



Field Representative Policies

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SECTION 1 -- GENERAL INFORMATION ABOUT POLICIES

1.1 Purpose of Policies

These Policies explicitly set the standards by which Life's Abundance operates. They explain and govern the relationship between Life's Abundance and its Field Representatives. They legally protect our Company and its Field Representatives and are based upon:

- Acceptable business conduct;
- Standards of practice as specified by federal and state laws;
- Policies specific to the Direct Selling Industry;
- Policies specific to Life's Abundance.

1.2 Policies are Part of Application/Agreement

These Policies, in their present form and as amended at the sole discretion of Life's Abundance, Inc. (hereafter "Life's Abundance" or "the Company"), are incorporated into by reference and form an integral part of the Life's Abundance Field Representative Application/Terms of Agreement and Replicator Site Terms of Agreement.

Throughout these Policies, when the term "Agreement" is used (unless otherwise indicated by context), it collectively refers to: the Life's Abundance Field Representative Application/Terms of Agreement, Replicator Site Terms of Agreement, these Policies, the Life's Abundance Commission Structure, the Life's Abundance Compliance Guidelines and official Life's Abundance forms.

It is the responsibility of each Life's Abundance Field Representative to read, understand, adhere to, and ensure that he or she is aware of and operating under the most current version of these Policies. When sponsoring or enrolling a new Field Representative, it is the responsibility of the sponsoring Field Representative to ensure that the new Field Representative is aware of the Policies.

Throughout these Policies, Life's Abundance Independent Field Representatives and Affiliates will also be referred to as "Field Representatives" or "Representatives."

1.3 Provisions of Agreement are Severable

If any provision of the Agreement, in its current form or as amended, is found to be invalid, illegal or unenforceable for any reason, only the invalid portion(s) of the provision shall be severed and the remaining terms and provisions shall remain in full force and effect. It shall be construed as if such invalid, illegal or unenforceable provision(s) never comprised a part of the Agreement.

1.4 Amendments to Agreement

Life's Abundance reserves the right to amend the Agreement, forms, prices, and fees, at its sole and absolute discretion. It is the responsibility of each Field Representative to read, understand, adhere to and ensure that he or she is aware of and operating under the most current version of the Agreement.

By signing the Independent Field Representative Application/Terms of Agreement, the Field Representative agrees to abide by all amendments or modifications that Life's Abundance elects to make.

Amendments shall be published on the Life's Abundance website (lifesabundance.com) and shall be effective upon publication. If a Field Representative does not have access to the Internet, he or she can call Field Support at 561-741-6300 from 8:00 a.m. to 7:00 p.m. Eastern Time Monday through Friday and a Field Support agent will provide the most recent copy to that Field Representative.

Continuation of a Field Representative's Life's Abundance business or acceptance of bonuses or commissions constitutes acknowledgement and acceptance of any and all amendments.

1.5 The Company's Right to Waive Agreement Terms

No failure of Life's Abundance to exercise any right or power under the Agreement, or to insist upon strict compliance by a Field Representative with any obligation or provision of the Agreement, and no custom or practice of the parties at variance with the terms of the Agreement, shall constitute a waiver of the Company's rights to demand exact compliance with the Agreement.

Waiver of the Agreement Terms can be granted only in writing, by an Officer of Life's Abundance.

The Company's waiver of any particular breach by a Field Representative shall not affect or impair the Company's rights with respect to any subsequent breach, nor shall it affect in any way the rights or obligations of any other Field Representative.

Delay or omission by Life's Abundance to exercise any right arising from a breach shall not affect or impair the Company's rights as to that or any subsequent breach.

Life's Abundance never gives up its right to insist on compliance with the Agreement and with the applicable laws governing the conduct of a business.

1.6 Field Representative Compliance with Policies and Laws

Field Representatives must comply with all federal, state, and local laws, regulations, ordinances, and codes in the conduct of their businesses. Many cities and counties have laws regulating certain home-based businesses. In most cases these ordinances are not applicable to Field Representatives because of the nature of their business. However, Field Representatives must obey those laws that do apply to them. If a city or county official tells a Field Representative that an ordinance applies to him or her, the Field Representative shall be polite and cooperative, and immediately send a copy of the ordinance to the Compliance Department of Life's Abundance at compliance@lifesabundance.com.

1.7 Delays Beyond Control of Life's Abundance

Life's Abundance shall not be responsible for delays and failures in performance of its obligations when performance is made commercially impracticable due to circumstances beyond its reasonable control and the control of its suppliers, shippers, subcontractors and agents. This includes, without limitation, strikes, labor difficulties, riot, war, fire, death, severe weather, acts of God, curtailment of a party's source of supply, or government decrees or orders.

1.8 Company Use of Information

By submitting a Field Representative Application and Agreement that is accepted by Life's Abundance, the Field Representative consents to allow Life's Abundance, its affiliates, and any related company to: (a) process and utilize the information submitted in the Field Representative Application and Agreement (as amended from time to time) for business purposes related to the Life's Abundance business; and (b) disclose, now or in the future, such Field Representative information to companies which Life's Abundance may, from time to time, deal with to deliver information to a Field Representative to improve its marketing, operational, and promotional efforts. A Field Representative has the right to access his or her personal information via his or her respective online account, and to submit updates thereto.

SECTION 2 -- BECOMING AND REMAINING A FIELD REPRESENTATIVE

2.1 Requirements for Becoming a Field Representative

To become a Life's Abundance Field Representative, each applicant must:

- a) Reside in the United States, a U.S. Territory, or Puerto Rico;
- b) Provide to Life's Abundance their valid Social Security or Federal Tax ID number;
- c) Purchase a Life's Abundance Field Representative's Starter Kit (optional in North Dakota, Massachusetts and Wyoming for residents of those states and anywhere else prohibited by law)
- d) Submit a properly completed Field Representative Application/Terms of Agreement to Life's Abundance. (See Section 2.2)

Life's Abundance reserves the right to reject any Application to become a new Field Representative.

For additional requirements for corporations, partnerships and business trusts, See Section 2.3.

2.2 Submittal of Field Representative Application/Terms of Agreement

Life's Abundance will accept Field Representative applications submitted utilizing the online process, by fax or by mail. Any additional documentation required by Life's Abundance will be sent via fax or email for completion. All applicable forms must be completed and received by Life's Abundance within 30 days in order for a Field Representative to be eligible to receive commission payments.

Faxed and mailed Applications must be filled out completely, and personally signed by the Applicant or the Applicant's legal guardian. The Application form may not be altered unless the change is initialed by the applicant or Applicant's legal guardian. Disciplinary action will be taken against any Field Representative who alters another person's Application after it has been signed (unless initialed, as specified above).

2.3 Corporations, Partnerships and Business Trusts

A corporation, limited liability company, partnership or trust (collectively referred to in this section as a "Business Entity") may apply to be a Life's Abundance Field Representative by submitting a Field Representative Application and Agreement along with a properly completed Business Entity Registration Form. The Business Entity, as well as all shareholders, members, managers, partners, trustees, or other parties with any ownership (legal or equitable) interest in, or management responsibilities for, the Business Entity (collectively "Affiliated Parties") are individually, jointly and severally liable for any indebtedness to Life's Abundance, compliance with the Life's Abundance Policies and Procedures, the Life's Abundance Field Representative Agreement, and other obligations to Life's Abundance.

To prevent the circumvention of Sections 7.3 – 7.8 (Sale, Transfer, or Assignments of Life's Abundance Business) and Section 7.9 (Change of Sponsor), if any Affiliated Party wants to terminate his or her relationship with the Business Entity or Life's Abundance, the Affiliated Party must terminate his or her affiliation with the Business Entity, notify Life's Abundance in writing that he or she has terminated his/her affiliation with the Business Entity, and must comply with the provisions of Section 7.3 – 7.8. In addition, the Affiliated Party foregoing their interest in the Business Entity may not participate in any other Life's Abundance business for six consecutive calendar months in accordance with Section 8.1 (Effect of Cancellation). If the Business Entity wishes to bring on any new Affiliated Party, it must adhere to the requirements of Section 7.4 -7.5 (Sale, Transfer, or Assignments of Life's Abundance Business).

The modifications permitted within the scope of this paragraph *do not* include a change of sponsorship. Changes of sponsorship are addressed in Section 7.9 (Change of Sponsor), below.

Life's Abundance may, at its discretion, require notarized documents before implementing any changes to a Life's Abundance business. Please allow thirty (30) days after the receipt of the request by Life's Abundance for processing.

A Life's Abundance business may change its status from an individual to a partnership or corporation or vice versa from one type of entity to another. Whoever assumes the distributorship also assumes any indebtedness or other obligation to Life's Abundance. It is the responsibility of an individual or entity to conform to the laws of the state in which their entity is formed.

2.4 Life's Abundance Starter Kit

The only purchase required of a new Field Representative is the purchase of a Life's Abundance Starter Kit (see Section 2.1 c). Should a Field Representative resign, Life's Abundance will re-purchase their Starter Kit (less original shipping/handling) if it is currently marketable and unused, pursuant to the terms of Section 6.4 of these Policies. A Montana resident may cancel his or her Field Representative Agreement within 15 days from the date of enrollment, and may return his or her Starter Kit for a full refund within such time period.

2.5 No Required Product Purchases

Other than the purchase of a Life's Abundance Starter Kit, no purchase of any Life's Abundance product is required to become a Field Representative.

2.6 Independent Contractor Status

A Life's Abundance Field Representative is an independent contractor and not a purchaser of a franchise, security, or business opportunity. The agreement between Life's Abundance and a Field Representative does not create an employer-employee relationship, agency, partnership or joint venture between Life's Abundance and the Field Representative. A Field Representative shall not be treated by Life's Abundance as an employee for his or her services or for federal, state or local tax purposes.

All Representatives are responsible for paying federal, state and local taxes due from all compensation earned as an Independent Field Representative of Life's Abundance.

Field Representatives have no authority (expressed or implied) to bind Life's Abundance to any obligation.

Field Representatives are responsible for securing any licenses or permits required by state and local governments. Each Field Representative is encouraged to establish his or her own goals, hours and methods of sales, so long as he or she complies with the Agreement and applicable laws.

There are no exclusive territories granted to anyone.

No franchise fees are required.

2.7 Interest in Only One Life's Abundance Business

Except as provided below regarding spouses, a Field Representative may operate or have an ownership interest, legal or equitable, as a sole proprietorship, partner, shareholder, trustee or beneficiary, in only one Life's Abundance business. No individual may have, operate or receive compensation from more than one Life's Abundance business.

The Life's Abundance Agreement is voidable by Life's Abundance if a Field Representative has an ownership interest, legal or equitable, as a sole proprietorship, partner, shareholder, trustee or beneficiary of another Life's Abundance business, or has previously had such an interest in a

Life's Abundance business, unless the prior Agreement expired or was terminated at least six calendar months prior to the execution of the new Life's Abundance Agreement.

Spouses may own or operate, either individually or jointly, or participate directly or indirectly, in separate Life's Abundance businesses only if the Life's Abundance business of one spouse is the sponsor of the Life's Abundance business of the other spouse. Otherwise, spouses, regardless of whether one or both are signatories to the Agreement, may not own or operate any other Life's Abundance business, either individually or jointly. Nor may they participate directly or indirectly (as a shareholder, partner, trustee, trust beneficiary, or any other legal or equitable ownership) in the ownership or management of another Life's Abundance business in any form. Any minor child or entity under guardianship must be sponsored by the highest level parent or guardian. Minor children cannot sponsor other minor children.

In addition, an exception to the one business per Field Representative rule will be considered on a case-by-case basis if two Representatives marry, or in cases of a Field Representative receiving an interest in another business through inheritance.

2.8 Actions of Household Members or Individuals Affiliated with an Entity

If any member of a Field Representative's immediate household engages in any activity which would violate any provision of the Agreement if performed by the Field Representative, such activity will be deemed a violation by the Field Representative, and Life's Abundance may take disciplinary action against that Field Representative.

In the case of a distributorship listed as an entity, if any individual affiliated in any way with the entity violates the Agreement, such action(s) will be deemed a violation by the entity, and Life's Abundance may take disciplinary action against the entity.

In the case of spouses, parents and minor children, and any other exception to the "Interest in Only One Life's Abundance business" set forth in Section 2.7, any disciplinary action taken against one Field Representative, may result in similar disciplinary action being taken against one or more of the related distributorships.

2.9 Annual Renewal of Life's Abundance Agreement

The term of the Agreement is one year from the date of acceptance of the Application. All Field Representatives are required to pay an annual renewal fee on or before the anniversary with Life's Abundance. Life's Abundance will automatically renew an active Field Representative's agreement on their anniversary using the most current payment information. If a Field Representative chooses not to renew their agreement or does not wish to have their credit card or electronic funds transfer automatically processed, they must notify Life's Abundance at least 15 days in advance of their anniversary date. Field Representatives who wish to pay for their renewal fee by personal check must do so before their anniversary. Upon payment, the renewal fee is non-refundable. If the renewal fee remains unpaid, the Field Representative will lose all rights under the Agreement and the Life's Abundance Commission Structure.

SECTION 3 -- OPERATING YOUR LIFE'S ABUNDANCE BUSINESS

3.1 Adherence to the Life's Abundance Commission Structure

Field Representatives must adhere to the terms of the Life's Abundance Commission Structure. In this regard, Representatives shall not:

- a) Require or encourage other current or prospective Field Representatives or customers to participate in Life's Abundance in any manner that varies from the program as set forth in official Life's Abundance materials;

- b) Require or encourage other current or prospective Field Representatives or customers to execute any agreement or contract other than official Life's Abundance agreements and contracts, in order to become or remain a Life's Abundance Field Representative;
- c) Require or encourage other current or prospective Field Representatives or customers to make any purchase from, or payment to, any individual or other entity to participate in the Life's Abundance Commission Structure, other than those purchases or payments identified as recommended or required in official Life's Abundance materials.

3.2 Prudent Business Practices

Each Field Representative's Life's Abundance business must be operated in an ethically, morally and financially sound manner. Representatives may not engage in any activities that bring disrepute on the name or image of Life's Abundance.

A Field Representative may only contact personally sponsored Field Representatives about other business opportunities.

3.3 Product Sales and Commissions

The Life's Abundance Commission Structure is based upon the sale of Life's Abundance products and services to end consumers. Each Field Representative must fulfill sales requirements and meet the responsibilities set forth in the Agreement to be eligible for bonuses and advancement to higher levels of achievement. For more information, see the Life's Abundance Compensation Plan document.

No Field Representative shall accept money from a customer until delivery of the product.

Records documenting the purchases of a Representative's Customers will be maintained by Life's Abundance for a period of up to three years.

Life's Abundance provides the suggested retail prices in order to assist the Representatives in determining the prices at which they can sell the Life's Abundance products.

3.4 Excess Inventory and Bonus Buying are Prohibited

Field Representatives must never purchase more products than they can reasonably use or sell to retail customers in a month, and must not influence or attempt to influence any other Field Representative to buy more products than they can reasonably use or sell to retail customers in a month. In addition, bonus buying is strictly prohibited. Bonus buying includes any mechanism or artifice to qualify for rank advancement, incentives, prizes, commissions or bonuses that is not driven by bona fide product or service purchases by end user consumers. Bonus buying includes, but is not limited to, purchasing products through a straw man or other artifice.

3.5 Taxes

Life's Abundance is required to charge sales taxes on all purchases made by Representatives and Customers, and remit the taxes to the respective taxing authorities. Life's Abundance will collect and remit sales taxes on behalf of its Representatives, based on the suggested retail price, according to applicable tax rates in the tax jurisdiction of the Field Representative and remit the taxes to the respective states.

If a Representative has submitted, and Life's Abundance has accepted, a current Sales Tax Exemption Certificate and/or Sales Tax Registration License, sales taxes will not be added to the invoice. The responsibility of collecting and remitting sales taxes to the appropriate authorities will revert to the Representative. Exemption from the payment of sales tax is applicable only to orders that are shipped to a state for which the proper tax exemption papers have been filed and

accepted. (Any sales exemption accepted by Life's Abundance is not retroactive except for sales within the calendar month of approval.)

3.6 Ethically Recruiting and Building an Organization

All active Field Representatives in good standing have the right to sponsor and enroll others into Life's Abundance. However, Representatives are expected to respect the recruiting efforts of all other Life's Abundance Field Representatives.

A Representative may not demean, discredit or invalidate other Life's Abundance Field Representatives.

A Representative may not entice Field Representatives from other organizations in any manner to become part of his or her organization.

Using any other person's name, a false name, a business name, DBA's, assumed names, corporations, partnerships, trusts, Federal Tax ID numbers, fictitious ID numbers, or any other form of falsification is considered manipulation of the Commission Structure and is strictly prohibited. Any Field Representative found to knowingly be involved in this type activity risks termination of his or her Life's Abundance business.

On occasion, an individual may be actively recruited by two (or more) Field Representatives. It is the decision of the individual to determine whose organization he or she wishes to join. If two Representatives claim to be the Sponsor of the same new Representative, Life's Abundance will not become involved in a dispute. The first Application received by Life's Abundance will be the one that stands. A Customer however does have the right to choose and/or change his or her sponsor.

3.6.1 Cross-Recruiting Violations

No Field Representative shall actively recruit a prospect when that prospect is in the company of another Field Representative, and/or who has been brought (or sent) to any Company related meeting or event, regardless of any previous knowledge or acquaintance with the prospect.

It is every Representative's responsibility when meeting an individual at, or surrounding, a Life's Abundance Company related event to determine whether they were invited by another Life's Abundance Field Representative. Every Field Representative has the right to absolute confidence that the prospect he or she accompanies, or sends, to a Life's Abundance related event will be safe from cross-recruiting during the duration of the event. (Duration of an event is considered to extend until such time that a prospect leaves the specific event and returns to their normal activities unrelated to Life's Abundance.)

3.6.2 Cross-Group Sponsoring is Prohibited

Cross-group sponsoring is strictly prohibited. "Cross-group sponsoring" is when a Representative places an individual, spouse, minor child or entity into his or her organization who is either a current Field Representative under another line of sponsorship or who has resigned from another line of sponsorship within the past six months.

Using any other person's name, a false name, a business name, DBA's, assumed names, corporations, partnerships, trusts, Federal Tax ID numbers, fictitious ID numbers, or any other form of falsification to circumvent this policy is considered manipulation of the Commission Structure and is strictly prohibited.

3.7 Reviewing Policies with Applicants

Field Representatives must provide the most current version of these Policies to individuals whom they are enrolling or sponsoring to become Representatives before the applicant executes

an Application. The most current version can found at lifesabundance.com.

3.8 Responsibilities of Field Representatives to their Organization

As a condition of a Field Representative receiving earnings from the volume generated by his or her organization, the Field Representative must provide, or ensure the provision of, supervisory assistance. This obligation applies throughout the sponsoring Representative's organization.

Field Representatives must have ongoing contact and communication with the Representatives in their organization to ensure that they are properly operating their Life's Abundance businesses. 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 Field Representatives to Life's Abundance meetings, training sessions, and other functions.

Field Representatives are responsible to provide or ensure that new Representatives receive motivation as well as training regarding Life's Abundance product knowledge, effective sales techniques, the Life's Abundance Commission Structure, marketing materials, forms and these Policies.

Field Representatives are expected to monitor the Representatives in their organizations to ensure that they do not make improper product or business claims, or engage in any illegal or inappropriate conduct.

The responsibilities listed above should be documentable, should Life's Abundance request evidence of the Field Representative's ongoing fulfillment of Sponsorship responsibilities. Failure to provide adequate support could result in a loss of one or more Field Representatives from your downline organization and/or termination of your distributorship.

3.9 Bonus Qualifications

A Field Representative must be active and not under company notice of non-compliance with the Agreement to qualify for bonuses and commissions. So long as a Field Representative complies with the terms of the Agreement, Life's Abundance shall pay commissions in accordance with the Life's Abundance Commission Structure.

3.9.1 Adjustments to Bonuses and Commissions

Field Representatives receive bonuses and commissions based on the sale of products to end consumers. When a product is returned to Life's Abundance for a refund or is repurchased pursuant to these Policies, the bonuses and commissions attributable to the returned or repurchased product(s) will be deducted from the commission payments of the Representatives who had earned bonuses and commissions on the sales of the refunded products. Deductions start the month in which a refund is given and continue each pay period thereafter until the commission is recovered.

3.10 Report Errors Immediately

If a Field Representative questions, or believes an error has been made by Life's Abundance regarding commissions, bonuses, Genealogy reports or charges, the Field Representative must notify Life's Abundance immediately. Life's Abundance will not be responsible for any errors, omissions or problems not reported within 30 days.

3.11 Income Taxes

Each year Life's Abundance will provide an IRS Form 1099 MISC. (Non-employee Compensation) earnings statement to each Field Representative who has had earnings of over \$600 in the previous calendar year.

3.12 Requests for Records

Any request from a Field Representative for hard copies of invoices or other records will require a fee of fifty cents per page per copy. There will be a maximum charge of \$5.00 for genealogies. This fee covers the expense of mailing and time required to research files and make copies of the records. Distribution by any service other than regular first-class mail will be at an additional charge. All fees must be paid in advance.

3.13 Genealogy Reports

All Genealogy Reports and the information contained therein are confidential and constitute proprietary information and business trade secrets belonging to Life's Abundance. Genealogy Reports are reports containing the business activity of a Field Representative's organization. They are provided to active Representatives in strictest confidence, and are made available to Representatives for the sole purpose of assisting them and their respective organizations in the development of their Life's Abundance business. The Representative and Life's Abundance agree that, but for this agreement of confidentiality and nondisclosure, Life's Abundance would not provide Genealogy Reports to the Field Representatives.

During the term of the Agreement between the Field Representative and Life's Abundance, and for a period of twelve months after the termination or expiration of the Agreement, the Field Representative shall not, for any reason whatsoever, on his or her own behalf, or on behalf of any other person, partnership, association, corporation or other entity:

- a) Directly or indirectly disclose any information contained in any Genealogy Report to any third party;
- b) Directly or indirectly disclose the password or other access code to his or her account;
- b) Use the information to compete with Life's Abundance, or for any purpose other than promoting his or her Life's Abundance business;
- c) Recruit or solicit any Field Representative or Customer listed on any report;
- d) In any manner attempt to influence or induce any Field Representative or Customer to adversely alter their business relationship with Life's Abundance;
- e) Use or disclose to any person, partnership, association, corporation or other entity any information contained in any Genealogy Report.

This provision shall survive the cancellation or termination of this Agreement. Upon demand by Life's Abundance, any current or former Field Representative shall destroy the original and all copies of Life's Abundance Genealogy Reports in their possession or control, to Life's Abundance, and shall certify that any and all copies have been destroyed.

3.14 Insurance

Life's Abundance is not responsible for individual business insurance for Field Representatives. As an independent contractor, you may wish to arrange for adequate insurance coverage for your business. Your homeowner's insurance policy does not cover business-related injuries, or the theft of or damage to inventory or business equipment. Contact your insurance agent to make certain that your business property is protected. This can often be accomplished with a simple "Business Pursuit" endorsement attached to your present home owner's policy.

3.14.1 Product Liability Coverage

Life's Abundance maintains insurance to protect the Company and Field Representatives against product liability claims. The Company's insurance policy contains a "Vendors Endorsement" which extends coverage to Field Representatives so long as they are marketing Life's Abundance

products in accordance with Company Policies and applicable laws and regulations. The Company's product liability policy does not extend coverage to claims or actions that arise as a result of a Field Representative's misconduct and/or negligence.

3.15 Re-packaging and Re-labeling Prohibited

Field Representatives may not re-package or re-fill any Life's Abundance products. Life's Abundance products must be sold in their original packaging only. Also, Field Representatives may not re-label or alter the labels on products, information, materials or programs in any way. Such re-packaging or re-labeling would likely violate federal and state laws, which could result in severe criminal penalties and/or Life's Abundance sanctions as described in Section 9.3. Civil liability can arise, and product liability coverage may not be available when, as a consequence of the re-packaging or re-labeling of products, the persons using the products suffer any type of injury or their property is damaged.

3.16 International Marketing Currently Prohibited

At this time, Life's Abundance is authorized to sell products and services and enroll Field Representatives and their Customers who reside only in the United States, its territories and Puerto Rico. This is because of critical legal and tax considerations, including but not limited to: compliance with foreign laws regarding product approval or registration; regulations regarding ingredients, labeling and packaging; cautionary statements; protection of intellectual property; compliance with customs, tax and immigration laws; compliance with direct selling laws; product and income representations; literature content and language requirements.

In addition, Life's Abundance only ships within the United States, its territories and Puerto Rico.

3.17 Unauthorized Communications

In the excitement and enthusiasm of working his or her Life's Abundance business, a Field Representative may attempt to contact the Company's vendors, suppliers and advisors with questions or ideas. Any such communication without the Company's prior written consent is strictly prohibited. Vendors, suppliers, and advisors are often not set up to handle a large volume of contacts. Equally important, we must respect their rights to privacy. Questions regarding any of these Entities may be directed to Field Support.

3.18 Non-disparagement

Life's Abundance wishes to provide its Field Representatives with the best products, compensation plan and service in the industry. Accordingly, we value the constructive criticisms and comments of our Field Representatives and want to hear from them. (They may be submitted in writing to the Field Support Department.) However, negative comments and remarks made in the field by a Field Representative about the Company, its products or commission structure serve no purpose other than to sour the enthusiasm of other Representatives. For this reason, and to set the proper example for their downlines, Representatives must not disparage Life's Abundance, other Field Representatives, the products, the Commission Structure, or the directors, officers or employees. Such disparagement constitutes a material breach of these Policies.

3.19 Unauthorized Recruiting and Sales

Life's Abundance Field Representatives may participate in other direct sales or network marketing or multilevel marketing ventures (collectively "direct selling"), and may engage in selling activities related to non-Life's Abundance products and services if they so desire. However, if a Representative elects to participate in another direct selling business, in order to avoid conflicts of interest and loyalties, **Representatives are prohibited from unauthorized recruiting and sales, including:**

- a) During the term of this Agreement, any actual or attempted recruitment or enrollment of Life's Abundance Field Representatives or their Customers for other direct selling business ventures directly or through a third party. This includes, but is not limited to, presenting or assisting in the presentation of other direct selling business ventures offering products or services in the same generic category as those offered by Life's Abundance to any Life's Abundance Representative or Customer, or implicitly or explicitly encouraging any Life's Abundance Representative or Customer to join other business ventures offering products or services in the same generic category as those offered by Life's Abundance. The fact that a Representative is or was unaware that the individual(s) that he or she recruited for another direct selling business was a Life's Abundance Representative is not a defense to a violation of this Policy. Selling, offering to sell or promoting any non-Life's Abundance products or services to Life's Abundance Field Representatives or their Customers other than those included in their group of front line Representatives. Selling, offering to sell or promoting any product or service in the same generic category as a Life's Abundance product or service is strictly forbidden;
- b) For a period of twelve months following the cancellation of a Field Representative's Agreement, the former Field Representative may not recruit any Life's Abundance Field Representatives or Customers;
- c) Producing any literature or promotional material of any nature for another direct selling company involved in the same generic category of business or product sales as Life's Abundance, which will be used by the Field Representative or any third person for the purpose of recruiting Life's Abundance Representatives or Customers for that business venture;
- d) Offering any non-Life's Abundance products, services or business plans (by themselves or in conjunction with any Life's Abundance products) at any Life's Abundance meeting, seminar, convention or other Life's Abundance function, or immediately preceding or following such event.

These provisions shall survive the termination or resignation of the Field Representative's Agreement. If the solicitation of the Representative or Customer is performed by a third party outside the Life's Abundance Field Representative Agreement (who is acting on behalf of the former Field Representative), Life's Abundance will undertake any and all legal actions necessary to be compensated for the irreparable harm caused by the unauthorized solicitation.

3.20 Military Installations

The offer, promotion, or sale of the goods and services, or the offer and promotion of the Life's Abundance opportunity on a military installation is not a right – it is a privilege. Even if a Field Representative *lives* on a military installation, he or she does not have the right to offer our products or opportunity to anyone on that installation without the permission of the installation Commander. For the purposes of the U.S. Navy personnel and Navy Regulations, the definition of an "installation" also includes U.S. Navy vessels.

Any Field Representative who wants to offer, promote, or sell Life's Abundance products, or offer and promote the Life's Abundance opportunity (these activities will be collectively referred to as "commercial solicitation activities") on a military installation must make an inquiry to the office of the installation Commander to determine whether the Commander has granted permission for Life's Abundance Field Representatives to engage in such activities on the installation. If the Commander has not done so, the Field Representative must contact Life's Abundance's offices to ask the Company to obtain the Commander's permission. Field Representatives are prohibited from seeking such permission from any installation Commander. If obtained, the permission to engage in commercial solicitation activities on a military installation is granted only for one particular installation.

Any Field Representative who intends to engage in commercial solicitation activities on a military installation must be aware of and become completely familiar with the applicable military

Regulation or Instruction. There are many activities that are permissible in a civilian environment that are not permissible on a military installation. Some of these activities include, but are not limited to:

- ❖ Solicitation during enlistment or induction processing or during basic combat training, and within the first half of the one station unit training cycle.
- ❖ Solicitation of “mass,” “group,” or “captive” audiences.
- ❖ Making appointments with or soliciting military personnel during their normally-scheduled duty hours.
- ❖ Soliciting without an appointment in areas used for housing or processing transient personnel, or soliciting in barracks areas used as quarters.
- ❖ Use of official military identification cards or vehicle decals by active duty, retired, or reserve members of the military services to gain access to Army installations for the purpose of soliciting. (When entering the installation for the purpose of solicitation, Field Representatives with military identification cards and/or installation vehicle decals must present documentation issued by the installation authorizing solicitations.)
- ❖ Offering rebates to promote transaction or to eliminate competition.
- ❖ Any oral or written representations which suggest or appear that the military branch sponsors or endorses the Company or its Field Representatives, or the goods, services, and commodities offered for sale.
- ❖ The designation of any agent or the use by any agent of titles (for example, “Battalion Insurance Counselor,” “Unit Insurance Advisor,” “Servicemen’s Group Life Insurance Conversion Consultant”) that in any manner states or implies any type of endorsement from the U.S. Government, the Armed Forces, or any State or Federal agency or Government entity.
- ❖ Entry into any unauthorized or restricted area.
- ❖ Distribution of literature other than to the person being interviewed.
- ❖ Contacting military personnel by calling a Government telephone, faxing to a Government fax machine, or sending e-mail to a Government computer, unless a pre-existing relation (that is, the military member is a current client or requested to be contacted) exists between the parties and the military member has not asked for the contact to be terminated.
- ❖ Soliciting door to door or without an appointment.

The foregoing items are not an all-inclusive list. There are many more prohibited activities that are addressed in the applicable military Regulation or Instruction. The violation of military Regulations or Instructions by one Field Representative could jeopardize the ability of all Life’s Abundance Field Representatives to engage in commercial solicitation activities on a particular military installation or even the entire branch of the military involved (e.g., Army, Air Force, Navy, Marines, or Coast Guard).

3.21 Targeting Other Direct Sellers

Life’s Abundance does not condone Field Representatives specifically or consciously targeting the sales force of another direct sales company to sell Life’s Abundance products or to become Field Representatives for Life’s Abundance, nor does Life’s Abundance condone Field Representatives solicitation or enticement of members of the sales force of another direct sales company to violate the terms of their contract with such other company. Should Field Representatives engage in such activity, they bear the risk of being sued by the other direct sales company. If any lawsuit, arbitration or mediation is brought against a Field Representative alleging that he or she engaged in inappropriate recruiting activity of its sales force or customers, Life’s Abundance will not pay any of the Field Representative’s defense costs or legal fees, nor will Life’s Abundance indemnify the Field Representative for any judgment, award, or settlement.

3.22 Governmental Approval or Endorsement

Neither federal nor state regulatory agencies or officials approve or endorse any direct selling or network marketing companies or programs. Therefore, Field Representatives shall not represent

or imply that Life's Abundance or its Compensation Plan have been "approved," "endorsed" or otherwise sanctioned by any government agency.

SECTION 4 -- MARKETING AND PROMOTING YOUR LIFE'S ABUNDANCE BUSINESS

4.1 General Information About Marketing and Promoting

Before promoting your Life's Abundance business, please refer to the Compliance Guidelines which can be found in the "Business Center". Field Representatives may use the sales aids and support materials produced by Life's Abundance in promoting Life's Abundance's products and its opportunity. Field Representatives may also develop their own sales aids, promotional materials and other literature (including Internet advertising) from the approved materials Life's Abundance provides; however, the materials the Field Representative develops must not be used out of context and must be submitted to and approved by Life's Abundance before they are used.

Any and all materials developed by a Field Representative must be submitted to compliance@lifesabundance.com. Specific instructions and/or regulations regarding compliance are located in the "Business Center". If a Field Representative does not have access to the Internet, a copy of this document will be provided upon request. For specific information on marketing and promoting on the Internet, please refer to Section 5.

4.2 Trademarks and Copyrights

The name of Life's Abundance and other names as may be adopted by Life's Abundance are proprietary trade names, trademarks and service marks of Life's Abundance (collectively "marks"). As such, these marks are of great value to Life's Abundance and are supplied to Field Representatives for their use only in an expressly authorized manner. Life's Abundance will only allow the limited non-exclusive use of its marks, designs, or symbols, or any derivatives thereof, solely by a Field Representative in the furtherance or operation of his or her Life's Abundance business, consistent with these Policies and Procedures and the Compliance guidelines. Life's Abundance will not allow the use of its marks, designs, or symbols, or any derivatives thereof, by any person, including Life's Abundance Field Representatives, in any manner without its prior, written permission.

The content of all Company sponsored events is copyrighted material. Field Representatives may not produce for sale or distribution any recorded Company events and speeches without written permission from Life's Abundance, nor may Field Representatives reproduce for sale or for personal use any recording of Company-produced audio or video presentations.

As an independent Field Representative, you may use the Life's Abundance name in the following manner. Also see Section 5.5.

Field Representative's Name
Independent Life's Abundance Field Representative

Example:

Alice Smith
Independent Life's Abundance Field Representative

or

Alice Smith
Life's Abundance
Independent Field Representative

Field Representatives may not use the marks or derivatives in any form in a team name, a tagline, an external website name, your personal website address or extension, in an e-mail address, as a personal name, or as a nickname. Additionally, only use the phrase *Independent*

Life's Abundance Field Representative in your phone greeting or on your answering machine to clearly separate your independent Life's Abundance business from Life's Abundance, Inc.. For example, you may not secure the domain name www.buyLifesAbundance.com, nor may you create an email address such as LifesAbundancesales@hotmail.com.

4.3 Statements Used in Communicating and Promoting

The following guidelines for communicating with prospects and Customers must be followed by all Field Representatives. These guidelines are intended to provide assistance on how to describe your business.

Please state to prospective Customers only what is published in official current Life's Abundance materials (those materials produced by the Company's corporate office) or materials approved by Life's Abundance that are still current and accurate.

- a) No Representative is a "partner", "financial partner" or "equity partner" with Life's Abundance. Such claims are strictly prohibited. The Life's Abundance Field Representatives are independent contractors who have the right to distribute Life's Abundance products and services for a profit and participate in the Commission Structure.
- b) The phrases "profit-sharing," "investment," "retirement plan," "no sales required," "passive income," "residual income" or "referral fees" should not be used when describing the Life's Abundance opportunity or commission. Such phrases are misleading and do not apply. However, the term "ongoing income" is permitted.
- c) Promote only products and services currently offered by Life's Abundance. "Futuring" is not allowed. We do not recommend coming into the company as a Field Representative or Customer relying on future plans for products and services. Plans change for a variety of reasons.
- d) Advertising or promoting on radio or television by a Field Representative is prohibited without prior approval.
- e) The use of "Business Opportunity" may be illegal in some States. Therefore, Life's Abundance asks its Representatives to refrain from calling Life's Abundance a "business opportunity" in those states where it is illegal to do so. It is the Field Representative's responsibility to determine if this is legal in their state of operation. In the states where "Business Opportunity" is illegal, you may use "home-based business," a "great opportunity" or an "income opportunity."
- f) Field Representatives may not represent or imply that Life's Abundance and its Commission Structure have been "approved," "endorsed" or otherwise sanctioned by any government agency, because neither federal nor state regulatory agencies issue such sanctions.
- g) Field Representatives shall not represent that no sales are required or that no work or effort is involved in receiving compensation under the Life's Abundance Commission Structure. Rather, Representatives must inform their prospects that success as a Life's Abundance Field Representative is directly related to the effort they put into their business and that sales of products to end-consumers are necessary to participate in the Life's Abundance Commission Structure.

4.4 Indemnification for Unauthorized Claims by Representatives

Field Representatives are fully responsible for all of their verbal and written statements made regarding Life's Abundance products, services and the Life's Abundance Commission Structure, which are not expressly contained in current, official Life's Abundance materials. This includes statements and representations made through all sources of communication media, whether person-to-person, in meetings, online, through Social Media, in print, or any other means of communication. Representatives agree to indemnify Life's Abundance and hold it harmless from

any and all liability including judgments, civil penalties, refunds, attorney fees, court costs or lost business incurred by Life's Abundance as a result of unauthorized representations by the Field Representative.

4.5 Product Claims

No claims as to therapeutic or curative properties of any products offered by Life's Abundance may be made. In particular, no Field Representative may make any claim that Life's Abundance products are useful in the cure, treatment, diagnosis, mitigation or prevention of any diseases. Such statements can be perceived as medical or drug claims. They are a violation of Life's Abundance policies, and they violate various state and federal laws.

4.6 Compensation Plan Claims

When presenting or discussing the Life's Abundance Compensation Plan, you must make it clear to prospects that financial success with Life's Abundance requires commitment, effort, and sales skill. Conversely, you must never represent that one can be successful without diligently applying themselves. Examples of misrepresentations in this area include:

- ❖ It's a turnkey system;
- ❖ The system will do the work for you;
- ❖ Just get in and your downline will build through spillover;
- ❖ Just join and I'll build your downline for you;
- ❖ The company does all the work for you;
- ❖ You don't have to sell anything; or
- ❖ All you have to do is buy your products every month.

The above are merely examples of improper representations about the Compensation Plan. It is important that you do not make these or any other representations that could lead a prospect to believe that they can be successful as a Life's Abundance Field Representative without commitment, effort, and sales skill.

4.7 Income Claims

Life's Abundance's corporate ethics compel us to do not merely what is legally required, but rather, to conduct the absolute best business practices. To this end, we have developed the Life's Abundance Income Disclosure Statement ("IDS"). The Life's Abundance IDS is designed to convey truthful, timely, and comprehensive information regarding the income that Life's Abundance Field Representatives earn. In order to accomplish this objective, a copy of the IDS must be presented to all prospective Field Representatives. The failure to comply with this policy constitutes a significant and material breach of the Life's Abundance Field Representative Agreement and will be grounds for disciplinary sanctions, including termination, pursuant to Section 9.1 (Disciplinary Sanctions).

A Field Representative, when presenting or discussing the Life's Abundance opportunity or Compensation Plan to a prospective Field Representative, may not make income projections, income claims, or disclose his or her Life's Abundance income (including the showing of checks, copies of checks, bank statements, or tax records) unless, at the time the presentation is made, the Field Representative provides a current copy of the Life's Abundance Income Disclosure Statement (IDS) to the person(s) to whom he or she is making the presentation.

A copy of the IDS must be presented to a prospective Field Representative (someone who is not a party to a current Life's Abundance Field Representative Agreement) anytime the Compensation Plan is presented or discussed, or any type of income claim or earnings representation is made.

The terms "income claim" and/or "earnings representation" (collectively "income claim") include: (1) statements of actual earnings; (2) statements of projected earnings; (3) statements of earnings ranges; (4) income testimonials; (5) lifestyle claims; and (6) hypothetical claims.

A lifestyle income claim typically includes statements (or pictures) involving large homes, luxury cars, exotic vacations, or other items suggesting or implying wealth. They also consist of references to the achievement of one's dreams, having everything one always wanted, and are phrased in terms of "opportunity" or "possibility" or "chance." Claims such as "My Life's Abundance income exceeded my salary after six months in the business," or "Our Life's Abundance business has allowed my wife to come home and be a full-time mom" also fall within the purview of "lifestyle" claims.

A hypothetical income claim exists when you attempt to explain the operation of the compensation plan through the use of a hypothetical example. Certain assumptions are made regarding some or all of the following: (1) number of personally-enrolled Customers and Field Representatives; (2) number of downline Customers and Field Representatives; (3) average sales/purchase volume/sales volume per Customer and Field Representative; and (4) total organizational volume. Applying these assumptions through the compensation plan yields income figures which constitute hypothetical income claims.

In any non-public meeting (e.g., a home meeting, one-on-one, regardless of venue) with a prospective Field Representative or Field Representatives in which the Compensation Plan is discussed or any type of income claim is made, you must provide the prospect(s) with a copy of the IDS. In any meeting that is open to the public in which the Compensation Plan is discussed or any type of income claims is made, you must provide every prospective Field Representative with a copy of the IDS and you must display at least one (3 foot x 5 foot poster board) in the front of the room in reasonably close proximity to the presenter(s).

Copies of the IDS may be printed or downloaded from the corporate website, on the Opportunity page or My Account page, at <http://www.LifesAbundance.com>.

Field Representatives who develop sales aids and tools in which the Compensation Plan or income claims are present must incorporate the IDS into each such sales aid or tool prior to submission to the Company for review.

4.8 Telephone Directory Listings

Field Representatives may list themselves as an "Independent Life's Abundance Field Representative" in the white or yellow pages of the telephone directory, or with online directories, under their own name. No Field Representative may place telephone or online directory display ads using Life's Abundance's name or logo. Field Representatives may not answer the telephone by saying "Life's Abundance", "Life's Abundance Incorporated", or in any other manner that would lead the caller to believe that he or she has reached corporate offices of Life's Abundance. If a Field Representative wishes to post his/her name in a telephone or online directory, it must be listed in the following format:

Field Representative's Name
Independent Life's Abundance Field Representative

4.9 Television and Radio Advertising

Field Representatives may not advertise on television and radio except with Life's Abundance's express written approval

4.10 Telemarketing Techniques

The Federal Trade Commission and the Federal Communications Commission each have laws that restrict telemarketing practices. Both federal agencies (as well as a number of states) have "do not call" regulations as part of their telemarketing laws. Although Life's Abundance does not consider Field Representatives to be "telemarketers" in the traditional sense of the word, these government regulations broadly define the term "telemarketer" and "telemarketing" so that your inadvertent action of calling someone whose telephone number is listed on the federal "do not call" registry could cause you to violate the law. Moreover, these regulations must not be taken

lightly, as they carry significant penalties.

Therefore, Field Representatives must not engage in telemarketing in the operation of their Life's Abundance businesses. The term "telemarketing" means the placing of one or more telephone calls to an individual or entity to induce the purchase of a Life's Abundance product or service, or to recruit them for the Life's Abundance opportunity. "Cold calls" made to prospective customers or Field Representatives that promote either Life's Abundance's products or services or the Life's Abundance opportunity constitute telemarketing and are prohibited. However, a telephone call(s) placed to a prospective customer or Field Representative (a "prospect") is permissible under the following situations:

- ❖ If the Field Representative has an established business relationship with the prospect. An "established business relationship" is a relationship between a Field Representative and a prospect based on the prospect's purchase, rental, or lease of goods or services from the Field Representative, or a financial transaction between the prospect and the Field Representative, within the eighteen (18) months immediately preceding the date of a telephone call to induce the prospect's purchase of a product or service.
- ❖ The prospect's personal inquiry or application regarding a product or service offered by the Field Representative, within the three (3) months immediately preceding the date of such a call.
- ❖ If the Field Representative receives written and signed permission from the prospect authorizing the Field Representative to call. The authorization must specify the telephone number(s) which the Field Representative is authorized to call.
- ❖ You may call family members, personal friends, and acquaintances. An "acquaintance" is someone with whom you have at least a recent first-hand relationship within the preceding three months. Bear in mind, however, that if you engage in "card collecting" with everyone you meet and subsequently calling them, the FTC may consider this a form of telemarketing that is not subject to this exemption. Thus, if you engage in calling "acquaintances," you must make such calls on an occasional basis only and not make this a routine practice.
- ❖ Field Representatives shall not use automatic telephone dialing systems or software relative to the operation of their Life's Abundance businesses.
- ❖ Field Representatives shall not place or initiate any outbound telephone call to any person that delivers any pre-recorded message (a "robocall") regarding or relating to the Life's Abundance products, services or opportunity.

4.11 Sending Faxes

Except as provided in this section, Field Representatives may not use or transmit unsolicited faxes in connection with their Life's Abundance business. The term "unsolicited faxes" means the retransmission via any type of facsimile device of any material or information advertising or promoting Life's Abundance, its products, its compensation plan or any other aspect of the company which is transmitted to any person. These terms do not include a fax to: (a) any person with that person's prior express invitation or permission; or (b) any person with whom the Field Representative has an established business or personal relationship. The term "established business or personal relationship" means a prior or existing relationship formed by a voluntary two-way communication between a Field Representative and a person, on the basis of: (a) an inquiry, application, purchase or transaction by the person regarding products offered by such Field Representative; or (b) a personal or familial relationship, which relationship has not been previously terminated by either party.

4.12 Trade Shows and Expositions

Field Representatives may display and/or sell Life's Abundance products and services on a temporary basis at trade shows and professional expositions, but the professional image of Life's Abundance must be maintained. In promotions or exhibitor listings and signage for such events,

Representatives must clearly list themselves as "Life's Abundance Independent Field Representatives" and not represent themselves as Life's Abundance corporate employees. Specific Life's Abundance show policies follow:

- a) A Field Rep must register with a show's organizers first and must identify himself or herself as a Life's Abundance Independent Field Representative. Before you make a deposit, you must call Field Support (561-741-6300) to be sure no other Life's Abundance Field Reps have registered for the show.
- b) Once registered with the show promoter, a Field Representative must provide a copy of the show registration form to Field Support to be officially registered with Life's Abundance. If a registration form is not required by the show promoter, an email confirmation from the promoter or copy of a registration check can be sent for officially registering with Life's Abundance.
- c) Only one Life's Abundance Field Representative per show is permitted and it will be granted on a "first come, first served" basis as described above and will be given the exclusive right to be the "Official Life's Abundance Show Representative."
- d) If a Life's Abundance Field Rep is registered for a show and plans to promote another product or opportunity in conjunction with Life's Abundance, then the Field Rep will lose his or her right to be the exclusive "Official Life's Abundance Show Representative."
- e) **PROHIBITED:** A Life's Abundance Field Rep who is not officially participating in a show should never arrive at the show and hand out cards to get leads. This is not respectful to the Field Representative who put their hard work, money and time into the show.

4.13 Commercial Outlets and Service Establishments

Generally, Life's Abundance does not authorize the display or sale of its products or services in retail outlets; however, exceptions will be made on a case-by-case basis. Life's Abundance strongly encourages the retailing and selling of its products and services through person-to-person contact, maintaining a standard of fairness for its Field Representative base. **See our Internet Section 5 for rules regarding retailing on the Internet.**

4.14 Media and Media Inquiries

Field Representatives must not attempt to respond to media inquiries regarding Life's Abundance, its products or services, or their independent Life's Abundance business. All inquiries by any type of media must be immediately referred to Life's Abundance's Compliance Department (compliance@lifesabundance.com). This policy is designed to assure that accurate and consistent information is provided to the public as well as a proper public image.

SECTION 5 -- INTERNET

5.1 The Internet is Considered a Commercial Retail Outlet

Before promoting your Life's Abundance business, please review the Compliance Guidelines. This includes but is not limited to any newsletters, newsletter ads, banners, promotional emails, web pages and links to your Replicator Site. For all of the compliance guidelines, log on to your Replicator Site's "Business Center".

All sales on the Internet must be through your Replicator Site. Selling on third party sites such as Amazon, Ebay, Craigslist, etc. is prohibited. This practice leads to customer confusion and a level of mistrust that reflects negatively on the Field Representative and on Life's Abundance. Advertising and/or selling using auctions or bidding of any kind is prohibited. "Free or give away" promotions and/or discounts advertised on the Internet and/or via email must be approved by the Compliance Department in advance.

A Field Representative who becomes aware, or should have reasonably become aware, that a third party to whom he or she sells Life's Abundance products is offering those products in an online retail store or ecommerce site must immediately discontinue all sales to the third party.

5.2 Unsolicited Email

Life's Abundance does not permit Field Representatives to send unsolicited commercial emails unless such emails strictly comply with applicable state and federal laws and regulations including, without limitation, the federal CAN SPAM Act. The CAN-SPAM Act regulates the transmission of all commercial e-mail messages, not just unsolicited messages. A commercial e-mail message is defined as any e-mail that has a "primary purpose of . . . commercial advertisement or promotion of a commercial product or service." This includes commercial e-mails sent to business e-mail accounts, as well as those sent to individual consumers.

Requirements for All Commercial Email Messages

The Mailing List

- ❖ The mailing list may include only persons who have affirmatively agreed (opted in) to receive commercial e-mail from you.
- ❖ The mailing list must not include any recipient who has previously asked not to receive commercial e-mail from the business (opted out).
- ❖ You must "scrub" the mailing list against available "do not e-mail" list at the last possible, commercially reasonable moment before the e-mail is sent.

The E-mail Message

- ❖ The message must include complete and accurate transmission and header information.
- ❖ The "From" line must identify your business as the sender. This does not have to include your business's formal name, if any. For example, it may contain your business's name, trade name, or product or service name. The key requirement is that the "From" line provide the recipient with enough information to understand who is sending the message.
- ❖ The "Subject" line must accurately describe the message's content.
- ❖ The message must clearly include the business's valid, current physical postal address. This address can be a:
 - street address;
 - post office box that the business has accurately registered with the US Postal Service; or
 - private mailbox that the business has accurately registered with a commercial mail receiving agency established pursuant to US Postal Service regulations.
- ❖ The message must disclose that it is an advertisement or solicitation unless the e-mail message is sent only to recipients who have affirmatively agreed (opted in) to receive these messages from the business.
- ❖ There must be a functioning return email address to the sender.
- ❖ The use of deceptive subject lines and/or false header information is prohibited.

The Opt-out Mechanism

- ❖ The message must clearly explain that the recipient may opt out of receiving future commercial messages from the business.
- ❖ The message must include either an e-mail address or other online mechanism that the recipient may use for this opt out. The mechanism must not require the recipient to:
 - do anything more than reply to the e-mail or visit a single web page to opt out;
 - make any payment or submit any personal information, including account information (other than e-mail address), to opt out; and

- the opt-out mechanism must work for at least 30 days after the e-mail is sent.
- ❖ You must ensure that the explanation of how a recipient can opt out is easy to read and understand.
- ❖ You may include a menu of opt-out options that permit the recipient to select the types of commercial messages the recipient would like to continue receiving. However, one option must permit opting out of all commercial messages from you.
- ❖ You must honor all opt-out requests within ten business days.
- ❖ Opt-out requests do not expire. An opt-out is overridden only by the recipient's subsequent express (opt in) request to receive commercial e-mail.
- ❖ All opt-out requests, whether received by email or regular mail, must be honored. If you receive an opt-out request from a recipient of an email, you must forward the opt-out request to the Company.
- ❖ You may not sell, share or use a business's opt-out list for any reason other than to comply with the law.

Monitoring Opt-out Capabilities – If you use a third-party service provider you must implement procedures to ensure that your opt-out capabilities actually work. An example of a basic procedure to test the opt-out procedure is as follows:

- ❖ Establish e-mail accounts with several major private e-mail account providers (for example, Gmail, Yahoo, Hotmail, AOL, and so on) and add these e-mail addresses to the business's mailing list. For each e-mail address created for monitoring purposes, use the business's opt-out mechanism to remove the e-mail address from the mailing list.
- ❖ Repeat this procedure on a regular basis (for example, at least twice per year).
- ❖ Examine the e-mail received by the monitoring e-mail account to confirm that the: a) opt-out mechanism works; b) opt-out request is honored within 10 business days; and c) monitoring e-mail account no longer receives commercial messages from the business.
- ❖ If the monitoring and testing process reveals problems, the business should immediately fix the issues.

Third-party Marketing Affiliates or Service Providers - When using third-party service providers, including affiliate marketers you should ensure that the written contract with the service provider clearly sets out each party's responsibilities for compliance with the CAN-SPAM Act and includes appropriate and adequate remedies for noncompliance.

Additional requirements for messages sent to wireless devices - When sending commercial messages to wireless devices:

- ❖ Ensure that you have the recipient's prior, affirmative consent (opt in) to send the commercial message. The consent can be oral, written or electronic.
- ❖ Ask for consent in a way that involves no cost to the recipient, for example:
 - do not send the request to the wireless device; and
 - allow the recipient to respond in a way that involves no cost (such as an online, e-mail or postal mail sign-up).
- ❖ When seeking consent, make it clear that the recipient:
 - is agreeing to receive commercial e-mail on his wireless device;
 - may be charged to receive the e-mail; and
 - can revoke his consent at any time.

Life's Abundance may periodically send commercial emails on behalf of Field Representatives. By entering into the Field Representative Agreement, Field Representative agrees that the Company may send such emails and that the Field Representative's physical and email addresses will be included in such emails as outlined above. Field Representatives shall honor opt-out requests generated as a result of such emails sent by the Company.

5.2.1 Opt In Lists

Opt-in lists are lists consisting of the email addresses of people that have expressly requested to receive emails about certain topics of their choice. Field Representatives are advised to use caution when dealing with opt-in lists, especially if the list was not compiled by the Field Representative, but has been purchased from a third party. If a Field Representative chooses to use an opt-in list, it is at their risk. The Field Representative must ensure that:

- There is proof that the people opted in to the list. If there is a spam complaint from a list member and there is no proof that can be furnished that the complainer opted in to the list, the Field Representative will be held responsible.
- The people opted in to a topic that is directly related to Life's Abundance in some fashion. Examples of related topics would be home based business, pet nutrition, holistic cat food, fish oil or cleaning products. Even when the topic appears to be related, care should always be taken not to offend the list members with the content of the email. For example, a Field Representative would probably get many complaints for offensive material by sending an email about our dog food to a list of people that believe in a raw food diet for their dogs. The Field Representative should always contact Field Support if there is any question about this or any other Internet related issue.
- If working with an opt-in company, the Field Representative must be sure the opt-in company will sell their lists to network marketing companies. Many list companies will not knowingly sell their lists to network marketing companies because the people on the list can get deluged with emails about the same company.

5.3 Advertising

5.3.1 General

All Field Representatives shall safeguard and promote the good reputation of Life's Abundance and its products. The marketing and promotion of Life's Abundance, the Life's Abundance opportunity, the Compensation Plan, and Life's Abundance products must avoid all discourteous, deceptive, misleading, unethical or immoral, or illegal conduct or practices.

To promote both the products and services, and the tremendous opportunity Life's Abundance offers, Field Representatives should use the sales aids, business tools, and support materials produced by Life's Abundance. The Company has carefully designed its products, product labels, Compensation Plan, and promotional materials to ensure that they are promoted in a fair and truthful manner, that they are substantiated, and the materials comply with the legal requirements of federal and state laws.

Accordingly, Field Representatives should only advertise or promote their Life's Abundance business using approved tools, templates or images acquired through Life's Abundance. No approval is necessary to use these approved tools. If you wish to design your own online or offline marketing materials of any kind, your designs must be submitted to the Life's Abundance compliance department (compliance@LifesAbundance.com) for approval. Unless you receive specific written approval from Life's Abundance to use such tools, the request shall be deemed denied.

5.4 Trademarks and Copyrights

Refer to Section 4.2

5.5 Independent Life's Abundance Field Representative Logo

If you use a Life's Abundance logo in any communication, you must use the official Life's Abundance logo. The logo is available in the Business Center or by contacting Customer Care.

5.6 Advertised Prices

Field Representatives may not create their own marketing or advertising material offering any Life's Abundance products at a price less than the current Wholesale price plus shipping and applicable taxes.

5.7 Online Conduct

5.7.1 Life's Abundance Replicator Websites

Field Representatives receive a Life's Abundance Replicator Website subscription to facilitate online buying experience for their Customers and enrollments for prospective Customers and Field Representatives. There is a \$10.95 monthly charge for Replicator Websites. Field Representatives are solely responsible and liable for the content they add to their Replicator Website and must regularly review the content to ensure it is accurate and relevant.

Because Replicator Websites reside on the Life's Abundance.com domain, Life's Abundance receives analytics and information regarding the usage of your website. Your Life's Abundance Replicator Website URL is www.LifesAbundance.com/YourSiteName. The site name you choose cannot:

- ❖ Be confused with other portions of the Life's Abundance corporate website;
- ❖ Confuse a reasonable person into thinking they have landed on a Life's Abundance corporate page;
- ❖ Be confused with any Life's Abundance name;
- ❖ Contain any discourteous, misleading, or off-color words or phrases that may damage Life's Abundance's image.

5.7.2 Field Representative Websites

Field Representatives may develop their own External Registered Websites provided they have a Life's Abundance replicator website. However, any Field Representative who wishes to develop their own External Registered Website must receive the Company's prior written approval before the website goes live and is visible to any third party. Once a website is approved by Life's Abundance in writing, it is a "Registered External Website." Any changes to the Registered External Website must be submitted to Life's Abundance, and the Field Representative must receive Life's Abundance's written authorization to make the change before going live with the change.

Field Representatives may create their own External Registered Websites, so long as the website and its content comply with the terms of Life's Abundance's Policies and Procedures, Compliance guidelines and applicable laws. It is the Field Representative's obligation to ensure his or her online marketing activities are truthful, are not deceptive and do not mislead prospective or current Customers or Field Representatives in any way. Websites and web promotion activities and tactics that mislead or are deceptive, regardless of intent, will result in disciplinary action. Deceptive and misleading tactics include, but are not limited to, spam linking (or blog spam), deceptive or misleading search engine optimization ("SEO") tactics (e.g., deceptive or misleading metatags), deceptive or misleading click-through ads (i.e. having the

display URL of a Pay-Per-Click (“PPC”) campaign appear to be directed to an official Life’s Abundance Corporate Site when it in fact goes elsewhere), unapproved banner ads, and unauthorized press releases. Life’s Abundance will be the sole determinant of truthfulness and whether specific activities are misleading or deceptive.

5.7.3 Registered External Website Content

Field Representatives are solely responsible and liable for their own Registered External Website content, messaging, claims, and information and must ensure that it appropriately represents and enhances the Life’s Abundance brand and adheres to Life’s Abundance’s Policies and Procedures and Compliance Guidelines. Additionally, Registered External Websites must not contain disingenuous popup ads or promotions or malicious code. Decisions and corrective actions in this area are at Life’s Abundance’s sole discretion.

5.7.4 Registered External Website Termination

In the event of the voluntary or involuntary cancellation of your Field Representative Agreement, you must remove your Registered External Website from public view within three days and redirect (forward) all traffic from that domain to www.LifesAbundance.com. Your external website may be transferred to another Life’s Abundance Field Representative, subject to Life’s Abundance approval, on a case-by-case basis.

5.8 Team Websites

Field Representatives who have achieved the rank of 7. Star or higher may create their own Team Website. You may use team websites for the purposes of connecting, communicating, training, education and sharing best practices among team members. Because these sites may contain sensitive and Company-specific information, these team websites must be password protected and may only be shared with members of your downline.

An eligible Field Representative who wants to develop his or her own Team Website must submit and receive the Company’s prior written approval before the website goes live and is visible to any third party. Once a Team Website is approved by Life’s Abundance in writing, it is a “Registered Team Website.” Any changes to the Registered Team Website must be submitted to Life’s Abundance, and the Field Representative must receive Life’s Abundance’s written authorization to make the change before going live with the change. Field Representatives who own or operate a Registered Team Website must provide Life’s Abundance with a user ID and password to be able to access the website from time to time. Registered Team Websites must comply with the terms of Life’s Abundance’s Policies and Procedures and applicable laws.

5.9 Life’s Abundance Links

When directing readers to your Registered External Website or replicator site it must be evident from a combination of the link, and the surrounding context to a reasonable reader, that the link will be resolving to the site of an independent Life’s Abundance Field Representative. Attempts to mislead web traffic into believing they are going to a Life’s Abundance corporate site, when in fact they *land* at a Field Representative site (replicator or registered external) will not be allowed. The determination as to what is *misleading* or what constitutes a *reasonable reader* will be at Life’s Abundance’s sole discretion.

5.10 Banner Advertising

You may place approved banner advertisements on a website. All banner advertisements must link to your Replicator Website or a Registered External Website.

5.11 Spam Linking

Spam linking is defined as multiple consecutive submissions of the same or similar content into blogs, wikis, guest books, websites or other publicly accessible online discussion boards or forums and is not allowed. This includes blog spamming, blog comment spamming and/or spamdexing. Any comments you make on blogs, forums, guest books, etc., must be unique, informative and relevant.

5.12 Digital Media Submission (YouTube, iTunes, Instagram etc.)

Field Representatives may upload, submit or publish Life's Abundance-related video, audio or photo content that they develop and create so long as it aligns with Life's Abundance's values, contributes to the Life's Abundance community greater good, and is in compliance with Life's Abundance's Policies and Procedures and Compliance Guidelines. All submissions must clearly identify you as an Independent Life's Abundance Field Representative in the content itself and in the content description tag, must comply with all copyright/legal requirements, and must state that you are solely responsible for this content. Field Representatives may not upload, submit or publish any content (video, audio, presentations or any computer files) received from Life's Abundance or captured at official Life's Abundance events or in buildings owned, leased, or operated by Life's Abundance without prior written permission from Life's Abundance.

5.13 Sponsored Links / Pay-Per-Click (PPC) Ads

Except as prohibited elsewhere within the Policies and Procedures, sponsored links or pay-per-click ads (PPC) are acceptable. The destination URL must be to the sponsoring Field Representative's Replicator Website or to the sponsoring Field Representative's Registered External Website. The display URL must not portray any URL that could lead the user to believe they are being directed to a Life's Abundance Corporate site, or be inappropriate or misleading in any way.

5.14 Social Media

In addition to meeting all other requirements specified in these Policies and Procedures, should you utilize any form of social media, including but not limited to Facebook, Twitter, LinkedIn, YouTube, or Pinterest, you agree to each of the following:

- ❖ No product sales or enrollments may occur on any social media site. To generate sales, a social media site must link only to your Life's Abundance Replicator Website.
- ❖ It is your responsibility to follow the social media site's terms of use. If the social media site does not allow its site to be used for commercial activity, you must abide by the site's terms of use.
- ❖ During the term of this Agreement and for a period of 12 calendar months thereafter, a Field Representative may not use any social media site on which they discuss or promote, or have discussed or promoted, the Life's Abundance business or Life's Abundance's products to directly or indirectly solicit Life's Abundance Field Representatives for another direct selling or network marketing program (collectively, "direct selling"). In furtherance of this provision, a Field Representative shall not take any action that may reasonably be foreseen to result in drawing an inquiry from other Field Representatives relating to the Field Representative's other direct selling business activities. Violation of this provision shall constitute a violation of the non-solicitation provision in Section 3.19 (Unauthorized Recruiting and Sales)

- ❖ A Field Representative may post or “pin” photographs of Life’s Abundance products on a social media site, but only photos that are provided by Life’s Abundance may be used without prior approval.

If a Field Representative has a business profile page on any social media site that promotes or relates to Life’s Abundance, its products, or opportunity, and the Field Representative’s Life’s Abundance business is cancelled for any reason, the Field Representative must remove the content relating to Life’s Abundance.

SECTION 6 -- PRODUCT GUARANTEES AND RETURNS

6.1 Customer Guarantee and Refunds

Life’s Abundance offers Customers an unconditional thirty-day money-back guarantee.

If for any reason a Customer who purchased product through Life’s Abundance is, he or she may return that product within 30 days, for a replacement or a full refund of the purchase price. Original shipping will be deducted from the refund.

If for any reason a Customer who purchased product directly from a Field Representative is dissatisfied, he or she may return that product to the Field Representative within 30 days for a replacement or a full refund of the purchase price, less shipping.

6.2 Returns

Returns will be researched to determine if the return was for a legitimate reason or if the product returned had been purchased to manipulate the Commission Structure. If a Field Representative returns more than \$1,000 for a refund in any 12 consecutive month period that is deemed to be for the purpose of manipulating the commission structure, the request will constitute the Field Representative’s voluntary cancellation of his/her Field Representative Agreement, and the refund will be processed as an inventory repurchase pursuant to Section 6.4, and the Field Representative’s Agreement will be terminated and his or her Life’s Abundance business will be cancelled. The decision of if a return was done to manipulate the commission structure will be at the sole and absolute discretion of Life’s Abundance.

When Life’s Abundance changes a product and/or sales aid, Life’s Abundance has no liability to accept returns on those products.

6.3 Rescission

6.3.1 Retail Customers

Federal and state law requires that provides that a retail customer who makes a purchase of \$25.00 or more has three business days (five business days for Alaska residents and 15 business days in North Dakota for Individuals age 65 and older) (excluding Sundays and legal holidays) after the sale or execution of a contract to cancel the order and receive a full refund consistent with the cancellation notice on the order form or sales receipt. When a Field Representative makes a sale or takes an order from a retail customer who cancels or requests a refund within the three business day period, the Field Representative must promptly refund the customer's money as long as the products are returned to the Field Representative in substantially as good condition as when received (five business days for Alaska residents).

6.3.2 Direct Customers

Field Representatives must notify their Direct and Preferred Customers that they have three business days (5 business days for Alaska residents and 15 business days in North Dakota for Individuals age 65 and older) within which to cancel their purchase and receive a full refund upon return of the products in substantially as good condition as when they were delivered. Field Representatives should also notify their Direct Customers about these time limits at the time they enroll as a Direct Customer and place their first order. Products shipped directly to a Direct Customer by the Company must be returned to the Company and the refund will be issued to the Customer by the Company. Direct Customers may contact the Company for a “call tag” that will provide return shipping back to the Company at no cost to the Customer.

6.3.3 Informing Direct Customers

Field Representatives **MUST** verbally inform their customers (Direct) of this right of rescission, they **MUST** provide their retail customers with TWO copies of a retail receipt at the time of the sale, and **MUST** point out this cancellation right stated on the receipt. If a Customer places an order online, the Company will provide the Customer with the receipt. Field Representatives must ensure that the date of the order or purchase is entered on the Retail Sales Receipt. All retail customers must be provided with two copies of an official Retail Sales Receipt at the time of the sale. The back of the receipt provides the customer with written notice of his or her rights to cancel the sales agreement.

6.4 Return of Inventory and Sales Aids by Representatives Following Resignation

Upon a Field Representative's resignation and release of claims against Life's Abundance, the former Field Representative may return for a refund currently marketable and resalable inventory and sales aids purchased by him or her within 12 months from the date they were purchased (except where otherwise required by law). Products and sales aids shall be deemed "resalable" 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) they are in a condition such that it is a commercially reasonable practice within the trade to sell the merchandise at full price; and (4) they are returned to Life's Abundance within one year from the date of purchase. Any merchandise that is clearly identified at the time of sale as nonreturnable, discontinued, or as a seasonal item, shall not be resalable. Replicator Website fees are not refundable except as required by applicable state law.

Residents of Georgia, Maryland, Massachusetts, Puerto Rico, and Wyoming are not subject to the 12 month restriction and may return any currently marketable and unopened inventory and sales aids regardless of the purchase date. See Section 2.4 as it relates to Montana residents.

If inventory is older than our 30-day limit, upon the Company's receipt of the products and sales aids, the former Field Representative will be reimbursed 90% of the net cost of the original purchase price(s) (less appropriate set-offs, legal claims and shipping charges). If the purchases were made through a credit card, the amount of the refund must be credited back to the same account if possible. The company shall deduct from the reimbursement paid to the Representative any commissions, bonuses, rebates or other incentives received by the Representative, which were associated with the merchandise that is returned.

SECTION 7 -- MAKING CHANGES TO YOUR LIFE'S ABUNDANCE BUSINESS

7.1 Updating Account Information

To ensure timely delivery of products, services and communications, it is critically important and your responsibility to ensure that your account information is kept up to date. Field Representatives may amend their contact information (address, phone number and email address) by logging on to the My Account page of the website or contacting Customer Care. To ensure proper delivery address changes should be made two weeks in advance.

7.2 Adding or Deleting a Co-Applicant

To add or delete a Co-Applicant (either an individual or business entity), contact the Life's Abundance Field Support Department and request the procedure and form to do so.

7.3 Selling or Assigning a Life's Abundance Business

Although a Life's Abundance business is a privately owned and independently operated business, the sale, transfer or assignment of a Life's Abundance business, and the sale, transfer, or assignment of an interest in a Business Entity that owns or operates a Life's Abundance business, is subject to certain limitations. If a Field Representative wishes to sell his or her Life's Abundance business, or interest in a Business Entity that owns or operates a Life's Abundance business, the following criteria must be met:

- ❖ The selling Field Representative must offer Life's Abundance the right of first refusal to purchase the business on the same terms as agreed upon with a third-party buyer. Life's Abundance shall have fifteen days from the date of receipt of the written offer from the seller to exercise its right of first refusal.
- ❖ The buyer or transferee must become a qualified Life's Abundance Field Representative. If the buyer is an active Life's Abundance Field Representative, he or she must first terminate his or her Life's Abundance business and wait six calendar months before acquiring any interest in a different Life's Abundance business;
- ❖ Before the sale, transfer or assignment can be finalized and approved by Life's Abundance, any debt obligations the selling party has with Life's Abundance must be satisfied.
- ❖ The selling party 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 Life's Abundance business.

Prior to selling an independent Life's Abundance business or Business Entity interest, the selling Field Representative must notify Life's Abundance's Compliance Department in writing and advise of his or her intent to sell his/her Life's Abundance business or Business Entity interest. The selling Field Representative must also receive written approval from the Compliance Department before proceeding with the sale. No changes in line of sponsorship can result from the sale or transfer of a Life's Abundance business. In the event that a Field Representative transfers, assigns, or sells his or her Life's Abundance business without the express written approval of the Compliance Department, such transfer, assignment, or sale shall be voidable in the sole and absolute discretion of Life's Abundance.

7.4 Dissolution of Partnership or Other Business Entity

Life's Abundance Field Representatives sometimes operate their Life's Abundance businesses as husband-wife partnerships, regular partnerships, corporations or trusts. In the event that a Field Representative's marriage ends in divorce, or an Entity (corporation, partnership or business trust) is dissolved, the Company will ensure that the interests and income of other Representatives up or down their line of sponsorship will not suffer adverse affects.

As a result, if the separating parties fail to suggest an arrangement that the Company feels is in the best interest of the Company and other Field Representatives up or down their line of sponsorship, Life's Abundance reserves the right to resolve the issue as the Company sees fit.

If a former spouse or a former Entity owner has completely relinquished all rights in his or her original Life's Abundance business, they are thereafter free to enroll under any Sponsor of their choosing. The six-month waiting period requirement is waived in this situation. In such case, however, the former spouse or partner shall have no rights to any Field Representatives or Customers in his or her former organization. They must develop the new business in the same manner as would any other new Representative.

7.5 Separation of a Life's Abundance Business

Life's Abundance Field Representatives sometimes operate their Life's Abundance businesses as husband-wife partnerships, regular partnerships, limited liability companies, corporations, trusts, or other Business Entities. At such time as a marriage may end in divorce or a corporation, LLC, partnership, trust or other Business Entity may dissolve, arrangements must be made to assure that any separation or division of the business is accomplished so as not to adversely affect the interests and income of other businesses up or down the line of sponsorship.

During the divorce or entity dissolution process, the parties must adopt one of the following methods of operation:

- ❖ One of the parties may, with consent of the other(s), operate the Life's Abundance business pursuant to an assignment in writing whereby the relinquishing spouse, shareholders, partners or trustees authorize Life's Abundance to deal directly and solely with the other spouse or non-relinquishing shareholder, member, partner, or trustee.
- ❖ The parties may continue to operate the Life's Abundance business jointly on a "business-as-usual" basis, whereupon all compensation paid by Life's Abundance will be paid according to the status quo as it existed prior to the divorce filing or dissolution proceedings. This is the default procedure if the parties do not agree on the format set forth above.

Under no circumstances will the downline organization of divorcing spouses or a dissolving business entity be divided. Similarly, under no circumstances will Life's Abundance split commission and bonus payments between divorcing spouses or members of dissolving entities. Life's Abundance will recognize only one downline organization and will issue only one commission payment per Life's Abundance business per commission cycle. Commission payments shall always be issued to the same individual or entity.

If a former spouse has completely relinquished all rights in the original Life's Abundance business pursuant to a divorce, he or she is thereafter free to enroll under any sponsor of his or her choosing without waiting six calendar months. In the case of business entity dissolutions, the former partner, shareholder, member, or other entity affiliate who retains no interest in the business must wait six calendar months from the date of the final dissolution before re-enrolling as a Field Representative. In either case, the former spouse or business affiliate shall have no rights to any Field Representatives in their former organization or to any former Customer. They must develop the new business in the same manner as would any other new Field Representative.

7.6 Succession

Upon the death or incapacitation of a Field Representative, his or her business may be passed to his or her heirs. Appropriate legal documentation must be submitted to the Company to ensure the transfer is proper. Accordingly, a Field Representative should consult an attorney to assist him or her in the preparation of a will or other testamentary instrument. Whenever a Life's Abundance business is transferred by a will or other testamentary process, the beneficiary acquires the right to collect all bonuses and commissions of the deceased Field Representative's marketing organization provided the following qualifications are met. The successor must:

- ❖ Execute a Field Representative Agreement;
- ❖ Comply with terms and provisions of the Agreement;
- ❖ Meet all of the qualifications for the deceased Field Representative's status;
- ❖ The devisee must provide Life's Abundance with an "address of record".
- ❖ If the business is bequeathed to joint devisees, they must form a business entity and acquire a Federal Taxpayer Identification Number. Life's Abundance will issue all bonus and commission payments and one 1099 to the business entity.

7.7 Transfer Upon Death of a Field Representative

To effect a testamentary transfer of a Life's Abundance business, the executor of the estate must provide the following to Life's Abundance: (a) an original death certificate; (b) certified letters testamentary or a letter of administration appointing an executor; and (c) written instructions from the authorized executor to Life's Abundance specifying to whom the business and income should be transferred.

7.8 Transfer Upon Incapacitation of a Field Representative

To effectuate a transfer of a Life's Abundance business because of incapacity, the successor must provide the following to Life's Abundance: (a) a notarized copy of an appointment as trustee; (b) a notarized copy of the trust document or other documentation establishing the trustee's right to administer the Life's Abundance business; and (c) a completed Field Representative Agreement executed by the trustee.

7.9 Changing Sponsorship

Life's Abundance will not approve changes in sponsorship except (a) when Life's Abundance makes a placement error, (b) when a new Field Representative informs us that they signed up under the wrong distributor within 7 days of sign-up. All decisions are at the sole discretion of Life's Abundance.

SECTION 8 -- RESIGNATION AND TERMINATION

8.1 Effect of Cancellation

So long as a Field Representative remains active and complies with the terms of the Field Representative Agreement and these Policies and Procedures, Life's Abundance shall pay commissions to such Field Representative in accordance with the Compensation Plan. A Field Representative's bonuses and commissions constitute the entire consideration for the Field Representative's efforts in generating sales and all activities related to generating sales (including building a downline organization). Following a Field Representative's non-renewal of his or her Field Representative Agreement, voluntary or involuntary cancellation of his or her Field Representative Agreement (all of these methods are collectively referred to as "cancellation"), the former Field Representative shall have no right, title, claim or interest to the marketing organization which he or she operated, or any commission or bonus from the sales generated by the organization. **A Field Representative whose business is cancelled will lose all rights as a Field Representative. This includes the right to sell Life's Abundance products and services and the right to receive future commissions, bonuses, or other income resulting from the sales and other activities of the Field Representative's former downline sales organization. In the event of cancellation, Field Representatives agree to waive all rights they may have, including but not limited to property rights, to their former downline organization and to any bonuses, commissions or other remuneration derived from the sales and other activities of his or her former downline organization.**

Following a Field Representative's cancellation of his or her Field Representative Agreement, the former Field Representative shall not hold himself or herself out as a Life's Abundance Field Representative and shall not have the right to sell Life's Abundance products or services. A Field Representative whose business is canceled shall receive commissions and bonuses 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 termination).

The former Life's Abundance Field Representative may not become a Life's Abundance Field Representative again without the Company's approval and must have been resigned from their previous Life's Abundance business for at least six months. A terminated Field Representative may not participate in Life's Abundance in any way for at least six full calendar months. However,

a Field Representative that was in good standing at the time of termination may set up a new distributorship under the same sponsor before the six month waiting period.

When a vacancy occurs in an organization due to the termination of a Life's Abundance business, each first level immediately below the terminated Field Representative on the date of the cancellation will be moved to the first level ("front line") of the terminated Field Representative's sponsor. For example, Ann sponsors Bob and Bob sponsors three people. If Bob terminates his distributorship, Bob's three people will "roll-up" to Ann and become part of Ann's first level. Bob's former customers will become Ann's customers.

8.2 Non-renewal

A Field Representative may also voluntarily cancel his or her Field Representative Agreement by failing to renew the Agreement on its anniversary date or by failing to pay his/her annual renewal fee. The Company may also elect not to renew a Field Representative's Agreement upon its anniversary date.

8.3 Involuntary Termination

A Field Representative's violation of any of the terms of the Agreement, including any amendments that may be made by Life's Abundance in its sole discretion, may result in any of the sanctions listed in Section 9.3, including the involuntary termination of his or her Field Representative Agreement. Termination shall be effective on the date on which written notice is mailed, return receipt requested, to the Representative's last known address, or when the Field Representative receives actual notice of termination, whichever occurs first.

SECTION 9 -- DISPUTE RESOLUTION AND DISCIPLINARY PROCEEDINGS

9.1 Grievances and Complaints

A Field Representative who has a grievance or complaint against another Field Representative regarding any practice or conduct in relationship to their respective Life's Abundance business, is asked to first report the problem to their sponsor. The sponsor should review the matter and attempt a resolution.

If the matter cannot be resolved, a written report should be sent to the Life's Abundance Field Support. Include in the report the dates, number of occurrences, persons involved, and supporting documentation. The Company will resolve the issue.

9.2 Dispute Resolution Board

The Dispute Resolution Board (in this section, also referred to as "Board") will review appeals of disciplinary sanctions and disputes between Life's Abundance Representatives. If the Field Representative does not agree with a response or settlement instituted by Life's Abundance, the Board will render a final decision.

A Representative may submit a written request for a hearing by telephone or in-person within seven business days from the date of written notice by Life's Abundance of disciplinary action or the written decision of the Company regarding disputes between Representatives. All communication with Life's Abundance and the Representative seeking resolution of a dispute must be in writing. It is the Board's discretion whether a claim is accepted for review. If the Board agrees to review the matter, it shall schedule a hearing within 30 days of receipt of the Representative's written request. All evidence (documents, exhibits, etc.) that a Field Representative desires to have considered by the Board must be submitted to Life's Abundance no later than seven business days before the hearing date. The Field Representative shall bear all of the expenses related to his or her attendance and the attendance of any witnesses they desire to be present at the hearing. The decision of the Board will be final and subject to no further review. During pendency of the claim before the Board, the Field Representative waives the right to pursue arbitration or any other remedy.

9.3 Disciplinary Sanctions

Violation of the Agreement (including any amendments that may be made by Life's Abundance at its sole discretion), or any illegal, fraudulent, deceptive or unethical business conduct by a Field Representative may result, at Life's Abundance's sole discretion, in one or more of the following corrective measures:

- a) Issuance of a written warning or admonition.
- b) Imposition of a fine, which may be withheld from bonus and commission payments. Fines will vary according to the infraction by the Field Representative and rank of the Representative.
- c) Loss of rights to one or more bonus and commission payments.
- d) Involuntary termination of the offender's Field Representative Agreement.
- e) Requiring the Field Representative to take immediate corrective measures.
- f) Any other measure expressly allowed within any provision of the Agreement.
- g) Any other measure which Life's Abundance deems practicable to implement and appropriate to equitably resolve injuries caused partially or exclusively by the Representative's policy violation or contractual breach.
- h) Life's Abundance may withhold from a Field Representative all or part of their bonuses and commissions during the period that Life's Abundance is investigating any conduct allegedly in violation of the Agreement. If a Field Representative's business is terminated for disciplinary reasons, the Field Representative will not be entitled to recover any commissions withheld during the investigation period.
- i) In situations deemed appropriate by Life's Abundance, Life's Abundance may institute legal proceedings for monetary and/or equitable relief.

9.4 Arbitration

Any controversy or claim arising out of or relating to the Agreement, or the breach thereof, shall be settled by arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules. Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. If a Field Representative files a claim or counterclaim against Life's Abundance, he or she may do so only on an individual basis and not with any other Field Representative, or as part of a class or consolidated action. Representatives waive all rights to trial by jury or to any court.

All arbitration proceedings will be held in Palm Beach County, Florida, unless the laws of the state in which a Field Representative resides expressly require the application of its laws, in which case the arbitration shall be held in the capital of that state. There will be one arbitrator, an attorney-at-law with expertise in business law transactions (a strong preference being an attorney knowledgeable in the direct selling industry), selected from the panel which the American Arbitration Panel provides. Each party to the arbitration will be responsible for its own costs and expenses of arbitration, including legal and filing fees. The decision of the arbitrator will be final and binding on the parties and may, if necessary, be reduced to a judgment in any court of competent jurisdiction. This agreement to arbitration will survive any termination or expiration of the Agreement.

Nothing in the Agreement shall prevent Life's Abundance from applying to and obtaining from any court having jurisdiction a writ of attachment, a temporary injunction, preliminary injunction, permanent injunction, or other relief available to safeguard and protect the Company's interest 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 any arbitration or other proceeding.

9.5 Governing Law, Jurisdiction and Venue

Jurisdiction and venue of any matter not subject to arbitration will reside in Palm Beach County, State of Florida, unless the laws of the state in which a Field Representative resides expressly require the application of its laws. The Federal Arbitration Act shall govern all matters relating to arbitration. The law of the State of Florida shall govern all other matters relating to or arising from the Agreement unless the laws of the state in which a Field Representative resides expressly require the application of its laws.