associate that receives Commissions and orders additional Product agrees to retain documentation that demonstrates compliance with this policy, including evidence of Retail Sales, for a period of at least four (4) consecutive directly prior years. An Associate agrees to make this documentation available to the Company at the Company's request. Failure to comply with this requirement or falsely representing the amount of Product sold or consumed constitutes a breach of the Agreement and is grounds for Cancellation. Furthermore, a breach of this requirement entitles the Company to recover any Commissions paid to the Associate for any period during which such documentation is not maintained or such documentation is inaccurate or falsified in any way.

10.3 – Sales Tax, GST, VAT

- 1. U.S. sales tax is collected on the Product's suggested retail price and is calculated using the applicable rates for the location to where the Product is shipped. The Company will collect and remit sales tax to the proper taxing authority. In those jurisdictions where an Associate may and has registered as a withholding agent through a local sales tax agency and submitted a "Sales and Use Tax Exemption Certificate" or equivalent document to the Company, the collection of sales tax will be the responsibility of the Associate. It is the responsibility of the Associate to provide an updated copy of its certification for exemption from sales tax each year.
- 2. In all other jurisdictions, GST, VAT, or other applicable transaction tax is based on the purchase price. The Company will provide its GST or VAT number and proper invoicing, which may include electronic invoicing where permitted by law. The Company does not include GST or VAT in

Commission payments. Associates who are GST or VAT registered and are required to collect and remit GST or VAT on their services may send a valid GST or VAT invoice to the Company to charge them for GST or VAT on Commission income.

10.4 - No Manipulations

Manipulation of the Compensation Plan is not permitted and may result in disciplinary action. Manipulation of the Compensation Plan includes, but is not limited to: an Associate purchasing Product to qualify for various ranks or Commissions; an Associate having large quantities of Product that are not sold through the direct-marketing channel; or an Associate placing orders in his/her Downline Organization; and any actions that may violate state, federal or foreign anti-pyramid scheme laws. Such manipulations may, in the discretion of the Company, result in the suspension of Commissions and Cancellation of the Distributorship.

10.5 – Inventory

As the Company imposes no specific minimum inventory requirement on its Associates, an Associate must use its own judgment to determine the amount of inventory it will need to sustain its projected Retail Sales and personal use as long as it otherwise complies with this Agreement and all applicable federal and local laws and regulations.

SECTION 11 – REBATES, BONUSES AND COMMISSIONS

11.1 – Rebates, Bonuses and Commissions Qualifications

An Associate must be Active and in compliance with the Agreement to qualify for Financial Distributions. So long as an Associate complies with the terms of the Agreement, the Company shall pay Financial Distributions to such Associate in accordance with the Compensation Plan. The minimum amount for which the Company will issue a check is \$10.00. If an Associate's Financial Distributions do not equal or exceed \$13.00, the Company will accrue the Financial Distributions until they total \$13.00. A check will be issued after \$13.00 has been accrued.

11.1.1 - Payment Processing Fee

The Company will charge a \$3.00 payment processing fee for all Financial Distributions.

11.1.2 – Replacement-Check Fee

If it becomes necessary for the Company to reissue a check for any reason other than a mistake or fault on the Company's part, the Company will charge a fee for each replacement check provided.

11.1.3 - Chargebacks

In the event an Associate's or Customer's order results in a credit card chargeback to the Company for any reason, the account associated with such order shall be suspended and the respective Associate/Customer notified. If they wish to be reinstated, they may make such a request to the Company outlining the circumstances and reason for the chargeback and an affirmation that they will seek to address any disputes or refund requests directly with the Company prior to requesting any

chargeback. If the Company permits reinstatement, which shall be decided by the Company in its sole discretion, a reinstatement and chargeback fee as well as paying the amount of the chargeback will be required.

11.2 – Adjustment to Rebates, Bonuses, and Commissions

When a Product is returned to the Company for a refund, the Financial Distributions attributable to the returned Product(s) will be deducted from the Associate's future Financial Distributions until the Commission is recovered in full from the Associate who received the Financial Distributions on the sales or purchase of the refunded Products. In the event that the Associate does not earn any future Financial Distributions, the Associate is responsible for the repayment of the prior Financial Distributions made which were attributable to the returned Product(s) within thirty (30) days or as otherwise agreed to by the Company in writing.

11.2.1 – Cancellation Within the First 30 Days

If a new Associate chooses to cancel the Agreement within the first thirty (30) days of enrollment and also chooses to return any Product purchased directly from the Company that he or she has ordered, a refund will be issued for the full amount paid, less any shipping and handling charges, and rebates, bonuses or Commissions that were issued and in accordance with Section 11.2.

11.3 – Unclaimed Commissions and Credits

Associates must deposit or cash all Financial Distribution checks within six (6) months from their date of issuance. A check that remains uncashed after six (6) months will be void. After a check has been voided, the Company will attempt to notify an Associate who has an uncashed check by sending a written notice to his or her last known address identifying the amount of the check and advising that the Associate can request that the check be reissued. Under such circumstances there shall be a \$25.00 charge for reissuing a check. This charge shall be deducted from the balance owed to the Associate. Customers and Associates who have a credit on account must use their credit within six (6) months from the date on which the credit was issued. If credits have not been used within six (6) months, the Company shall attempt to notify the Associate or Customer by sending written notice to the last known address, advising the Associate or Customer of the credit. There shall be a \$10.00 charge for each attempted monthly notification. This charge shall be deducted from the Associate's or Customer's credit on account.

11.4 – Incentive Trips and Awards

From time to time, the Company may provide incentive trips and other awards to qualified Associates. These awards or trips are provided only to the person(s) listed on a qualifying Associate Agreement. Notwithstanding anything to the contrary herein, and although the Company may pay some or all of the costs of such incentive trips, the Associate agrees to indemnify and hold harmless the Company from any claim, injury, loss or other damage sustained in association with the trip by the Associate and/or its guest(s). The Associate cannot make claim upon, or rely upon, any insurance policy of the Company to cover the costs and expenses of any injury, loss or other damage to the Associate and/or the Associate's guests.

The Company may be required by law to include the fair market value of any incentive awards, trips, etc., on the Associate's end-of-year tax report. The Associate is liable for all applicable taxes and agrees to hold the Company harmless from claims of tax liability relating to these incentive trips and awards.

If it is discovered that the Associate has made any misrepresentations or has violated the Agreement in becoming eligible for these incentive trips and awards, the Company may charge the Associate for any costs incurred by the Company or for any benefits or awards received by the Associate. The Company reserves the right at its sole and absolute discretion to disallow participation for any reason it deems necessary.

11.5 – Reports

For the purposes of this Section 11.5 and all its subparts, "Tranont" or "Company" means the entity and all its employees, officers, directors, attorneys, independent contractors, Associates, Customers and agents.

11.5.1 – Downline Reports

Associates understand that the Company regularly provides information to each of its Associates. This includes, but is not limited to, reports of online or telephonic Downline activity, such as the personal and group sales Volume, and Downline-sponsoring activity.

11.5.2 – Report Indemnification

Associates agree never to assert any claim of any nature against the Company, including its officers, directors, employees and independent contractors, that arises out of or which is in any way connected with the presentation, compilation, development, publication and dissemination by the Company of the Information including, but not limited to, a claim for lost profits, bonuses, Commissions and loss of opportunity. This Agreement on the part of each Associate extends to any act or omission to act by the Company such as, but not limited to, the inaccuracy, incompleteness, inconvenience, delay, loss, or the use of the Information. However, this Section 11.5.2 does not apply to claims that may arise as a result of intentional misconduct or intentional disregard of the rights of Associates on the part of the Company.

SECTION 12 - PRODUCT GUARANTEE, RETURNS AND INVENTORY REPURCHASE

12.1 - Product Guarantee

Tangible P(p)roducts and/or marketing materials returned within thirty (30) days after the purchase shall receive a 100% refund, less shipping and handling costs and restocking fee set forth in Section 12.2. All returns must have a Return Merchandise Authorization ("RMA") issued through the Company. Associates and Customers are responsible for the costs of returning product to the Company within thirty (30) business days of receipt of the RMA, or the product will not be eligible for return. Unless within the first thirty (30) of initial enrollment as an Associate (as set forth in Section 11.2.1), requested refunds for product, which is in the form of services, that was purchased directly from the Company must be requested within thirty (30) days of purchase or within ten (10) days of first use or access by the Customer or Associate, whichever occurs sooner, and shall be subject to a ten percent (10%) administrative set-off fee. Refunds for P(p)roduct, in the form of services, purchased through a third-

party must be sought directly through such third-party and is subject to such third-party's return/refund policy.

12.2 – Inventory Repurchase

An Associate who resigns, which resignation must be in writing, may return tangible Product or marketing materials purchased within the last twelve (12) months prior to resignation, subject to Section 10.2 and the provisions set forth in Section 12.1 regarding resalability and RMAs. Upon compliance with all applicable requirements, a full refund, less a 10% restocking fee and shipping and handling costs, will be issued by the Company. Any P(p)roduct that is expired, or that is within three (3) months of expiration, will not be eligible for a refund. Please allow for up to twenty (20) business days from the time that the product is received for the refund to be processed. This provision is not applicable purchases made under the Health and Wellness Professional program and refunds for purchased P(p)roduct in the form of services shall be subject to Sections 11.2.1 and 12.1.

12.2.1 – Refusal or Incorrect Address or Unreceived Product

If a shipment is refused by an Associate or a shipment is delivered to an incorrectly given address, whether it is an Autoship or an order that has just been placed, the Company will charge a \$10.00 fee to the form of payment on file. Any missing product from a delivery must be reported to the Company by the purchaser within thirty (30) days of the delivery date in order to be eligible for a replacement product. Lost or undelivered products will only be considered as such after ten (10) business days of the expected delivery date and, after verification, will be replaced by the Company with the same products or products of equal or greater value. The Company reserves the right to suspend, in whole or in part, all return and/or replacement privileges for those purchasers found to be abusing such policies. Clawback commissions provision.

12.3 – Impact on Financial Distributions as a Result of Refund

Previously paid Financial Distributions may be reversed, and future Financial Distributions may be adjusted as a result of Product returns or inventory repurchases at the sole discretion of the Company. Any Commissions paid to the Associate and his or her Upline for the Product returned by the Associate or Customer may be debited from the respective Upline Associate's account or withheld from present and/or future Financial Distributions. An Associate should not rely on existing downline Volume at the close of a Commissions period, as returns may cause changes to his or her title, rank and/or Commissions payout.

SECTION 13 – DISPUTE RESOLUTION REMEDIES

13.1 – Breach and Remedies

Any breach of the Agreement by an Associate or any Person associated with the Associate's Distributorship, including these Policies and Procedures or any illegal, fraudulent, deceptive or unethical business conduct may result, at Company's's discretion, in one or more of the following actions:

- 1. Issuance of a written warning or admonition;
- 2. Issuance of a writing that directs the Associate to take immediate corrective measures;
- 3. Loss of rights to future Financial Distributions; in whole or in part;

- 4. The withholding of Financial Distributions during the period that the Company is investigating any conduct that allegedly violates the Agreement;
- 5. Suspension of the Agreement for a length of time;
- 6. Cancellation of the Agreement;
- 7. Cancellation of the Agreement of any other of the Associate's Immediate Household or of an affiliated individual who is in association with the breaching Associate;
- 8. Any other measure expressly allowed by the Agreement and which the Company deems necessary to implement in order to provide a remedy for injuries caused partially or exclusively by the Associate's breach; or
- 9. The commencement of proceedings for monetary or equitable relief or both.

13.2 - Breach of Agreement Procedures

- A. Conditional Obligations. The Company's obligations to an Associate are conditioned upon the Associate's faithful performance of all the terms and conditions of the Agreement. The Company, in its sole discretion, will determine if an Associate is in breach of the Agreement and may elect any or all-available remedies.
- B. Progressive Discipline. The Company's progressive discipline policy is designed to provide a structured corrective action process to improve and prevent a recurrence of Associate Policy & Procedure violations. It has been designed consistent with the Company's core values, the direct selling industry best practices, and food, drug and cosmetic laws. The Company reserves the right, in its sole discretion, to combine or omit steps depending on the facts of each situation and the nature of the violation. The level of disciplinary intervention may also vary. Some of the factors that will be considered are whether the violation is repeated, despite counseling or training, and the impact the violation may have on the Company. Notwithstanding the above, a violation of Section 8.5 will result in immediate suspension and may result in the Associate being subject to liquidated damages as set forth in Section 13.7.
 - a. First Step: Counseling and initial warning letter.
 - i. A first violation usually occurs because the Associate is not familiar with the Policies and Procedures or the law. While such is not an acceptable excuse for any violation, counseling and an initial warning provide an opportunity for the compliance department to bring to the attention of the Associate the Policies and Procedures and the specific violation, and to provide counseling on complying with the Policies and Procedures and applicable laws. The compliance department will also describe expectations and steps the Associate must take to resolve the violation including, but not limited to, either removing or revising the non-compliant claim or how to remedy other policy violations.
 - ii. The compliance department will monitor the file to determine if the non-compliant material or other policy violation has been remediated. If so, the compliance department will close the file, and if not, will proceed to Second Violation notice as outlined below.
 - b. Second Step: Escalated warning letter and temporary back office hold.

- i. Although it is hoped that the Associate will promptly correct the violation(s), the Company recognizes that this may not always occur. A second written warning indicates the seriousness of repeated violations or lack of sufficient response and indicate that the Associate may be subject to a hold of their back office account if a sufficient response is received or if the policy(ies)are violated again.
- ii. The compliance department will monitor the file and determine if the non-compliant material or other policy violations have been remediated in a timely manner. If so, compliance will close the file. If not, a hold will be placed on the Associate's back office account. A written letter will be sent notifying the Associate that a hold has been placed on their account, explains that the Associate may be subject to additional discipline up to and including Cancellation if the violation is not remedied or further violations occur.

c. Third Step: Suspension and final written warning.

i. Repeated violations of the Policies and Procedures is very problematic and potentially harmful to the Company, its business, and the business of other Associates. Therefore, the most effective and prudent action for repeated violations is suspension of the Associate and forfeiture of Financial Distributions for at least a month. The final written warning letter will include notification of such suspension, the extent of the anticipated Financial Distribution forfeiture, state the requirement for the Associate to sign a reinstatement letter, and include an indication that if the Associate violates the Policies and Procedures again, the Associate will be terminated immediately.

d. Fourth Step: Cancellation.

i. As described above, the Company will endeavor to exercise the progressive nature of the Discipline Policy by first providing warnings, a final written warning and suspension and Commissions forfeiture before proceeding to Cancellation; however, the Company reserves the right to combine and omit steps depending on the circumstances of each situation and the nature of the violation. Furthermore, the Associate may be terminated without prior notice or disciplinary action, as deemed necessary and/or appropriate by the Company in its sole discretion.

e. Appeal Process

i. Associates who are terminated for Policy and Procedure violations will have the opportunity to submit a written appeal to the Compliance Appeal Board within ten (10) days of the effective date of Cancellation. The purpose of this process is to allow the Associate to provide further information and/or insight to the Company regarding any extenuating circumstances that may have contributed to the Associate's violations, or other information the Associate may deem material to the decision.

f. Compliance Appeal Board

- i. The appeal will be conducted by considering all written materials in the Company's file and submitted by the Associate or any other person having pertinent information. No in-person, telephonic or video presentations will be permitted. All pertinent materials and information will be reviewed by the Compliance Appeal Board within ten (10) business days of receipt of the written appeal. Neither the Company nor the Person appealing will be represented by legal counsel during the proceedings. The Compliance Appeal Board will notify the terminated Associate of its decision within ten business (10) days of hearing the appeal.
- ii. Appeal Compliance Board members may contact the Compliance Manager and/or the terminated Associate during the ten (10) days after the review if more information or explanation is needed to help make the decision.
- iii. If an Associate desires to appeal the initial Compliance Appeal Board decision, he or she may file a written notice of further appeal to the Compliance Appeal Board within ten (10) business days of the date of the first Compliance Appeal Board decision. The appeal hearing will be held within ten (10) days of receipt of the written appeal notice and can be held in person, via telephone or video conferencing. Neither the Company nor the Person appealing will be represented by legal counsel during the proceedings. The Appeal hearing may not be recorded. The Compliance Appeal Board will notify the terminated Associate of its decision within ten (10) days of hearing the appeal. If the terminated Associate wishes to make a presentation to the Appeal Board in addition to the written materials submitted, he/she will be limited to a maximum of ten (10) minutes for such presentation and with any questions asked by the Compliance Appeal Board members afterward.
- iv. <u>Important Note</u>: Nothing in this discipline policy provides any contractual rights regarding Associate discipline or counseling, nor should anything in this Section be read or construed as creating an employer/employee relationship between the Associate and the Company.
- C. Remedies. In the event of breach, the Company may elect to take no action or to exercise some or all contractual remedies and remedies at law or in equity, including, but not limited to:
 - a. Notifying the Associate either in writing or verbally of the breach and providing a notice to cure the breach;
 - b. Requiring from the Associate additional assurances of future compliance;
 - c. Withholding or denying recognition and attendant perks;
 - d. Assessing damages and withholding them from Financial Distributions;
 - e. Suspending Associate Distributorship rights temporarily or permanently;
 - f. Seeking injunctive relief;
 - g. Terminating the Agreement/Distributorship; and
 - h. Seeking damages and associated costs.
- D. Availability of Injunctive Relief. Associate acknowledges that the Company will suffer irreparable harm if Associate fails to strictly adhere to, breaches, or threatens to breach any of the provisions set forth herein, such that damages at law would be an inadequate remedy. Therefore, the Company will be entitled, in addition to all other available rights and remedies, to the entry of an injunction immediately restraining such activity, without being required to show

any actual damage or to post an injunction bond, or to a decree mandating specific performance of the provision(s) at issue.

13.3 – Grievances and Complaints

When an Associate has a grievance or complaint with another Associate regarding any practice or conduct in relationship to his or her Marketing Organization, the complaining Associate should first report the problem to his or her Sponsor, who should review the matter and try to resolve it with the other party's Sponsor. If the matter cannot be resolved, it should be reported in writing to the Company's Associate support department, which will review the facts and attempt to resolve the complaint.

13.4- Reporting Agreement Breaches

If an Associate observes or is aware of another Associate's violation of any term or condition of the Agreement, the observing Associate shall submit a written summary or complaint to the Company's compliance department. Because of the difficulties of investigating and asserting appropriate remedies for stale claims, any complaint for breach of any of the terms and conditions of the Agreement must be brought to the Company's attention for review within four (4) months of the start of the alleged violation. Failure to report a violation within that time period may result in the Company not pursuing the allegations in order to prevent the Associate business from being disrupted due to stale claims. However, this policy does not waive the Company's right to investigate and discipline Associates found guilty of the stale claims.

13.5 – Governing Law and Resolution of Disputes

ANY CONTROVERSY OR CLAIM ARISING OUT OF, OR RELATING TO, THESE POLICIES AND PROCEDURES, THE COMPENSATION PLAN, OR THE OFFICIAL COMPANY DOCUMENTS, OR THE BREACH THEREOF, SHALL BE SETTLED BY CONFIDENTIAL ARBITRATION ADMINISTERED BY THE AMERICAN ARBITRATION ASSOCIATION UNDER ITS COMMERCIAL ARBITRATION RULES, AND JUDGMENT ON THE AWARD RENDERED BY THE ARBITRATOR MAY BE ENTERED IN ANY COURT HAVING JURISDICTION THEREOF. IF AN ASSOCIATE FILES A CLAIM OR COUNTERCLAIM AGAINST THE COMPANY ITS OWNERS, DIRECTORS, OFFICERS OR EMPLOYEES, THEY MAY ONLY DO SO ON AN INDIVIDUAL BASIS AND NOT WITH ANY OTHER INDIVIDUAL OR AS PART OF A CLASS ACTION. THE PARTIES SPECIFICALLY WAIVE ANY RIGHTS TO CLASS-WIDE TREATMENT OF ANY CLAIM COVERED BY THIS AGREEMENT AND DISPUTE RESOLUTION POLICY. PARTIES WAIVE ALL RIGHTS TO TRIAL BY JURY OR TO ANY COURT. All arbitration proceedings shall be held in Salt Lake County, State of Utah, unless the laws of the jurisdiction where the Associate resides expressly require the application of its laws, in which case the arbitration shall be held in the capital of that jurisdiction. At least one arbitrator shall be an attorney at law experienced in business law transactions and network marketing. Neither the Parties nor the arbitrator(s) may disclose the existence, content, or results of any arbitration without the prior written consent of both Parties. Judgment on any award rendered by the arbitrator(s) may be entered in any court having jurisdiction. Each party to the arbitration shall be responsible for its own costs and expenses, including legal and filing fees; provided, however, that the arbitrator will have discretion to award legal fees and other costs to the prevailing party. The decision of the arbitrator shall be final and binding on the Parties. This agreement to arbitrate shall survive any termination or expiration of the Associate's relationship with the Company.

Nothing in the arbitration provision prohibits either party from obtaining a temporary injunction, preliminary injunction, permanent injunction or other equitable relief available to safeguard and protect the party's interests prior to, during or following the filing of any arbitration or other proceeding, or pending the rendition of a decision or award in connection with an arbitration or other proceeding. The arbitrator(s) will have the authority to continue injunctive relief and to enter a permanent order granting such relief.

In addition, nothing in the arbitration provision shall prevent the Company from filing a lawsuit to identify unknown persons, including, but not limited to, unidentified Customers or Associates, who may be selling Company Products on the Internet, cybersquatting, registering or attempting to register, or using Customer trademarks or confusingly similar domain names, or producing, modifying or repackaging Customer merchandise without authorization. Once a person is determined to be a Customer or Associate, the Company may take further action against such persons. The filing of a lawsuit and taking any action in that lawsuit to identify unknown persons shall not be a waiver of any right or obligation set forth in the arbitration provision.

In the event that a dispute or claim arising out of, or relating to this Agreement, is not subject to arbitration as set forth above, the laws of the state of Utah shall govern, and the Parties agree that proper jurisdiction and venue shall be in the state and federal courts of Utah. If the laws of the Associate's place of residence impose any requirement that is different from or in addition to those set forth in these Policies, then these Policies shall be deemed amended in conformance with those laws as to that jurisdiction only.

13.6 – Injunctive Relief

The Associate acknowledges that the covenants set forth in this Agreement relating to the protection of the Company's confidential and/or proprietary information are reasonable and necessary to protect the legitimate interests of the Company. The Associate further acknowledges that his/her breach of such covenants would cause the Company irreparable harm, the amount and extent of which would be very difficult to estimate or ascertain. Therefore, the Associate agrees that the Company shall be entitled, without the necessity of posting a bond or other security, to the issuance of injunctive relief to enjoin the Associate from breaching or threatening to breach such covenants. In any case, injunctive relief shall not be the exclusive remedy available to the Company.

13.7 – Liquidated Damages

In the event that Associate sells or offers for sale any Product through any website not authorized by the Company, in violation of Section 8.5, and in addition to any other remedies available to the Company, Associate hereby agrees to pay to the Company the amount of One Thousand Dollars (\$1,000.00) for each unit of Product sold or offered for sale in such manner. Associate hereby waives any defense to the Company's right to obtain liquidated damages on the basis that actual damages are calculable or that the liquidated damages do not represent a reasonable determination of damages or otherwise constitute a penalty.

13.8 – Court Proceedings Relating to Seller Information

Nothing in this Agreement is intended to or shall preclude the Company's ability to commence an action in a court of law for purposes of ascertaining the identity of any unauthorized seller of the Company's Products.

13.9 – Circumvention of the Agreement

The Agreement is designed to protect Associates and the Company from the adverse consequences of any violation. Associates who intentionally circumvent the Agreement to accomplish indirectly what is prohibited directly will be disciplined as if the applicable policy or rule had been broken directly. In such circumstances, all the available remedies as stated above will be available to the Company. The Agreement is not intended to give an Associate the right to enforce the Agreement against another Associate directly, or to take any action against another Associate.

SECTION 14 - CANCELLATION

A. Cancellation.

- a. An Associate may terminate the Agreement by failing to renew on the annual anniversary of the acceptance of his or her Associate Agreement or by submitting to the Company in writing a request to terminate, subject to Section 13 herein.
- b. The Company may terminate the Agreement if the Associate violates any term of the Agreement or any amendments thereto.
- c. Upon Cancellation, the Company may in its sole discretion retain the Distributorship or dissolve and remove it from the Sponsor.
- B. Return of Confidential Information. An Associate must return all Confidential Information, including any information derived there from, over which he or she has direct or indirect control to the Company upon Cancellation or upon demand of the Company. If any such Confidential Information cannot be returned because it is in electronic format, the Associate shall permanently delete and erase the Confidential Information upon Cancellation or upon demand.
- C. Associate Buyback. The Company will repurchase on reasonable commercial terms marketable inventory in the possession of and purchased by the Associate for resale prior to the termination date of the Associate's business relationship with the Company. For purposes of this Policy, "reasonable commercial terms" shall include the repurchase of currently marketable inventory purchased within twelve (12) months, subject to Section 10.2, from the Associate's date of termination, less appropriate set offs, legal claims and restocking fee. Products shall not be considered "currently marketable" if returned for repurchase after the Products' commercially reasonable usable shelf life period has passed; nor shall Products be considered "currently marketable" if the Products are seasonal, discontinued, or special promotion Products. If an Associate is in breach of the Agreement, the Company reserves the right to stop, delay, and/or refuse any product buybacks.
- D. Effects of Cancellation for Breach of Agreement.
 - a. An Associate whose Agreement is subject to Cancellation by the Company must wait one (1) year before applying for a new Distributorship. During that time, the Associate can have no Beneficial Interest in any other Distributorship. Prior to applying for a new Distributorship, he or she must first petition the Company through the compliance department. The petition shall include an affidavit that must be signed under penalty of perjury and notarized in which the Associate confirms that he or she has had no Beneficial Interest in any Company Distributorship during the prior one year.

- b. Upon Cancellation of the Agreement, all the Associate's rights in and to the Distributorship and the Associate business are revoked and terminated. In acknowledgement of the damages the Company has likely suffered and/or will suffer as a result of Associate's breach, including but not limited to, all or any of the following: (i) loss of good will and loss in the value of the Company's confidential and proprietary information and trade secrets; (ii) loss of a portion of the value of the Company's business; and/or (iii) loss of future profits; Associate consents that any unpaid Financial Distributions may be forfeited to the Company to offset a portion of the damages.
- c. The Company may elect to reorganize the Downline Organization of a Distributorship terminated for breach in a manner that serves the best interests of the Company, or Downline Organization or Upline or any combination thereof.
- d. Where the Company elects to terminate a Distributorship in which there is more than one Beneficial Interest holder, the following may apply:
 - i. The departing Beneficial Interest holder(s) must relinquish all rights to, and interests in, the Distributorship;
 - ii. The Company may not divide or reassign any of the Downline Organization; and
 - iii. The Company may not split Financial Distributions between the prior or current Beneficial Interest holders of the Distributorship.

E. Effects of Voluntary Termination by the Associate.

- a. The Agreement can be voluntarily terminated by an Associate, who is not in breach of the Agreement, for any reason, at any time, by providing written notice to the Company signed by all Person(s) listed on the Associate Agreement. The termination is effective on the date the Company receives the written notice, although processing of the termination request may be delayed until the following month if there is current Volume in the Distributorship. If an Associate is in breach of the Agreement, he or she cannot voluntarily or unilaterally terminate the Agreement until the longer of: (i) the last day of the renewal period of the Agreement, or (ii) the last day of the period equal to the amount of time such Associate had been in violation of the Agreement prior to the Company's discovery of the breach, but not to exceed one (1) year. In such a case, the Company may elect any and all available remedies for breach of the Agreement pursuant to Section 13.2(C), and the Associate shall not be entitled to receive any Financial Distributions during such period, as determined by the Company in its sole discretion.
- b. Upon any termination of the Agreement, all the Associate's rights in and to the Distributorship and the Associate business are revoked and terminated.
- c. An Associate who voluntarily terminates may re-apply for a new Distributorship under a new Sponsor no earlier than six (6) months form the date of the Company receives written notice of the termination. During this six (6) month period, the voluntarily terminated Associate is not permitted to participate in any Associate Business or have a Beneficial Interest in a Distributorship.
- d. An Associate may not terminate voluntarily if the Distributorship is not in good standing with the Company, as may be evidenced by, but not limited to, any of the following conditions: (i) a temporary Distributorship; (ii) a Distributorship that is on hold, suspension or probation; (iii) a Distributorship that is under investigation, but no formal discipline has taken place; or (iv) a notice of intent to terminate has been sent by the Company.

SECTION 15 - ORDERING

15.1 – Direct Retail Customers

Associates are encouraged to promote the Company's Customer programs to their Customers. The direct retail customer program allows Customers to purchase their products directly from the Company. Customers simply call the Company's toll-free order number to place their orders or place an order online on the Company website, which they may charge to their credit card. The Company will send the ordered products directly to the Customer. To ensure that Associates receive the appropriate Financial Distributions, Customers should use an Associate's identification number.

15.2 – Purchasing Products

Each Associate should purchase his or her products directly from the Company under his or her Associate identification number. If an Associate purchases products from another Associate or any other source, the purchasing Associate will not receive the sales Volume that is associated with that purchase.

15.3 – Shipping and Back Order Policy

The Company will expeditiously ship any part of an order currently in stock. If, however, an ordered item is out of stock, it will be placed on back order and sent when the Company receives additional inventory. Associates will be charged and given personal sales Volume on back-ordered items unless notified on the invoice that the Product has been discontinued. The Company will notify Associates and Customers if items are backordered and are not expected to ship within thirty (30) days from the date of the order. An estimated shipping date will also be provided. Back-ordered items may be cancelled upon an Associate's or Customer's request. Associates and Customers may request a refund, credit on account, or replacement merchandise for cancelled back orders. If a refund is requested, the Associate's personal sales Volume will be decreased by the amount of the refund.

15.4 - Confirmation of Order

An Associate and/or recipient of an order must confirm that the product received matches the product listed on the shipping invoice and is free of damage. Failure to notify the Company of any shipping discrepancy or damage within thirty (30) days of shipment acts as a waiver of an Associate's right to request a correction.

SECTION 16 - PAYMENT AND SHIPPING

16.1 - Deposits

No monies should be paid to or accepted by an Associate for a sale to a personal Customer except at the time of product delivery. Associates should not accept monies from Customers to be held for deposit in anticipation of future deliveries.

16.2 - Insufficient Funds

Any payment that is not supported by sufficient funds or that is returned uncollected constitutes a breach of the Agreement. The Company will assess a handling fee of Twenty-Five Dollars (\$25.00 USD or

equivalent local currency) for all payments lacking sufficient funds. It is the responsibility of each Associate to ensure that there are sufficient funds or credit available in his or her account to cover the monthly Autoship order. The Company is not obligated to contact Associates regarding orders cancelled due to insufficient funds or credit. This type of order cancellation may result in an Associate's failure to receive Product or meet his or her personal sales Volume goals for the month.

- 1. When there are not sufficient funds, the Associate is responsible for all bank charges plus the Company's handling fee. If there are insufficient funds, the Company will put a hold on the Product or cancel the shipment. If the Product has already been shipped, the Associate will be expected to use an alternate means of payment for the Product. If payment is not received within ten (10) business days, the Company may proceed with collection measures, stop the future shipment of orders, and take any other recovery steps available to it under the Agreement, including withholding Financial Distributions.
- 2. Any uncollected amount may be deducted from the Associate's present or future Financial Distributions.
- 3. The Associate understands and agrees that all Persons listed on the Associate Agreement, and any Person having a Beneficial Interest in the Distributorship, will be held jointly and severally liable for the outstanding amount for unpaid Product and fees. It is expressly understood by the Associate that this joint and several liability supersedes any other limitations of liability.

16.3 – Electronic Funds Transfer (EFT)

This method of payment may be an option for the purchase of Products and payment of Financial Distributions to Associates in certain Authorized Countries. When an Associate sets up an EFT method to purchase Products or receive Financial Distributions, he or she is authorizing the Company to electronically debit or credit his or her bank account on a recurring basis for the amount of any designated purchase or payment, subject to the laws of the Authorized Country where the Associate resides.

- A. In order to establish EFT as a purchase or payment method, an eligible Associate must submit the required forms to a Company customer service representative or through their Associate back office.
- B. An Associate's use of a bank account belonging to another person for EFT purchases requires written, notarized authorization by the owner of the account. Failure to obtain proper authorization constitutes a breach of the Agreement.

16.4 – Restrictions on Third-Party Use of Credit Cards

An Associate shall not permit other Associates or Customers to use his or her credit card for any purchases from the Company.

16.5 – Sales Tax

By virtue of its business operations, the Company is required to charge sales taxes on all purchases made by Associates and Customers and remit the taxes charged to the respective government authority. Accordingly, the Company will collect and remit sales taxes on behalf of Associates based on the suggested retail price of the Products, according to applicable tax rates in the state or territory to which the shipment is destined. If an Associate has submitted, and the Company has accepted, a current Sales

Tax Exemption Certificate and Sales Tax Registration License, sales taxes will not be added to the invoice, and the Associate will have the responsibility to collect and remit sales taxes to the appropriate authorities. Exemption from the payment of sales tax is applicable only to orders which are shipped to a state for which the proper tax exemption papers have been filed and accepted. Applicable sales taxes will be charged on orders that are drop-shipped to another state. Any sales tax exemption accepted by the Company is not retroactive.

17 - INACTIVITY AND CANCELLATION

17.1 – Effect of Cancellation

So long as an Associate remains Active and complies with the terms of the Agreement, including these Policies and Procedures, the Company shall pay Financial Distributions to such Associate in accordance with the Compensation Plan. An Associate's Financial Distributions constitute the entire consideration for the Associate's efforts and activities related to generating sales (including building a Downline Organization). Following an Associate's non-renewal of his or her Agreement and/or Cancellation for any reason, the former Associate shall have no right, title, claim or interest to the Marketing Organization which he or she operated, or any Financial Distributions associated with the sales generated by the Marketing Organization. An Associate whose Distributorship is cancelled for any reason will lose all rights as an Associate. This includes the right to sell Company Products and the right to receive future Financial Distributions resulting from the sales of the Associate's former Marketing Organization. In an event of Cancellation for any reason, Associate agrees to waive all rights he or she may claim, including, but not limited to, property rights to a former Marketing Organization and to any Financial Distributions derived from the sales of his or her former Marketing Organization.

Following Cancellation of an Associate's Agreement for any reason, the former Associate shall not hold himself or herself out as a Company Associate and shall not have the right to sell Company Products. An Associate whose Agreement is cancelled shall receive Financial Distributions only for the last full pay period he or she was Active prior to Cancellation (less any amounts withheld during an investigation preceding an involuntary Cancellation).

17.2 – Involuntary Cancellation

An Associate's breach of any of the terms of the Agreement may result in any of the sanctions in Section 13.1, including the involuntary Cancellation of his or her Agreement. Unless otherwise provided for in the Cancellation notice, Cancellation shall be effective on the date on which written notice is mailed, faxed or delivered to an express courier for delivery to the Associate's last known address (or fax number), or his or her attorney, or when the Associate receives actual notice of Cancellation, whichever occurs first. Readmission, if ever granted, may be either prospective or retroactive and completely discretionary on the part of the Company.

17.3 – Voluntary Cancellation

An Associate has the right to cancel the Agreement at any time. Cancellation must be submitted in writing to the Company at its principal business address: 3451 N. Triumph Blvd., Garden Level, Lehi, UT 84043. The written notice must include the Associate's signature, printed name, address and Associate identification number. However, if an Associate is not in good standing with the Company at the time the Company receives notice of cancellation, the consequences of an involuntary Cancellation may take

effect. Associates may reapply as a new Associate in accordance with Section 4.10.5 "Cancellation and Reapplication."

17.4 – Non-Renewal

An Associate may voluntarily cancel his or her Associate Agreement by sending written notice within thirty (30) days of his or her Distributorship/Agreement anniversary date. The Company reserves the right to choose not to renew the Agreement if the Associate is in violation of the Agreement. Additionally, an Associate Distributorship may be subject to Cancellation in the event the annual renewal fee is not paid when due.

SECTION 18 – PERSONAL DATA AND RIGHT OF PRIVACY

18.1 – Personal Information

From time to time it will be necessary for an Associate to provide the Company with personal information for purposes related to their Distributorship. These purposes may include:

- Processing the Associate enrollment;
- Processing, fulfilling, and notifying the Associate of their Product order status;
- Developing genealogy reports or other related business reports;
- Providing Associate services such as planning and facilitating Associate meetings and trainings;
- Administering Associate benefits;
- Developing and implementing policies, marketing plans, and strategies;
- Publishing personal information in the Company newsletters, promotional materials, and Company intra-group communications;
- Providing references;
- Complying with applicable laws and assisting with any governmental or police investigation; and
- Other purposes directly relating to any of the above.

18.2 – Communicating Personal Information to Third Parties

Where permitted by the provisions of applicable law, the Company may provide the Associate's personal information to the following third parties:

- Employees, directors, attorneys, and managers of the Company and its local and foreign associated/affiliated companies;
- Any agent, contractor, supplier, vendor, or other third party who provides administrative, advertising, printing, or other services to the Company or its affiliated companies, including, but not limited to, distribution centers, external auditors, medical practitioners, trustees, insurance companies, actuaries, and any consultant/agent appointed by the Company or its affiliated companies to plan, provide, and/or administer Associate benefits;
- Sponsors and Upline Associates who may need access to Downline Associate personal
 information in order to monitor sales activity and business development in their personal sales
 groups. However, the Company does not share credit card information or social security or
 social insurance numbers with any third party without the Associate's permission or unless
 required by law or valid court order; and

Persons or organizations seeking references.

18.3 – Associate Access to Personal Information

Each Associate has the right to request and obtain from the Company the personal information the Company has on file about the Associate and correct any data that is inaccurate (unless an exception applies). An Associate may also request to have the Company inform them of the type of personal information maintained by the Company. Requests for access to and correction of personal data or information about the Company's policies and practices regarding personal data should be addressed in writing to the Company's Customer Service.

SECTION 19 – MISCELLANEOUS

- A. Entire Agreement. The Agreement contains the entire understanding concerning the subject matter hereof between the Company and the Associate, and is intended as a final, complete, and exclusive expression of the terms of the parties. This Agreement supersedes and replaces all prior negotiations and proposed, but unexecuted agreements, either written or oral. Any prior agreements, promises, negotiations, or representations, either written or oral, relating to the subject matter of this Agreement, are of no force or effect. If there is any discrepancy between verbal representations made to the Associate by any employee or agent of the Company and the terms of the Agreement, the express written terms and requirements of the Agreement will prevail.
- B. <u>Headings</u>. The section and subsection headings in the Agreement are inserted solely as a matter of convenience and for reference and will not be considered in the construction or interpretation of any provision hereof. Unless the context otherwise specifically requires, all references to sections of the Agreement will refer to all subsections thereof.
- C. <u>Modifications by the Company</u>. The Company reserves the right to make any modifications to the Agreement. The Company may communicate these modifications by posting any portion of the modified Agreement in the back office or by any other method of written communication. The Associate is deemed to have accepted the modification to the Agreement if the Associate engages in any Associate Business including ordering Products, renewing the Distributorship, or accepting any Financial Distributions after the modification was communicated.
- D. <u>Ambiguities</u>. Ambiguities, if any, in the Agreement shall not be construed against any party, regardless of which party may be deemed to have authored the ambiguous provision.
- E. <u>Warranties</u>. The Company extends no P(p)roduct warranties, either express or implied, beyond those specifically articulated in the Agreement. The Company disclaims and excludes all warranties, regarding possible infringement of any United States or foreign patent, trademark, trade name, copyright, or trade secret arising from the Associate's operations. THE COMPANY HEREBY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ALL IMPLIED WARRANTIES OF MERCHANTABLIITY, AND FITNESS FOR A PARTICULAR PURPOSE, ACCURACY AND NON-INFRINGEMENT. THIS DISCLAIMER OF WARRANTY CONSTITUTES AN ESSENTIAL PART OF THIS AGREEMENT.
- F. <u>Waiver</u>. Any waiver by the Company of an Associate's breach of an Agreement provision must be in writing and will not be construed as a waiver of any subsequent or additional breach by the Associate. The failure by the Company to exercise any right or privilege under the Agreement will not constitute a waiver of that right or privilege.
- G. <u>Severability</u>. If any term or condition of this Agreement is judicially or otherwise invalidated, prohibited, or otherwise rendered unenforceable in any jurisdiction, it is unenforceable only to

the extent of the invalid, prohibited or unenforceable provision in that jurisdiction only, and it will not render unenforceable or invalidate any other provision of the Agreement, nor will the Agreement be rendered unenforceable or invalidated in another jurisdiction. Furthermore, any provision found unenforceable may be partly enforced to the maximum extent enforceable under the law.

- H. <u>Force Majeure</u>. Associate acknowledges that the Company is not liable for any delays, damages or losses caused by the delay or inability to manufacture, sell, or deliver its P(p)roducts and/or services due to labor strikes, accidents, fire, acts of civil authority, acts of God, acts of terrorists, changes in governmental regulations, epidemics, pandemics, earthquakes and any other disasters, quarantine restrictions, government actions or from any other causes that are beyond the control of the Company.
- I. <u>Successors or Assigns</u>. The Agreement will be legal and binding upon and inure to the benefit of the heirs, devisees, executors, administrators, personal representatives, successors, and permitted assigns (as applicable) of the respective Parties hereto.
- J. Limitation of Liability. To the extent permitted by law, the Company, its directors, officers, members, managers, shareholders, attorneys, employees, assigns and agents (collectively referred to as "Responsible Parties") shall not be liable for, and the Associate releases Company and its Responsible Parties from and waives all claims, for any loss of profits, indirect, direct, special or consequential damages, and for any other losses incurred or suffered by any Associate as a result of (i) Associate's breach of the Agreement, (ii) the promotion or operation of a Distributorship and the Associate's Business; (iii) Associate's incorrect or wrong data or information provided to the Company or its Responsible Parties; or (iv) the Associate's failure to provide any information or data necessary for the Company to operate its business. EACH ASSOCIATE AGREES THAT THE ENTIRE LIABILITY OF THE COMPANY AND ITS RESPONSIBLE PARTIES FOR ANY CLAIM WHATSOEVER RELATED TO THE AGREEMENT, BUT NOT LIMITED TO, ANY CAUSE OF ACTION SOUNDING IN CONTRACT, TORT, OR EQUITY, SHALL NOT EXCEED, AND SHALL BE LIMITED TO, THE TOTAL MONETARY AMOUNT OF PRODUCTS THE ASSOCIATE HAS PURCHASED FROM THE COMPANY THAT ARE IN RESALABLE CONDITION.

SECTION 20 – DEFINITIONS

Active – The status of an Associate who has satisfied the minimum personal sales Volume requirements, as set forth in the Company's Compensation Plan, to ensure that he or she is eligible to receive rebates, bonuses and Commissions.

Agreement – The contract between the Company and each Associate, which includes the Policies and Procedures, Privacy Policy, the Compensation Plan, Autoship agreement and the Business Entity Form (where appropriate), all in their current form or as amended by the Company from time to time in its sole discretion. These documents are collectively referred to as and comprise the Agreement.

Associate or Independent Associate - An independent contractor of the Company who has duly enrolled and accepted the Agreement, and whose Agreement has been accepted by the Company. An Associate is required to meet certain qualifications and is responsible for the training, motivation, support and development of the Associates in their respective Marketing Organization. Associates are entitled to purchase Company Products at Wholesale Prices, enroll Customers and new Associates, and participate in the Compensation Plan. Customers are not Associates.

Associate Business - Activities determined at the sole discretion of the Company to be a promotion of the Company's Products or business opportunity. Some of these activities include, but are not restricted to: enrolling as an Associate; advertising, selling or exhibiting Product; hosting, conducting or speaking at meetings or events (whether hosted by the Company or by an Associate); purchasing Product from the Company at Wholesale Prices, exchanging, or returning Products; participating in the Compensation Plan; receiving periodic Company literature and other communications or participation in Company-sponsored support service training, motivational and recognition events; sponsoring new Associate(s); and/or selling of leads, sales tools, websites, etc., to Associates (current or prospective).

Authorized Country – A country that the Company has officially sanctioned to be available to all Associates for conducting Associate Business.

Autoship – The optional Company program by which products are automatically shipped to Associates and Customers. The Autoship agreement is incorporated into the "Agreement".

Beneficial Interest: A Person is deemed to have a Beneficial Interest in a Distributorship if he/she/it has: (1) any direct or indirect ownership in a Distributorship as an individual, partner, shareholder, member, manager, beneficiary, trustee, officer, director or principal of a Distributorship; (2) has any actual or de facto control over a Distributorship; (3) receives any income directly or indirectly from a Distributorship (other than the receipt of income pursuant to the Compensation Plan by an Upline Associate); (4) receives familial support from a Distributorship; (5) receives spousal support derived from a Distributorship; (6) is a member of the Associate's Immediate Household; (7) is a spouse or co-habitant; or (8) has any other similar interest in a Distributorship.

Business Entity – Any type of business association authorized under the laws of the jurisdiction in which it was organized. This includes, but is not limited to, legally formed: corporations, partnerships, trusts, and limited-liability companies.

Cancellation – The termination of a Distributorship. Cancellation may be either voluntary or involuntary, through non-renewal or inactivity, or after violation of contents of the Agreement.

Commissions – Compensation paid to an Associate based on the Volume of Products sold by the Associate and purchased and/or sold by their Downline Organization. Eligibility to receive Commissions is determined by the monthly Product sales requirements currently in effect, as outlined in the Compensation Plan.

Company – iMoney Tools, LLC dba Tranont, or any lawful assignee, successor, subsidiary, or affiliate regardless of geographic location.

Company-Licensed Website – An Internet website approved by the Company in accordance with the provisions of the Policies and Procedures.

Compensation Plan – The plan offered by Company that sets forth the compensation provided to Associates for the sales of Company Products by their Marketing Organization.

Confidential Information- Information disclosed to the Associate pursuant to the Agreement or information gathered by an Associate about other Associates in connection with their promotion of Products or sales materials, including, but not limited to, information regarding (i) Downline

Organizations or Upline Associates, including Associate names and contact information, Customer information developed by the Company or developed for and on behalf of the Company by Associates through Associate meetings, websites, email and/or profile gathering tools, Downline Activity Reports, and any other electronic or manual application used by an Associate or his agent to gather, store, and/or develop any information about Associates and Customers (including but not limited to credit data, retail customer and Associate profiles, and Product purchase information); and (ii) customer lists, manufacturing and supplier information, business reports, Commission or sales reports, business plans, projections, trade secrets; intellectual property, analyses, and related information and other financial and business information that would be reasonably understood to be confidential and/or give competitive advantage. Confidential Information may take the form of documentation, drawings, specifications, software, technical or engineering data, or other forms, and may be disclosed orally, in writing, by electronic or magnetic media, by visual observation, or by other means.

Cross-Company Recruiting – A violation of the Agreement as set forth in Section 6.5 in the Policies and Procedures.

Cross-Line Recruiting – Sponsoring, or a solicitation to Sponsor, indirectly or otherwise, an existing Associate (or anyone with a Beneficial Interest in that Associate's Distributorship). The Cross-Line Recruiting policy applies only to the recruiting of existing Associates and does not apply to Persons who are not Associates of the Company.

Cross-Sponsoring - Enrollment or attempted enrollment of a Person that already has a current Associate Agreement on file with the Company, or that has had such an Agreement within the preceding six (6) calendar months, within a different line of sponsorship.

Customer – A person other than an Associate who purchases Products.

Distributorship – The contractual rights granted to the Associate pursuant to the Agreement to create, maintain and receive compensation from the Company relating to the operation of a Marketing Organization.

Downline or Downline Organization – The network of Associates and Customers who exist in an Associate's Marketing Organization. Associate understands that (1) Associate does not have any ownership or possessory right, title or interest in any Downline individual, entity or organization, or in any materials generated by the Company or created by Associate or any other individual or entity to the extent that it consists, in whole or in part, of any information about Company Downlines or any part of the Agreement; (2) the sole property interest of an Associate with respect to Downlines is the contractual right to receive Commissions as set forth in the Agreement; and (3) that the Company is the sole owner of any and all Downline rights, titles, interests and materials.

Downline Activity Report – A monthly report generated by the Company that provides critical data relating to the identities of Associates, Customers, sales information and enrollment activity of each Associate's Marketing Organization. This report contains confidential and trade-secret information which is proprietary to the Company. It is owned solely by the Company.

Electronic Funds Transfer (EFT) – An optional program that authorizes the Company to electronically debit an Associate's bank account for the amount of an order and/or other fees.

Enrollee – New Associates and/or Customers who have been enrolled as Associates or Customers by another Associate or Customer, as the case may be.

Financial Distributions – Rebates, Commissions, bonuses and any other compensation paid by the Company to Associates pursuant to the Compensation Plan including any payments made on an Associate's behalf for any promotion or trip promotion or incentive.

Frontline – The Associates who appear on the first Level of the Sponsor of the immediate Downline Organization of any particular Associate. They may appear through Sponsorship Compression.

Immediate Household – An Associate and his or her legal or common-law spouse or partner and their dependent family who are 18 years of age or older residing at the same address.

Level – The positioning or location of Downline Associates in an Associate's Marketing Organization. This term refers to the relationship of an Associate relative to a particular Upline Associate, determined by the number of Associates between them who are related by sponsorship. For example, if A is the sponsor of B, B is the sponsor of C, C is the sponsor of D, and D is the sponsor of E, then E is on A's fourth Level.

Marketing Organization – The Associates and Customers who are enrolled or sponsored in an Associate's Downline.

Network-Marketing Venture – Any business whose primary means of distributing products and/or services is through independent distributors, associates, influencers, affiliates, or network-marketers or other similar but differently named independent sales representatives, affiliates, and/or promoters, and/or through direct-sales channels.

Official Company Material – Any literature, audio or digital recordings, websites and other materials developed, printed, published and distributed by the Company.

Person – An individual, a Business Entity, or any other entity with a distinct separate existence, and its successors, heirs, or assigns, as the case may be.

Policies and Procedures – The Policies and Procedures of the Company contained herein, including attachments and addenda, which are incorporated herein by this reference, as the same may be amended from time to time by the Company.

Pre-Launch Period – A period of time announced by the Company prior to a country becoming an Authorized Country, during which an Associate may begin preparation to commence Associate Business within that country.

Privacy Policy – Policy governing Company's use of personal data which is incorporated by reference and an integral part of the Agreement.

Product – Any good or service that has Volume assigned to it and that is offered by the Company. Sales tools and promotional material(s) and other items specifically excluded by the Company are not included in this definition.

Recruit (verb) – For purposes of Company's Conflict of Interest Policy, the actual or attempted solicitation, enrollment, encouragement or effort to influence in any other way, either directly or through a third party, another Associate or Customer, to enroll or participate in another Network-Marketing Venture. This conduct constitutes recruiting even if the Associate's actions are in response to an inquiry made by another Associate or Customer.

Restockable and/or Resalable – Status assigned to products and sales aids if each of the following elements is satisfied: (1) they are unopened and unused; (2) packaging and labeling has not been altered or damaged; (3) the product and packaging are in a condition such that it is a commercially reasonable practice within the trade to sell the merchandise at full price; (4) products are returned to the Company' within thirty (30) days from the date of purchase; (5) the product expiration date has not elapsed; and (6) the product contains Company labeling. Any merchandise that is clearly identified at the time of sale as nonreturnable, discontinued or as a seasonable item, shall not be Resalable.

Retail Establishment – Any enterprise with a physical location that is not a Service-Related Establishment. Examples include but are not limited to mass market and specialty stores. For purposes of this definition, a Retail Establishment does not include the internet when an Associate complies with the relevant sections of the Policies and Procedures regarding authorized internet sales and advertising.

Retail Sales – Sales by an Associate of the Product to his or her Customers.

Service-Related Establishment. An enterprise where the general public typically does not have ready access unless through appointment or membership, and/or where the primary-function of the enterprise is the rendering of professional services rather than selling merchandise. Examples include but are not limited to private or restricted-access offices, salons, spas, gyms, health clubs, or private associations that may retail some products, but whose primary purpose is to offer a service.

Sponsor – As a noun: An Associate who has recruited and placed another Associate into his or her Downline Organization. As a verb: The act of directly Recruiting and placing another Associate into his or her Downline Organization.

Terms and Conditions – Part of the Agreement to which an Associate is contractually bound as it is amended from time to time by the Company.

Upline – The Associate(s) above an Associate in a sponsorship line. Also known as the line of Sponsors that links an Associate or Customer to the Company.

Volume – A value assigned to a Product for Commission purposes.

Wholesale or Wholesale Price – The price of the Products that is paid to the Company by Associates or Customers. The Wholesale Price is also called the Associate cost.