



IYO Club LLC
STATEMENT OF POLICIES AND PROCEDURES
Effective 05-09-23

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POLICIES AND PROCEDURES

1.0 INTRODUCTION

1.1 Mutual Commitment Statement

IYO Club LLC (hereafter “IYO” or simply the “Company”) recognizes that in order to develop a long-term and mutually rewarding relationship with its independent affiliate plus+ (“IAP”) or (IAPs) and retail customers (“Customers”), Company and its IAPs must acknowledge and respect the true nature of the relationship.

- A. In the spirit of mutual respect and understanding, Company is committed to:
 - I. Providing prompt, professional and courteous service and communications to all of its IAPs and Customers;
 - II. Providing the highest level of quality products/services at fair and reasonable prices;
 - IV. Delivering orders accurately and expeditiously as possible;
 - V. Paying commissions accurately and timely;
 - VI. Expediting orders or checks if an error or unreasonable delay occurs; and
 - VII. Offering IAPs an opportunity to grow with the Company.
- B. In return, Company expects that its IAPs will:
 - I. Conduct themselves in a professional, honest, and considerate manner;
 - II. Present Company and product/service information in an accurate and professional manner;
 - III. Present the Compensation Plan and Return Policy in a complete and accurate manner;
 - IV. Not make exaggerated or unsubstantiated income claims;
 - V. Make reasonable efforts to support Customers and to support and train IAPs in their downline;
 - VI. Not engage in cross-line recruiting, unhealthy competition or unethical business practices;
 - VII. Provide positive guidance and training to IAPs in their downline while exercising caution to avoid interference with other downlines;

- VIII. Accurately complete and submit the IAP Agreement and any requested supporting documentation in a timely manner; and
- IX. Refrain from acting in any way that may constitute harassment of any kind, such conduct may include, but not be limited to, derogatory or threatening comments, inappropriate sexual behavior including but not limited to unwelcomed sexual advances or requests for sexual favors, displaying visual images of a sexual nature, physical or verbal harassment, or violent behavior. IAPs are strongly encouraged to report any type of harassment incidents immediately. Company will not tolerate acts or threats of violence or other violative actions and will investigate all reports and will not hesitate to discipline or terminate an IAP who is found to have violated this provision.

1.2 Policies and Compensation Plan Incorporated into the IAP Agreement

Throughout these Policies, when the term “Agreement” is used, it collectively refers to the Income Disclosure Statement, Company Policies and Procedures, the Company Privacy Policy, the Compensation Plan, the IAP Agreement, and if applicable, the Business Entity Registration Form. It is the responsibility of the Sponsoring IAP to provide the most current version of these Policies and Procedures (available on the Company website or upon request), the most updated Income Disclosure Statement, and the Company Compensation Plan to each applicant prior to their execution of the IAP Agreement.

1.3 Purpose of Policies

- A. Company markets products and services through a network of business owners. To clearly define the relationship that exists between IAPs and Company and to explicitly set a standard for acceptable business conduct, Company has established these Policies and Procedures.
- B. Company IAPs are required to comply with: (i) all of the terms and conditions set forth in the IAP Agreement, which Company may amend from time to time in its sole discretion; (ii) all federal, state and/or local laws governing their Company business; and (iii) these Policies and Procedures and all agreements incorporated herein.
- C. Company IAPs must review the information in these Policies and Procedures carefully. Should an IAP have any questions regarding a policy or rule, the IAP is encouraged to seek an answer from their Sponsor or any other upline IAP. If further clarification is needed, the IAP may contact Company Customer Service at contact@iyo.club

1.4 Changes, Amendments, or Modifications

- A. Because federal, state, and local laws, as well as the business environment, periodically change, Company reserves the right to amend the Agreement and the prices of Company products/services in its sole and absolute discretion. Notification of

amendments shall appear in Official Company Materials. Amended provisions shall not apply retroactively to conduct that occurred prior to the effective date of the amendment(s) except where indicated, and only in the event that the IAP expressly agrees to the amendment applying retroactively.

NOTWITHSTANDING ANYTHING TO THE CONTRARY ABOVE, ANY AMENDMENT BY THE COMPANY TO THE DISPUTE RESOLUTION SECTION HEREIN SHALL ONLY TAKE EFFECT UPON AN AFFILIATE'S EXPRESS AGREEMENT TO SUCH AMENDMENT. AN AFFILIATE MAY INDICATE THEIR AGREEMENT TO SUCH PROPOSED AMENDMENT BY FOLLOWING THE INSTRUCTIONS ACCOMPANYING THE PROPOSED AMENDMENT THAT WILL APPEAR WHEN LOGGING IN TO THE CORPORATE WEBSITE OR THE AFFILIATE'S PERSONAL WEBSITE. COMPANY MAY TERMINATE THE AFFILIATE AGREEMENT OF ANY AFFILIATE WHO DOES NOT AGREE TO A PROPOSED AMENDMENT TO THE DISPUTE RESOLUTION SECTION WITHIN THIRTY (30) DAYS AFTER THE EFFECTIVE DATE OF THE AMENDMENT. ANY SUCH AMENDMENT SHALL APPLY TO ALL CLAIMS BROUGHT BY COMPANY OR THE AFFILIATE ON OR AFTER THE EFFECTIVE DATE OF THE AMENDMENT, REGARDLESS OF THE DATE OF OCCURRENCE OR ACCRUAL OF ANY FACTS UNDERLYING SUCH CLAIM.

- B. For purposes of this Section and others within these Policies and Procedures, it is imperative for IAPs to keep all contact information up to date for any such amendment, change, or modification shall be effective immediately upon notice by one of the following methods:
 - I. Posting on the official Company website;
 - II. Electronic mail (e-mail); or
 - III. In writing through Company newsletters or other Company communication channels.

1.5 Delays

Company shall not be responsible for delays or failures in performance of its obligations when such failure is due to circumstances beyond its reasonable control. This includes, without limitation, strikes, labor difficulties, transportation difficulties, riot, war, fire, weather, pandemic, curtailment of a source of supply, or government decrees or orders.

2.0 BASIC PRINCIPLES

2.1 Becoming An IYO IAP

- A. To become an IAP, an applicant must comply with the following requirements:
 - I. Be of the age of majority (not a minor) in their state of residence;

- II. Reside or have a valid address in the United States or a United States territory or in countries that IYO Club are opened in;
- III. Have a valid taxpayer identification number (i.e. Social Security Number, Federal Tax ID Number, ITIN, etc.);
- IV. Submit a properly completed and signed IAP Agreement to Company;
- VI. Submit payment of a \$9.95 non-commissionable enrollment fee;
- VII. Provide an e-mail address that is not already associated with an existing IAP account.

2.2 New IAP Registration By Internet

- A. A potential new IAP may self-enroll on the Company corporate website or a Sponsor's replicated website. In such event, instead of a physically signed IAP Agreement, Company will accept the electronic IAP Agreement by way of web-enrollment and one's "electronic signature." This electronic signature signifies that the new IAP has accepted the Terms and Conditions of the IAP Agreement. Please note that such electronic signature constitutes a legally binding agreement between you and the Company.
- B. Company reserves the right to require signed paperwork for any account, regardless of origin.
- C. If requested, the signed IAP Agreement must be received by Company within seven (7) days of enrollment.
- D. Signed documents, including, but not limited to, the IAP Agreement and the Business Entity Registration form, are legally binding contracts which must not be altered, tampered with or changed in any manner after they have been signed. False or misleading information, forged signatures or alterations to any document, including business registration forms, made after a document has been signed may lead to sanctions, up to and including involuntary termination of the IAP's business.

2.3 Rights Granted

- A. Company hereby grants to the IAP a non-exclusive right, based upon the Terms and Conditions contained in the IAP Agreement and these Policies and Procedures to:
 - I. Purchase Company products/services;
 - II. Promote and sell Company products/services; and

- III. Sponsor new IAPs, Affiliates and Customers in the United States and in countries where Company may become established after the Effective Date of these Policies and Procedures.

2.4 Identification Numbers

All IAPs are required to provide their Social Security Number, Federal Employer Identification Number, or their Government Issued ID Number to the Company either on the IAP Agreement or at the Company's request. Upon enrollment, the Company will provide a unique IAP/Company Identification Number to the IAP by which they will be identified. This number will be used to place orders, structure organizations, and track commissions and bonuses.

2.5 Renewals and Expiration of the IAP Agreement

- A. In order to remain Active, an IAP will be required to pay and maintain \$9.95 for monthly Business fee and minimum of 100 Personal Volume ("PV"), and other qualification metrics as outlined within the Company Compensation Plan as updated from time to time.
- B. If the IAP allows their IAP Agreement to expire due to nonpayment, the IAP will lose any and all IAP rights and their downline organization unless the IAP re-activates within sixty (60) days following the expiration of the Agreement. If the IAP allows their IAP Agreement to expire due to nonpayment, the IAP will lose all IAP rights and shall be downgraded to Affiliate, unless the IAP remedies the reasoning for expiration within thirty (30) days from that date of expiration.
- C. If the former IAP re-activates within the 30-day time limit, the IAP will resume the rank and position held immediately prior to the expiration of the IAP Agreement. However, such IAP's paid as level will not be restored unless their position or their entity qualifies at that payout level in the new month. The IAP is not eligible to receive commissions for the time period that the IAP's business was expired.
- D. Any IAP who was terminated or whose Agreement has expired and lapsed the 60-day grace period is not eligible to re-apply for a Company business for six (6) months following the expiration of the IAP Agreement.
- E. The downline of the expired IAP will roll up to the immediate, active upline Sponsor, or as otherwise determined at Company's sole discretion so as to protect the integrity of the genealogy and to avoid any potential manipulation thereof.

2.6 Business Entities and Changes in IAP Genealogy

- A. A corporation, partnership, LLC, or trust (collectively referred to as a "Business Entity") may apply to be a Company IAP by way of the Business Entity Registration Form. This IAP business and position will remain *temporary* until the proper documents are

submitted. The Business Entity Registration Form stipulates the specific documents necessary for submission, including but not limited to: Certificate of Incorporation, Articles of Organization, IAP Agreement or appropriate Trust documents. Company must receive these documents within seven (7) days from the date the IAP Agreement was signed.

- B. A Company IAP may change their status under the same Sponsor from an individual to a partnership, LLC, corporation, trust or from one type of business entity to another.
- C. **Changes to a Business Entity.** Each IAP must immediately notify the Company of any changes to the type of business entity they utilize in operating their Company business and the addition or removal of business associates. A Company business may change its status under the same sponsor from an individual to a partnership, corporation or trust, or from one type of entity to another. The IAP Agreement form must be signed by all of the shareholders, partners, or trustees. Members of the entity are jointly and severally liable for any indebtedness or other obligation to the Company.
- D. **One Company Business Per IAP.** An IAP may operate or have an ownership interest, legal or equitable, as an individual, sole proprietorship, partner, shareholder, trustee, or beneficiary, in only one Company business. No individual may have, operate or receive compensation from more than one Company business. Individuals of the same family unit may each enter into or have an interest in their own separate Company businesses, only if each subsequent family position is placed frontline to the first family member enrolled. A “family unit” is defined as spouses and dependent children living at or doing business at the same address.

2.7 Independent Business Relationship; Indemnification for Actions

- A. A Company IAP is an independent contractor and not a purchaser of a franchise or sales opportunity. Therefore, each IAP’s success depends on their independent efforts.
- B. The Agreement between Company and its IAPs does not create an employer/employee relationship, agency, partnership, or joint venture between Company and the IAP.
- C. A Company IAP shall not be treated as an employee of Company for any purposes, including, without limitation, for federal or state tax purposes. All IAPs are responsible for paying local, state, and federal taxes due from all compensation earned as an IAP of Company. Any other compensation received by IAPs from Company will be governed by applicable U.S. tax laws (or the tax laws of any other applicable jurisdiction). The IAP has no express or implied authority to bind Company to any obligation or to make any commitments by or on behalf of Company. Each IAP, whether acting as management of a Business Entity or represented as an individual, shall establish their own goals, hours, and methods of operation and sale, so long as they comply with the Terms of the IAP Agreement, these Policies and Procedures and applicable federal, state and local laws and regulations.
- D. The Company IAP is fully responsible for all of their verbal and written communications made regarding Company products, services, and the Compensation Plan that are not

expressly contained within Official Company materials. IAPs shall indemnify and hold harmless Company, its directors, officers, employees, product suppliers and agents from any and against all liability including judgments, civil penalties, refunds, attorney fees and court costs incurred by Company as a result of the IAP's unauthorized representations or actions. This Provision shall survive the termination of the Company IAP Agreement.

- E. IAPs may not answer the telephone by saying "IYO," "IYO Club, LLC" or by any other manner that would lead the caller to believe that they have reached the Company's corporate offices. An IAP may only represent that they are a Company IAP. Therefore, all correspondence and business cards relating to or in connection with an IAP's Company business shall contain the IAP's name followed by the term "IAP."
- F. **Sales Tax Obligations.** The IAP shall comply with all federal, state, and local taxes and regulations governing the sale of Company products and services.
- G. Company will collect and remit sales tax on IAP orders unless an IAP furnishes Company with the appropriate Resale Tax Certificate form. When orders are placed with Company, sales tax is prepaid based upon the suggested retail price. Company will remit the sales tax to the appropriate state, provincial and local jurisdictions. The IAP may recover the sales tax when he or she makes a sale. Company IAPs are responsible for any additional sales taxes due on products/services marked up and sold at a higher price.
- H. Company encourages each IAP to consult with a tax advisor for additional information for their business.

2.8 Errors or Questions

If an IAP has questions about or believes any errors have been made regarding commissions, bonuses, business reports, orders, or charges, the IAP must notify Company in writing within thirty (30) days of the date of the error or incident in question. Any such errors, omissions or problems not reported within thirty (30) days shall be deemed expressly waived by the IAP.

2.9 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, IAPs shall not represent or imply that the Company or its Compensation Plan have been approved, endorsed, or otherwise sanctioned by any government agency.

3.0 IYO'S AFFILIATE RESPONSIBILITIES

3.1 Correct Addresses

- A. It is the responsibility of a Customer/IAP to make sure Company has the correct shipping address before any orders are shipped and for the IAP to have up to date and accurate contact information for Company to communicate with IAP.
- B. A Customer/IAP will need to allow up to thirty (30) days for processing after the notice of address change has been received by Company.
- C. A Customer/IAP may be assessed a \$20 USD fee for returned shipments due to an incorrect shipping address and the IAP shall also be assessed a \$20 USD fee for any mislabeling of Customer information that would result in shifting Customers into another downline.

3.2 Training and Leadership

- A. Any Company IAP who sponsors another IAP into Company must perform an authentic assistance and training function to ensure their downline is properly operating their Company business. Sponsoring IAPs should have ongoing contact and communication with the IAPs in their downline organizations. Examples of communication may include, but are not limited to, newsletters, written correspondence, telephone, contact, team calls, voicemail, e-mail, personal meetings, accompaniment of downline IAPs to Company meetings, training sessions and any other related functions.
- B. A Sponsoring Company IAP should monitor the IAPs in their downline organizations to ensure that downline IAPs do not make improper product or business claims or engage in any illegal or inappropriate conduct. Upon request, such IAP should be able to provide documented evidence to Company of their ongoing fulfillment of the responsibilities of a Sponsor.
- C. Upline IAPs are encouraged to motivate and train new IAPs about Company's products and services, effective sales techniques, the Company Compensation Plan and compliance with Company Policies and Procedures.
- D. Marketing product is a required activity in Company and must be emphasized in all recruiting presentations. In fact, the Company emphasizes and encourages all of its IAPs to sell Company's products and services to Customers.
- E. To promote both the products and the opportunity Company offers, IAPs must use the sales aids and support materials produced by Company. If Company IAPs develop their own sales aids and promotional materials, which includes Internet advertising, notwithstanding IAPs' good intentions, they may unintentionally violate any number of statutes or regulations affecting the Company business. These violations, although they may be relatively few in number, could jeopardize the Company opportunity for all IAPs. Accordingly, IAPs must submit all written sales aids, promotional materials, advertisements, websites and other literature to the Company for Company's approval prior to use. Unless the IAP receives specific written approval to use the material, the request shall be deemed denied. All IAPs shall safeguard and promote the good reputation of Company and its products and services. The marketing and promotion of

Company, the Company opportunity, the Compensation Plan, and Company products and services shall be consistent with the public interest, and must avoid all discourteous, deceptive, misleading, unethical or immoral conduct or practices.

3.3 Constructive Criticism; Ethics

A. Company desires to provide its independent IAPs with the best products and services and Compensation Plan in the industry. Accordingly, Company values constructive criticism and encourages the submission of written comments addressed to Company Compliance Department: compliance@iyo.club

B. IYO endorses the following Code of Ethics:

I. A Company IAP must show fairness, tolerance, and respect to all people associated with Company, regardless of race, gender, sexual orientation, social class, religion, or otherwise, thereby fostering a positive atmosphere of teamwork, good morale and community spirit.

II. An IAP shall strive to resolve business issues, including situations with upline and downline IAPs, by emphasizing tact, good will and taking care not to create additional problems.

III. Company IAPs must be honest, responsible, professional and conduct themselves with integrity.

IV. Company IAPs shall always present accurate information like proper disclaimers and access to the Income Disclosure Statement when encouraging prospects to join the Company. Moreover, as an IAP you agree to never intimidate nor engage in unlawful recruiting practices, including any suggestion that excessive inventory purchases are necessary to participate in Company or to be successful as a Company IAP.

C. Company may take appropriate action against an IAP if it determines, in its sole discretion, that an IAP's conduct is detrimental, disruptive, or injurious to Company or to other IAPs.

3.4 Non-Disparagement

In accordance with other provisions within these Policies and Procedures, IAPs must not disparage, demean, or make negative remarks about the Company, other Company IAPs, Company's products or services, the Compensation Plan, or Company's owners, board members, directors, officers, employees, or the like, or make statements that unreasonably offend, mislead or coerce others. Such conduct represents a material breach of these Policies and may result in Company sanctioning or otherwise disciplining the IAPs in accordance with these Policies and Procedures as deemed appropriate by the Company at its sole discretion.

3.5 Reporting Policy Violation

- A. An IAP who observes a policy violation by another IAP should submit a written and signed letter (e-mail will not be accepted) of the violation directly to the Company Corporate office. The letter shall set forth the details of the incident as follows:
 - I. The nature of the violation and specific facts to support the allegations;
 - II. Dates and number of occurrences.
 - III. The person/people involved; and
 - IV. Supporting documentation.
 - V. If an online alleged violation it is necessary to supply a link.
- B. Once the matter has been presented to Company, the Company Compliance Department will investigate the report thoroughly and decide what, if any, action should be taken.
- C. This Section refers to the general reporting of policy violations as observed by other IAPs for the mutual effort to support, protect, and defend the integrity of the Company business and sales opportunity. If an IAP has a grievance or complaint against another IAP which directly relates to their Company business, the steps set forth in these Policies and Procedures must be followed.

3.6 Sponsorship

- A. The Sponsor is the person who the Customer/IAP chooses to represent them as their sponsor to the Company, helps them complete their enrollment, and supports and trains those in their downline.
- B. Company recognizes the Sponsor as the name(s) shown on the first:
 - I. Physically signed Company IAP Agreement on file; or
 - II. Electronically signed IAP Agreement from either the corporate website or an IAP's replicated website.
- C. An IAP Agreement that contains notations such as "by phone" or the signatures of other individuals (i.e., Sponsors, spouses, relatives, or friends) is not valid and will not be accepted by Company.
- D. Company recognizes that each new prospect has the right to ultimately choose their own Sponsor, but Company will not allow IAPs to engage in unethical sponsoring activities.
- E. All active IAPs in good standing have the right to Sponsor and enroll others into Company. While engaged in sponsoring activities, it is not uncommon to encounter

situations when more than one IAP will approach the same prospect. It is the accepted courtesy that the new prospect will be sponsored by the IAP who presented a comprehensive introduction to Company products/services or sales opportunity.

3.7 Cross Sponsoring Prohibition

- A. “Cross sponsoring” is defined as the enrollment into a different line of sponsorship of an individual, or Business Entity, that already has a signed IAP Agreement. Actual or attempted cross sponsoring is not allowed. If cross sponsoring is verified by Company, sanctions up to and including termination of an IAP’s business may be imposed.
- B. The use of a spouse’s or relative’s name, trade names, assumed names, DBA names, corporation, partnership, trust, Federal ID numbers, fictitious ID numbers, or otherwise to evade or circumvent this policy is not permitted and Company has the right to reject any IAP application or terminate any IAP Agreement.
- C. This policy does not prohibit the transfer of a Company business in accordance with Company Sale or Transfer Policy set forth herein.

3.8 Adherence to the IYO Compensation Plan

- A. An IAP must adhere to the terms of the Company Compensation Plan as set forth in these Policies and Procedures as well as in Official Company literature. Deviation from the Compensation Plan is prohibited.
- B. An IAP shall not offer the Company opportunity through, or in combination with, any other system, program, or method of marketing other than that specifically set forth in Official Company literature.
- C. An IAP shall not require or encourage a current or prospective Customer or IAP to participate in Company in any manner that varies from the Compensation Plan as set forth in Official Company literature.
- D. An IAP shall not require or encourage a current or prospective Customer or IAP to make a purchase from or payment to any individual or other entity as a condition to participating in the Company Compensation Plan, other than such purchases or payments required to naturally build their business.

3.9 Adherence to Laws, Regulations, and Ordinances

Many cities and counties have laws regulating certain home-based businesses. In most cases, these ordinances do not apply to IAPs because of the nature of the business. However, IAPs must check their local laws and obey the laws that do apply to them. A Company IAP shall comply with all federal, state and local laws and regulations in operating their Company business.

3.10 Compliance with Applicable Income Tax Laws

- A. Company will automatically provide a complete 1099-NEC form (nonemployee compensation) to each U.S. IAP whose earnings for the year is at least \$600 or who has purchased more than \$5,000 of Company products for resale, or who received trips, prizes or awards valued at \$600 or more. If earnings and purchases are less than stated above, IRS forms will be sent only at the request of the IAP, and a fee may be assessed by Company to the IAP.
- B. An IAP accepts sole responsibility for and agrees to pay all federal, state and local taxes on any income generated as an independent IAP, and further agrees to indemnify Company from any failure to pay such tax amounts when due.
- C. If an IAP's business is tax exempt, the Federal Tax Identification number must be provided to Company in writing.
- D. Company encourages all IAPs to consult with a tax advisor for additional information for their business.

3.11 Actions of Household Members or IAP Parties

If any member of an IAP's immediate household engages in any activity which, if performed by the IAP, would violate any provision of the Agreement, such activity will be deemed a violation by the IAP and Company may take disciplinary action pursuant to these Policies and Procedures against the IAP. Similarly, if any individual associated in any way with a corporation, partnership, LLC, trust or other entity (collectively "Business Entity") violates the Agreement, such action(s) will be deemed a violation by the Business Entity, and Company may take disciplinary action against the Business Entity. Likewise, if an IAP enrolls in Company as a Business Entity, each affiliated party of the Business Entity shall be personally and individually bound to, and must comply with, the Terms and Conditions of the Agreement.

3.12 Solicitation for Other Companies; Other Business Restrictions

- A. A Company IAP may participate in other direct sales, multilevel, network marketing or relationship marketing business ventures or marketing opportunities (collectively, "Network Marketing"). However, during the Term of this Agreement and for one (1) year thereafter, a Company IAP may not recruit any Company IAP or Customer for any other Network Marketing business, unless that IAP or Customer was personally sponsored by such IAP. The preceding sentence shall not be construed to permit an IAP to recruit one of their downline IAPs and Customers in an effort to have that IAP do the same. Company shall, in its sole discretion, have the ability to enforce this provision as it deems fit in order to fulfill both the purpose and the spirit of this non-Solicitation provision.
- B. The term "recruit" means actual or attempted solicitation, enrollment, encouragement, or effort to influence in any other way (either directly or through a third party), another IAP or Customer to enroll or participate in any Network Marketing opportunity and the active role of discouraging others from enrolling within the Company opportunity. This conduct

represents recruiting even if the IAP's actions are in response to an inquiry made by another IAP or Customer. If any lawsuit, arbitration, or mediation is brought against an IAP alleging that they engaged in inappropriate recruiting activity of its sales force or Customers, the Company will not pay any of IAP's defense costs or legal fees, nor will the Company indemnify the IAP for any judgment, award, or settlement.

- C. However, you may sell **non-competing** products or services to Company Customers and IAPs. Specifically, a non-competing company is defined as a Network Marketing company that does **NOT** market, offer, or sell products or services similarly related to that of Company. The term non-competing or similar products or services are determined based on the sole discretion of Company. IAPs at all levels are obligated to notify the Company if they are enrolled as IAP for another Network Marketing company by sending an email to the Company Compliance Department. Failure to notify Company within a reasonable time shall constitute a breach of this Agreement. This provision shall apply to product and service offerings that Company may add to its current offerings in the future.

***Due to the visibility of our higher-ranking IAPs, Company IAPs at the rank of CLUB 9 or above agree to notify the Company and request authorization to represent another Network Marketing company prior to doing so.**

If at the time of enforcement of any provision of Section 3.12A, 3.12B, or 3.12C, a court shall hold that the duration, scope or area restriction of any provision herein is unreasonable under circumstances now or then existing, you and Company hereto agree that the maximum restricted period, scope or territory reasonable under the circumstances shall be substituted by the court for the stated duration, scope or area.

- D. An IAP may not display or bundle Company products or services, in sales literature, on a website or in sales meetings, with any other products or services to avoid confusing or misleading a prospective Customer or IAP into believing there is a relationship between the Company and non-Company products and services.
- E. An IAP may not offer any non-Company opportunity, products or services at any Company related meeting, seminar or convention, or immediately following a Company event.
- F. An IAP may not offer any type of contact information connected to any Company IAP to another party with the intent of having the other party solicit that IAP to consider any product or income opportunity unrelated to Company.
- G. During the term of this Agreement, in order to avoid legal liability related to promotion of sales aids, you as an IAP may not sell training materials or sales aids including published books, eBooks, videos, or other general miscellaneous training aids to your Downline or other IAPs.
- H. A violation of any of the provisions in this Section shall constitute unreasonable and unwarranted contractual interference between Company and its IAPs and would inflict

irreparable harm on Company. In such event, Company may, at its sole discretion, impose any sanction it deems necessary and appropriate against such IAP or such IAP's business including termination, or seek immediate injunctive relief without the necessity of posting a bond.

3.13 Presentation of the IYO Sales Opportunity

- A. In presenting the Company opportunity to potential Customers and IAPs, an IAP is required to comply with the following provisions:
- I. An IAP shall not misquote or omit any significant material fact about the Compensation Plan.
 - II. An IAP shall make it clear that the Compensation Plan is based upon sales of Company products and services.
 - III. An IAP shall make it clear that success can be achieved only through substantial independent efforts and must refrain from misrepresentations that include, but are not limited to:
 - a. It's a turnkey system;
 - b. The system will do the work for you;
 - c. Just get in and your downline will build through spillover;
 - d. The Company does all the work for you; or
 - e. All you have to do is buy Company products/services every month.

The above are just 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 an IAP without commitment, effort, and sales skill. The Company reserves the right to determine what it considers an inappropriate income or Compensation Plan claim and discipline the offender accordingly.

- IV. An IAP shall not make unauthorized income projections, claims, or guarantees while presenting or discussing the Company opportunity or Compensation Plan to prospective IAPs or Customers.
- V. An IAP may not make any claims regarding products or services of any offerings by Company, except those contained in official Company literature.
- VI. An IAP may not use Official Company material to promote the Company sales opportunity in any country other than those officially permitted by Company.
- VII. In an effort to conduct best business practices, on the 1 year anniversary the Company will develop the Income Disclosure Statement ("IDS"). The Company IDS is designed to convey truthful, timely, and comprehensive information

regarding the income that Company IAPs earn. In order to accomplish this objective, a copy of the IDS must be presented to all prospective IAPs.

A copy of the IDS must be presented to a prospective IAP 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”) includes, but is not limited to, the following: (1) statements of average earnings, (2) statements of non-average earnings, (3) statements of earnings ranges, (4) income testimonials, (5) lifestyle claims, and (6) hypothetical claims. Examples of “statements of non-average earnings” include, “Our number one IAP earned over a million dollars last year” or “Our average-ranking IAP makes five thousand per month.” An example of a “statement of earnings ranges” is “The monthly income for our higher-ranking IAPs is ten thousand dollars a month on the low end to thirty thousand dollars a month on the high end.”

VIII. Lifestyle claims (e.g., my Company business allowed me to buy a house, retire from my other job, allow my spouse to quit his or her job, or take a luxury vacation) are also considered to be equivalent to Income Claims.

When an IAP discuss their earnings as an IAP with Company, the Company explicitly requires any testimonial, social media post, presentation, etc. to include a variation of the following, “This is my unique story, as actual earnings can vary significantly as no income is guaranteed. But for typical earnings averages please click here,” with the “here” representing a link to the Income disclaimer.

3.14 Compensation Plan Governs Sales Requirements

- A. Company IAPs may only sell product at the suggested retail price. There are no exclusive territories granted to anyone. No franchise fees are applicable to a Company business. IAPs must check with Company as to appropriate prices before setting their own.
- B. The Company program is built on sales to the ultimate consumer. Company encourages its IAPs to only purchase inventory that they and their family will personally consume, will be used as a sales tool, or will be resold to others for their ultimate consumption. IAPs must never attempt to influence any other IAP to buy more products than they can reasonably use or sell to retail Customers in a month.
- C. ***Purchasing product solely for the purpose of collecting bonuses or achieving rank is prohibited.*** Company retains the right to limit the number of purchases you may make if, in Company’s sole judgment, Company believes those purchases are being made solely for qualification purposes instead of for consumption or resale.

4.0 ORDERING

4.1 General Order Policies

- A. "Bonus Buying" is strictly and absolutely prohibited. Bonus Buying includes but is not limited to the following: (i) the enrollment of individuals or entities without the knowledge of and/or execution of an Agreement by such individuals or Business Entities; (ii) the fraudulent enrollment of an individual or entity as Customer/IAP; (iii) the enrollment or attempted enrollment of non-existent individuals or Business Entities as Customers/IAPs (known as "phantoms"); (iv) purchasing Company products or services on behalf of another Customer/IAP, or under another Customer's/IAP's ID number, to qualify for commissions or bonuses; (v) purchasing excessive amounts of products or services that cannot reasonably be used or resold in a month; and/or (vi) any other 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.

An IAP shall not use another Customer's/IAP's credit card or debit checking account to enroll in Company or purchase products or services without the account holder's *written permission*.

- B. Regarding an order with an invalid or incorrect payment, Company will attempt to contact the IAP by phone, mail or e-mail in order to obtain another form of payment. If these attempts are unsuccessful after five (5) business days, the order will be canceled.
- C. If an IAP wants to move an order to another IAP's position, they must have prior authorization, of all parties involved. Company will charge the IAP a \$20 fee for processing.
- D. Prices are subject to change without notice.
- E. A Customer/IAP who is a recipient of a damaged or incorrect order must notify Company within 48 hours from receipt of the order and follow the procedures as set forth in these Policies.

4.2 Insufficient Funds and Non-Payment

- A. All checks returned for insufficient funds will be re-submitted for payment. A \$35 fee will be charged to the account of the Customer/IAP for all returned checks and insufficient funds.
- B. Any outstanding balance owed to Company by the personal Customer/IAP of an Upline IAP from NSF (non-sufficient funds) checks, returned check fees or insufficient fund fees (ACH) will be withheld by Company from the Upline IAP's future bonus and commission checks.
- C. All transactions involving returned checks or insufficient funds through ACH or credit card, which are not resolved in a timely manner by the IAP, constitute grounds for disciplinary sanctions.
- D. If a credit card order or automatic debit is declined the first time, the Customer/IAP will be contacted for an alternate form of payment. If payment is declined a second time, the

Customer/IAP may be deemed ineligible to purchase Company products or services or participate in the monthly auto ship.

- E. In the event that any IAP that fails to pay for product, services, or otherwise or receives product in error or for any reason gains access to services or possession of product absent payment for such, Company reserves the absolute right to postpone all future commissions, bonuses, or any other remuneration owed IAP until such products are returned, IAP has submitted said outstanding fees to Company, or IAP has remedied the situation to the satisfaction of the Company as detailed by the Company.

5.0 PAYMENT OF COMMISSIONS & BONUSES

5.1 Bonus and Commission Qualifications

- A. An IAP must be Active and in compliance with Company Policies and Procedures to qualify for bonuses and commissions. So long as an IAP complies with the terms of the Agreement, Company shall pay commissions to such IAP in accordance with the Compensation Plan.
- B. Company will not issue a payment to an IAP without the receipt of a completed and signed Company IAP Agreement.
- C. Company reserves the right to postpone bonus and commission payments until such time the cumulative amount exceeds \$25.
- D. For the Club Commissions, A.K.A. Unilevel Bonus: Compression shall be a critical aspect to implementing the Company Compensation Plan and will be applied across the spectrum of participants within the Company opportunity, unless the Company elects, in its sole discretion, to keep or discard the compressed volume. Compression occurs when there are Inactive IAPs, terminated IAPs, suspended IAPs and other instances in which Company finds, in its sole discretion, to be in the best interests of the Company as a whole. Compression is defined as the mechanism in which the genealogy has been disrupted to create an absence in the genealogy that disrupts the commission and bonus allotment within the pay plan. As an example, if an IAP is Inactive, Compression will result in searching the upline until an Active IAP is located. Volume will then “compress” to include all the volume generated by the inactive positions and disburse the volume to the next Active IAP. The Company is not obligated to compress volume in this fashion. In some situations, the Company may exercise its discretion to keep the volume for internal purposes. This Compression model shall be used to continue the effectiveness of the pay plan during temporary conditions that may occur when someone fails to meet the “Active” requirement for one pay period, e.g., Inactive, suspension, or leaves the opportunity entirely to leave a void in the genealogy.

5.2 Computation of Commissions and Discrepancies

- A. A Company IAP must review their monthly statement and bonus/commission reports promptly and report any discrepancies within 7 days) of receipt. After this 7 day “grace period,” no additional requests will be considered for commission recalculations.
- B. For additional information on payment of commissions, please review the Compensation Plan.

5.3 Bonus and Commission Adjustment for Returns

- A. An IAP receives bonuses and commissions based on the actual sales of products and services to end consumers by way of product and service purchases.

6.0 RETURN POLICY

6.1 Return / Refund Policy

Any purchases for special items such as membership fees, trainings, events, certifications, etc. are non-refundable. Once you have purchased an electronically delivered course and you have accessed the courses portal the product is no longer refundable. If the product has not been accessed or the product was purchased in error, it can be refunded within 24 hours notification to customer service.

6.2 Chargebacks

In simple terms, a “chargeback” is the reversal of a transaction that comes directly from the bank. Rather than contact IYO Club for a refund, an account holder is asking the bank to forcibly take money from IYO Club's account. Chargebacks jeopardize IYO Club's merchant provider and creates extra penalties and fees for the company even when IYO Club can clarify and prove the customer was charged for a legitimate transaction. If a IYO Club's account holder issues a chargeback, for any reason, that account may be terminated immediately. Commissions and incentives will be removed from the sponsor. The account holder who issues a chargeback is prohibited from creating a new account. If you encounter any potentially erroneous charge or refund issue, please send a clarification request to contact@iyo.club to initiate an investigation and resolution. Make sure to include your IYO Club ID number, the amount charged, and **ONLY THE LAST FOUR DIGITS** of the credit card showing the charge.

7.0 PRIVACY POLICY

7.1 Introduction

This policy is to ensure that all Customers/IAPs understand and adhere to the basic principles of confidentiality. For more information on the Company’s privacy practices and procedures, please refer to the Company Privacy Policy found on the corporate website.

Each IAP is responsible for keeping their IAP Information up to date and accurate and must immediately update any changes in their back office. It is particularly important that an IAP provides Company with

their current email address, since email is one of the primary ways that Company and an IAP's upline will communicate with the IAP. By agreeing to these Policies and Procedures, the IAP consents to the Company Privacy Policy and to receiving emails from Company as well as from their upline. Each IAP may modify their IAP Information (e.g., update an address, phone number or email address). IAP agrees that Company may share with IAP's upline their name, telephone number, address, email address and select sales performance data for all IAPs in their downline. No Social Security Number nor credit card number shall be shared with an IAP's upline without separate express permission by IAP to allow such personal information sharing. By providing their email address and telephone number, IAP agrees to disclose their email address and telephone number to Company as well as to their upline. IAP further acknowledges that information provided to Company by IAP will be shared with and processed by Company corporate offices.

7.2 Expectation of Privacy

Company recognizes and respects the importance its Customers/IAPs place on the privacy of their financial and personal information. Company will make reasonable efforts to safeguard the privacy of and maintain the confidentiality of its Customers'/IAPs' financial and account information and non-public personal information.

7.3 Employee Access to Information

Company limits the number of employees who have access to Customer's/IAP's nonpublic personal information.

7.4 Restrictions on the Disclosure of Account Information

Company will not share non-public personal information or financial information about current or former Customers/IAPs with third parties, except as permitted or required by laws and regulations, court orders, or to serve the Customers'/IAPs' interests or to enforce its rights or obligations under these Policies and Procedures, the IAP Agreement, or with express written permission from the accountholder on file.

7.5 Security and Security Breaches

All IAPs must adopt, implement and maintain appropriate administrative, technical and physical safeguards to protect against anticipated threats or hazards to the security of confidential information, including Customer & IAP Data. These safeguards must be appropriate to the sensitivity of the information. Appropriate safeguards for electronic and paper records may include but are not limited to: (i) encrypting data before electronically transmitting it; (ii) storing records in a secure location; and (iii) password-protecting computer files and securely shredding paper files containing confidential information. IAPs must keep confidential information secure from all persons who do not have legitimate business needs to see or use such information. IAPs must ensure they obtain and maintain consent from prospective Customers/IAPs and existing Customers/IAPs before sharing such data with the Company.

IAPs must comply with all applicable privacy and data security laws, including any security breach notification laws. Without limitation of the preceding sentence, in the event of an actual or suspected Security Breach affecting Company's data, the applicable IAPs shall first promptly notify the Company

Compliance Department in writing after becoming aware of such Security Breach, and if instructed by the Compliance Department, notify applicable Customers/IAPs. Any such notification to Customers/IAPs shall be made in compliance with applicable law and shall specify the following: (i) the extent to which Customer/IAP Data was or was suspected to be disclosed or compromised; (ii) the circumstances of the Security Breach; (iii) the date or period of time on which it occurred; (iv) a description of the information affected; (v) a description of the steps taken to reduce the risk of harm from the Security Breach; (vi) contact information for a person able to answer questions regarding the Security Breach; (vii) any other information required by the applicable law; and (viii) in the case of a notice to a privacy commissioner or other regulatory body, an assessment of the risk of harm to any affected persons and an estimate of the number of persons affected. IAPs shall promptly comply with all applicable information Security Breach disclosure laws. IAPs, at their expense, shall cooperate with Company, any applicable privacy commissioner or other regulatory body and the applicable Customers/IAPs and use their best efforts to mitigate any potential damage caused by a breach of their obligations under the IAP Agreement or any law applicable to confidential data, including by sending notice to the affected individuals, applicable agencies and consumer reporting agencies, if such notification is required the Company in its sole and absolute discretion.

7.6 Privacy and Confidentiality

All IAPs are required to abide by the Company's Privacy Policy with regard to IAP and Customer information.

7.7 The Data Management Rule

The Data Management Rule (the "Rule") is intended to protect the LOS for the benefit of all IAPs, as well as the Company. LOS information is information compiled by the Company that discloses or relates to all or part of the specific arrangement of sponsorship within the Company business, including, without limitation, IAP lists, sponsorship trees, and all IAP information generated therefrom, in its present and future forms. The Company LOS, constitutes a commercially advantageous, unique, and proprietary trade secret ("Proprietary Information"), which it keeps proprietary and confidential and treats as a trade secret. Company is the exclusive owner of all Proprietary Information, which is derived, compiled, configured, and maintained through the expenditure of considerable time, effort, and resources by the Company and its IAPs. Through this Rule, IAPs are granted a personal, non-exclusive, non-transferable and revocable right by the Company to use Proprietary Information only as necessary to facilitate their business as contemplated under these Policies. The Company reserves the right to deny or revoke this right, upon reasonable notice to the IAP stating the reason(s) for such denial or revocation, whenever, in the reasonable opinion of the Company, such is necessary to protect the confidentiality or value of Proprietary Information. All IAPs shall maintain Proprietary Information in strictest confidence and shall take all reasonable steps and appropriate measures to safeguard Proprietary Information and maintain the confidentiality thereof.

8.0 PROPRIETARY INFORMATION AND TRADE SECRETS

8.1 Business Reports, Lists, and Proprietary Information

By completing and signing the Company IAP Agreement, the IAP acknowledges that Business Reports, lists of Customer and IAP names and contact information and any other information, which contain

financial, scientific or other information both written or otherwise circulated by Company pertaining to the business of Company (collectively, "Reports"), are confidential and proprietary information and trade secrets belonging to Company.

8.2 Obligation of Confidentiality

During the Term of the Company IAP Agreement and for a period of five (5) years after the termination or expiration of the IAP Agreement between the IAP and Company, the IAP shall not:

- I. Use the information in the Reports to compete with Company or for any purpose other than promoting their Company business;
- II. Use or disclose to any person or entity any confidential information contained in the Reports, including the replication of the genealogy in another network marketing company.

Trade secrets, Company goodwill, and other Company know-how shall remain confidential beyond the 5-year period.

8.3 Breach and Remedies

The IAP acknowledges that such proprietary information is of such character as to render it unique and that disclosure or use thereof in violation of this provision will result in irreparable damage to Company and to independent Company businesses. Company and its IAPs will be entitled to injunctive relief or to recover damages against any IAP who violates this provision in any action to enforce its rights under this Section. The prevailing party shall be entitled to an award of attorney's fees, court costs and expenses.

8.4 Return of Materials

Upon demand by Company, any current or former IAP will return the original and all copies of all "Reports" to Company together with any Company confidential information in such person's possession.

9.0 ADVERTISING, PROMOTIONAL MATERIAL, USE OF IYO NAMES AND TRADEMARKS

9.1 Digital Products

- A. A Company IAP may display the company's digital products on a third party website. Such actions violates federal, state and local laws, rules, and regulations which may result in criminal or civil penalties or liability.

9.2 Use of IYO Names and Protected Materials

- A. A Company IAP must safeguard and promote the good reputation of Company and the products and services it markets. The marketing and promotion of Company, the Company sales opportunity, the Company Compensation Plan, and Company products

and services will be consistent with the public interest and must avoid all discourteous, deceptive, misleading, unethical or immoral conduct and practices.

- B. All promotional materials supplied or created by Company must be used in their *original* form and cannot be changed, amended or altered except with prior written approval from the Company Compliance Department.
- C. The name of Company, each of its product and service names and other names that have been adopted by Company in connection with its business are proprietary trade names, trademarks and service marks of Company. As such, these marks are of great value to Company and are supplied to IAPs for their use only in an expressly authorized manner.
- D. A Company IAP's use of the name "IYO Club," or other related names is restricted to protect Company proprietary rights, ensuring that the Company protected names will not be lost or compromised by unauthorized use. Use of the Company name on any item not produced by Company is prohibited except as follows:
 - I. [IAP's name] Independent IYO IAP; or
 - II. [IAP's name] Independent IAP of IYO products and services.
- E. Further procedures relating to the use of the Company name are as follows:
 - I. All stationary (i.e., letterhead, envelopes, and business cards) bearing the Company name or logo intended for use by the IAP must be approved in writing by the Company Compliance Department.
 - II. Company IAPs may list "Independent IYO IAP" or "IYO IAP" in online directories under their own name.
 - III. Company IAPs may not use the name IYO, or any form thereof, in answering their telephone, creating a voice message or using an answering service, such as to give the impression to the caller that they have reached the corporate office. They may state, "IYO IAP."
- F. Certain photos and graphic images used by Company in its advertising, packaging, and websites are the result of paid contracts with outside vendors that do not extend to IAPs. If an IAP wants to use these photos or graphic images, they must negotiate individual contracts with the vendors for a fee.
- G. A Company IAP shall not appear on or make use of television or radio or make use of any other media to promote or discuss Company or its programs, products or services without prior written permission from the Company Compliance Department.

- H. An IAP may not produce for sale or distribution any Company event or speech, nor may an IAP reproduce Company audio or video clips for sale or for personal use without prior written permission from the Company Compliance Department.
- I. Company reserves the right to rescind its prior approval of any sales aid or promotional material to comply with changing laws and regulations and may request the removal from the marketplace of such materials without financial obligation to the affected IAP.
- J. An IAP shall not promote non-Company products or services in conjunction with Company products or services on the same websites or same advertisement without prior approval from the Company Compliance Department.
- K. Claims (which include personal testimonials) as to therapeutic, curative or beneficial properties of any courses offered by Company may not be made.

9.3 E-mail Limitations

- A. Except as provided in this Section, an IAP may not use or transmit email, mass email distribution, or “spamming” that advertises or promotes the operation of their Company business. The exceptions are:
 - I. E-mailing any person who has given prior permission or invitation;
 - II. E-mailing any person with whom the IAP has established a prior business or personal relationship.
- B. In all states where prohibited by law, an IAP may not transmit, or cause to be transmitted through a third party, (by telephone, facsimile, computer or other device), an unsolicited advertisement to any equipment, which has the capacity to transcribe text or images from an electronic signal received over a regular telephone line, cable line, ISDN, T1 or any other signal carrying device, except as set forth in this Section.
- C. All e-mail or computer broadcasted documents subject to this provision shall include each of the following:
 - I. A clear and obvious identification that the fax or e-mail message is an advertisement or solicitation. The words “advertisement” or “solicitation” should appear in the subject line of the message;
 - II. A clear return path or routing information;
 - III. The use of legal and proper domain name;
 - IV. A clear and obvious notice of the opportunity to decline to receive further commercial e-mail messages from the sender;

- V. Unsubscribe or opt-out instructions should be the very first text in the body of the message box in the same size text as the majority of the message;
 - VI. The true and correct name of the sender, valid senders' e-mail address, and a valid sender physical address;
 - VII. The date and time of the transmission; and
 - VIII. Upon notification by recipient of their request not to receive further e-mailed documents, a Company IAP shall not transmit any further documents to that recipient.
- D. All e-mail or computer broadcasted documents subject to this provision shall not include any of the following;
- I. Use of any third party domain name without permission;
 - II. Sexually explicit materials.

9.4 Internet and Third-Party Website Restrictions

- A. An IAP may not use or attempt to register any of Company's trade names, trademarks, service names, service marks, product names, URLs, advertising phrases, the Company's name or any derivative thereof, for any purpose including, but not limited to, Internet domain names (URL), third party websites, e-mail addresses, web pages, blogs, or social media (for more information on social media guidelines please refer to the social networking and social media Section below).
- B. A Company IAP **MAY NOT** sell Company products, services or offer the sales opportunity using "online auctions," such as eBay, or on online marketplaces like Etsy, Amazon, Craigslist, Facebook Marketplace, or any other similarly-related platform.

This rule is required for many reasons, including consumer protection, compliance with laws regarding the Company products/services and to protect Company IAPs from losing potential enrollments of Customers/IAPs who may be reluctant to engage in the Company sales opportunity because they view the third-party sites as a competitive source of supply.

IAPs may only sell Company products/services through their Company replicated website ("Replicated Website") or the Company corporate website. IAPs may not have any other third-party websites (defined as a website that is not Company-approved personal website hosted on non-Company servers and with no affiliation with Company). Please note that a third-party website does not include social networking and social media sites.

9.5 Social Networking and Social Media

- A. IAPs may join social networking and/or social media sites, online forums, discussion groups, and blogs to leverage the power of the Company brand and to communicate the benefits of the Company products and sales opportunity. Online social pages belonging to an IAP may be used to drive traffic to a Replicated Website or to the Company Corporate Website.
- B. Company-dedicated accounts on social media may never be used to promote other business opportunities, other products or services, etc. An IAP may post suggestions to visit, like, or follow the business page on their personal page. An IAP may also post artwork or other tangential-to-business posts on their personal pages, but no enticements, ads, offers, non-Company product announcements, etc. may be posted on the personal pages.
- C. Social networks and social media sites include but are not limited to such sites as Facebook, Instagram, Pinterest, LinkedIn, Twitter, etc. IAPs may use their own social networking profiles to advertise and promote their Company businesses and the Company products, and direct traffic to their respective Replicated Website or the Company Corporate Website. However, no actual sales of Company products may be processed on social networking profiles or groups and no pricing may be shown on an image or in the text of a post. Banner ads and images used on these sites must be current and must come from the Company approved library.
- D. PROFILES AN IAP GENERATES IN ANY SOCIAL COMMUNITY WHERE COMPANY IS DISCUSSED OR MENTIONED MUST CLEARLY IDENTIFY THE IAP AS A COMPANY IAP, and when an IAP participates in those communities, IAP must avoid inappropriate conversations, comments, images, video, audio, applications or any other adult, profane, discriminatory or vulgar content. The determination of what is inappropriate is at Company's sole discretion, and offending IAPs will be subject to disciplinary action.
- E. IAPs are personally responsible for their postings and all other online activity that relates to Company. Therefore, even if an IAP does not own or operate a blog or social media site, if an IAP makes a post that relates to Company or which can be traced to the Company, the IAP is responsible for the posting. IAPs are also responsible for postings which occur on any blog or social media site that the IAP owns, operates or controls. Company reserves the right to require the removal of non-compliant or infringing posts from any IAP's social media pages and may terminate the IAP Agreement of any IAP who materially or repeatedly breaches this Section. Postings that are false, misleading or deceptive are strictly prohibited. This includes, but is not limited to, false or deceptive postings relating to the Company, Company income opportunity, Company products, and/or IAP information and credentials. Further, IAPs **MAY NOT** make any posting, or link to any posting or other material, that:
 - I. Is sexually explicit, obscene, or pornographic;
 - II. Is profane, hateful, threatening, defamatory, libelous, harassing or discriminatory in any way, shape or form;

- III. Is solicitous of any unlawful behavior;
 - IV. Engages in personal attacks on any individual, group or entity;
 - V. Is in violation of any intellectual property rights of the Company or any third party;
or
 - VI. Is not consistent with the standards as set forth in these Policies and Procedures.
- F. Anonymous postings or use of an alias on any social network or media site is prohibited, and offending IAPs will be subject to disciplinary action.
- G. IAPs may not use blog spam, spamdexing or any other mass-replicated methods to leave blog comments. Comments IAPs create or leave must be useful, unique, relevant and specific to the blog's article.
- H. IAPs must disclose their full name on all social network and media postings, and conspicuously identify themselves as an independent IAP for Company.
- I. As a Company IAP, it is important to not converse with any person who places a negative post against you, other IAPs, or Company. Report negative posts to the Company Compliance Department. Responding to such negative posts often simply fuels a discussion with someone carrying a grudge that does not hold themselves to the same high standards as Company, and therefore damages the reputation and goodwill of Company.
- J. The distinction between a social networking and/or media site and a third-party website may not be clear-cut. Because some social networking and/or media sites are particularly robust, Company therefore reserves the sole and exclusive right to classify certain sites as third-party websites and require that IAPs using, or who wish to use, such sites adhere to the Company's policies relating to third-party websites.
- K. If your Company business is cancelled for any reason, you must discontinue using the Company name, and all of Company's trademarks, trade names, service marks, and other intellectual property, and all derivatives of such marks and intellectual property, in any postings and all social websites that you utilize. If you post on any social website on which you have previously identified yourself as an independent Company IAP, you must conspicuously disclose that you are no longer an independent Company IAP. Absent such disclosure, IAP comments and actions may be construed as being taken on behalf of Company and IAP shall be responsible for indemnifying Company for such actions if any action is taken against Company.
- L. Failure to comply with these Policies for conducting business online may result in the IAP losing their right to advertise and market Company products, services and Company's sales opportunity online in addition to any other disciplinary action available under these Policies and Procedures.

- M. IAPs may wish to have “private” and/or “closed” social media groups, specifically Facebook Groups, for their particular Customers or for their particular downline. These groups are permitted as long as the groups are conducted and operated in a manner consistent with these Policies and Procedures and all other agreements between Company and IAP. In order to create a particular social media group, the IAP organizing the group must inform Company’s Compliance Department compliance@iyo.club and invite (“Compliance”) to the individual group so that Company may monitor the contents of the group and ensure that these Policies and Procedures are being appropriately followed. Compliance will not comment on, like, share, or otherwise interact with, a post within any specific group in which Compliance is a member. Compliance will review from time to time and make note of certain interactions or occurrences and notify Company and IAP if any potentially questionable or otherwise violative activity takes place that could warrant disciplinary action under these Policies and Procedures or other agreements between Company and IAP. These monitoring features will also permit Compliance to notify an IAP on the front end of a potential issue as opposed to having to take more extreme measures on the back end.
- N. IAPs must verify that individuals being added to private or closed groups are, in fact, Company Customers or IAPs. Such private or closed groups are limited to only those IAPs and Customers within a particular upline or downline as that specific group is for the interaction between members of a team. If a Customer no longer is a Customer, in any regard, then the Customer must be removed from the group within 24 hours of the change. (e.g., Customer does not purchase product for X amount of time determined at the discretion of Company or Customer becomes an IAP under a different genealogy than the current group). Upon termination, either voluntary or involuntary, cancellation, dismissal, winding up the business or any other reason for an IAP may no longer be involved with Company, the IAP must notify Compliance immediately of all accounts that would fall under this Section and category, post in the group that you are no longer associated with Company and will be disbanding the specific group, and then subsequently close and delete the group permanently.

9.6 Advertising and Promotional Materials

- A. You may not advertise any Company products or services at a price LESS than the highest company published, established retail price of ONE offering of the Company product or service.
- B. Advertising and all forms of communications must adhere to principles of honesty and propriety.
- C. All advertising, including, but not limited to, print, Internet, computer bulletin boards, television, radio, etc., are subject to prior written approval by the Company Compliance Department. Further, all requests for approval for advertising must be directed in writing to the Company Compliance Department.

- D. Company approval is not required to place blind ads that do not mention Company, its employees, any of its products, services, designs, symbols, programs, and trademarked, copyrighted, or otherwise protected materials. However, an IAP may not purchase (or encourage or solicit any third party to purchase) any term containing Company, its products, programs, trademarks, copyright and any other protected material as a meta-tag, keyword, paid search term, sponsored advertisement or sponsored link in markets in which Company conducts business.
- E. Company reserves the right to rescind its prior approval of submitted advertising or promotional materials in order to comply with changing laws and regulations and may require the removal of such advertisements from the marketplace without obligation to the affected IAP.

9.7 Testimonial Permission

By signing the Company IAP Agreement, an IAP gives Company permission to use their testimonial or image and likeness in corporate sales materials, including but not limited to print media, electronic media, audio and video. In consideration of being allowed to participate in the Company sales opportunity, an IAP waives any right to be compensated for the use of their testimonial or image and likeness even though Company may be paid for items or sales materials containing such image and likeness. In some cases, an IAP's testimonial may appear in another IAP's advertising materials. If an IAP does not wish to participate in Company sales and marketing materials, they should provide a written notice to the Company Compliance Department to ensure that their testimonial or image and likeness will not be used in any corporate materials, corporate recognition pieces, advertising or recordings of annual events.

9.8 Telemarketing Limitations

- A. A Company IAP must not engage in telemarketing in relation to the operation of the IAP's Company business. The term "telemarketing" means the placing of one or more telephone calls, text messages or any other messaging service to an individual or entity to induce the purchase of Company products or services, or to recruit them for the Company opportunity.
- B. The Federal Trade Commission ("FTC") and the Federal Communications Commission ("FCC") 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.
- C. While an IAP may not consider himself or herself a "telemarketer" in the traditional sense, these regulations broadly define the term "telemarketer" and "telemarketing" so that the unintentional action of calling someone whose telephone number is listed on the Federal "Do Not Call" registry could cause the IAP to violate the law. These regulations must not be taken lightly, as they carry significant penalties.

D. "Cold calls" or "state-to-state calls" made to prospective Customers, or IAPs that promote either Company products, services or the Company opportunity is considered telemarketing and is prohibited.

E. Exceptions to Telemarketing Regulations

A Company IAP may place telephone calls to prospective Customers, or IAPs under the following limited situations:

- I. If the IAP has an established business relationship with the prospect;
 - II. In response to the prospect's personal inquiry or application regarding a product or service offered by the Company IAP, within three (3) months immediately before the date of such a call;
 - III. If the IAP receives written and signed permission from the prospect authorizing the IAP to call;
 - IV. If the call is to family members, personal friends, and acquaintances. However, if an IAP makes a habit of collecting business cards from everyone they meet and subsequently calls them, the FTC may consider this a form of telemarketing that is not subject to this exemption;
 - V. Company IAPs engaged in calling "acquaintances," must make such calls on an occasional basis only and not as a routine practice.
- F. An IAP shall not use automatic telephone dialing systems or automatic messaging services in the operation of his or her Company businesses.
- G. Failure to abide by Company policies or regulations as set forth by the FTC and FCC regarding telemarketing may lead to sanctions against the IAP's business, up to and including termination of the business.
- H. By signing the IAP Agreement, or by accepting commission checks, other payments or awards from Company, an IAP gives permission to Company and other IAPs to contact them as permitted under the Federal Do Not Call regulations.
- I. In the event an IAP violates this Section, Company reserves the right to initiate legal proceedings to obtain monetary or equitable relief.

9.9 International Marketing Policy

A. A Company IAP is authorized to sell Company products and services to Customers and IAPs only in the countries in which Company is authorized to conduct business, according to the Policies and Procedures of each country. Company IAPs may not sell products or services in any country where Company products and services have not received applicable government authorization or approval.

- B. An IAP may not, in any unauthorized country, conduct sales, enrollment or training meetings, enroll or attempt to enroll potential Customers, or IAPs, nor conduct any other activity for the purpose of selling Company products and services, establishing a sales organization, or promoting the Company sales opportunity.

10.0 CHANGES TO AN AFFILIATE'S BUSINESS

10.1 Modification of the IAP Agreement

A Company IAP may modify their existing IAP Agreement (i.e., change a social security number to a Federal ID number, add a spouse or partner to the account, or change the form of ownership from an individual to a Business Entity owned by the IAP) by submitting a written request, accompanied by a new IAP Agreement and the Business Registration Form, if applicable, completed with fresh signatures (not a "crossed out" or "white-out" version of the first Agreement), and any appropriate supporting documentation.

10.2 Change Sponsor or Placement for Active IAPs

- A. Maintaining the integrity of the organizational structure is mandatory for the success of Company and our independent IAPs. As such, under exceptional circumstances at the discretion of the Company, a request to change placement may only be made within the end of the Calendar month of initial enrollment as an IAP. Furthermore, such changes may only occur within the same organization. Contact@IYO.Club
- B. Sponsors may make "Placement changes" from one IAP to another for personally Sponsored (frontline) IAPs within the same calendar month.
- C. The original Sponsor may request a change (correction) of Sponsor within the first 72 hours of enrollment for the purpose of correcting an error.
- D. To change or correct the Sponsor, an IAP must comply with the following procedures:
 - I. Submit a Sponsor Placement Transfer Form;
 - II. Submit a Company IAP Agreement showing the correct Sponsor and Placement and any appropriate supporting documentation;
 - III. The IAP Agreement must be a new, completed document bearing "fresh" signatures, not a "crossed-out" or "white-out" version of the first Agreement.
- E. Upon approval, the IAP's downline, if any, will transfer with the IAP.
- F. If one transfer has already been made a \$20 fee will be assessed for the second and for each transfer thereafter.

- G. After the first thirty (30) days from initial enrollment, Company will honor the Sponsor/Placement as shown:
 - I. On the most recently signed IAP Agreement on file; or
 - II. Self-enrolled on the website (i.e., electronically signed Agreement).
- H. Company retains the right to approve or deny any requests to change Sponsor or Placement, and to correct any errors related thereto at any time and in whatever manner it deems necessary.
- I. Please note that decisions made for any change request (sponsor or placement) are at the sole discretion of the Company and the acceptance of one change will never constitute the acceptance of future changes for that IAP or any other regardless of similarity in situation.

10.3 Change Sponsor or Placement for Inactive IAPs

- A. At the discretion of Company, IAPs who remained inactive for a period of twelve (12) months, and who have not tendered a letter of resignation, are eligible to re-enroll in Company under the Sponsor/Placement of their choice.
- B. Upon written notice to Company that a former IAP wishes to re-enroll, Company will “compress” (close) the original account. A new Company ID number will then be issued to the former IAP.
- C. Such IAP does not retain former rank, downline, or rights to commission checks from their former organizations.
- D. Company reserves the right to correct Sponsor or Placement errors at any time and in whatever manner it deems necessary.

10.4 Unethical Sponsoring

- A. Unethical sponsoring activities include, but are not limited to, enticing, bidding or engaging in unhealthy competition in trying to acquire a prospect or new IAP from another IAP or influencing another IAP to transfer to a different sponsor.
- B. Allegations of unethical sponsoring must be reported in writing to the Company Compliance Department within the first ninety (90) days of enrollment. If the reports are substantiated, Company may transfer the IAP or the IAP’s downline to another Sponsor, Placement or organization without approval from the current upline Sponsor or Placement IAPs. Company remains the final authority in such cases.
- C. **Company prohibits the act of “Stacking.”** Stacking is the unauthorized manipulation of the Company compensation system and/or the marketing plan in order to trigger commissions or cause a promotion off a downline IAP in an unearned manner. One example of stacking occurs when a Sponsor places participants under an inactive

downline without their knowledge in order to trigger unearned qualification for commissioning. Stacking is unethical and unacceptable behavior, and as such, it is a punishable offense with measures up to and including the termination of the independent consultant positions of all individuals and/or entities found to be directly involved.

- D. Should IAPs engage in solicitation and/or enticement of members of another direct sales company to sell or distribute Company products and services to, they bear the risk of being sued by the other direct sales company. If any lawsuit, arbitration, or mediation is brought against an IAP alleging that they engaged in inappropriate recruiting activity of another company's sales force or Customers, Company will not pay any of IAP's defense costs or legal fees, nor will Company indemnify the IAP for any judgment, award, or settlement.

10.5 Sell, Assign or Delegate Ownership

- A. In order to preserve the integrity of the hierarchical structure, it is necessary for Company to place restrictions on the transfer, assignment, or sale of a business.
- B. A Company IAP may not sell or assign their rights or delegate their position as an IAP without *prior written approval* by Company, as approval will not be unreasonably withheld. Any attempted sale, assignment, or delegation without such approval may be voided at the discretion of Company.
- C. Prior to Company approval, the selling IAP must first offer their position to their upline Sponsor. The Sponsor shall have five (5) business days in which to accept the offer. If Sponsor accepts the offer, they must provide the Company with written notice of acceptance. If the Sponsor declines the offer, the selling IAP may offer the position to another buyer.
- D. Should the sale be approved by Company, the Buyer assumes the position of the Seller at the current qualified title, but at the current "paid as" rank, at the time of the sale and acquires the Seller's Downline.
- E. To request corporate authorization for a sale or transfer of a Company business, the following items must be submitted to the Company Compliance Department:
 - I. A Sale/Transfer of Business Form properly completed, with the requisite signatures;
 - II. A copy of the Sales Agreement signed and dated by both Buyer and Seller;
 - III. A Company IAP Agreement completed and signed by the Buyer;
 - IV. Payment of the \$100 administration fee;
 - V. Any additional supporting documentation requested by Company.

- F. Any debt obligations that either Seller or Buyer may have with Company must be satisfied prior to the approval of the sale or transfer by Company.
- G. A Company IAP who sells their business is not eligible to re-enroll as a Company IAP in any organization for six (6) full calendar months following the date of the sale except as otherwise expressly set forth in these Policies and Procedures.
- H. Protection of existing LOS must always be maintained so that the Company business continues to be operated in that LOS.
- I. The selling IAP 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 Company business.

10.6 Separating an IYO Business

Company IAPs sometimes operate their Company businesses as spouse-spouse partnerships, regular partnerships, corporations, or trusts. At such time as a marriage may end in divorce or a corporation, partnership, or trust (the latter three entities are collectively referred to herein as “entities”) 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 LOS. If the separating parties fail to provide for the best interests of other IAPs and the Company in a timely fashion, the Company will involuntarily terminate the IAP Agreement.

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

- A. One of the parties may, with consent of the other(s), operate the Company business pursuant to an assignment in writing whereby the relinquishing spouse, shareholders, partners, or trustees authorize the Company to deal directly and solely with the other spouse or non-relinquishing shareholder, partner, or trustee; or
- B. The parties may continue to operate the Company business jointly on a “business-as-usual” basis, whereupon all compensation paid by the Company 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. The Company will never remove a party to a position from an IAP account without that party’s written permission and signature. Under no circumstances will the downline organization of divorcing spouses or a dissolving business entity be divided. Under no circumstances will the Company split commission and bonus checks between divorcing spouses or members of dissolving entities. Company will recognize only one downline organization and will issue only one commission check per Company business per commission cycle. Commission checks shall always be issued to the same individual or entity. In the event that parties to a divorce or dissolution proceeding are unable to resolve a dispute over the disposition of commissions and ownership of the business in a timely fashion as determined by the Company, the IAP Agreement shall be involuntarily cancelled. If a former spouse has completely relinquished all rights in the original Company

business pursuant to a divorce, they are thereafter free to enroll under any sponsor of their choosing without waiting six (6) 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 (6) calendar months from the date of the final dissolution before re-enrolling as an IAP. In either case, however, the former spouse or business affiliate shall have no rights to any IAP in their former organization or to any former customer. They must develop the new business in the same manner as would any other new IAP.

10.7 Succession

- A. Upon the death or incapacity of an IAP, the IAP's business may be passed on to their legal successors in interest (successor) up to, but no more than, three (3) generations. Meaning the position is only devisable a maximum of three (3) times, unless otherwise approved, in writing, by the Company. Whenever a Company business is transferred by will or other testamentary process, the successor acquires the right to collect all bonuses and commissions of the deceased IAP's sales organization. The successor must:
 - I. Complete and sign a new Company IAP Agreement;
 - II. Comply with the terms and conditions of the IAP Agreement; and
 - III. Meet all of the qualifications for the last rank achieved by the former IAP.
- B. Bonuses and commission checks of a Company business transferred based on this Section will be paid in a single check to the successor. The successor must provide Company with an "address of record" to which all bonus and commission Payments will be sent. Payments will be based on the current performance of the business, not the highest rank or volume achieved.
- C. If the business is bequeathed to joint devisees (successors), they must form a business entity and acquire a federal taxpayer identification number. Company will issue all bonus and commission payments and one 1099-NEC form to the managing business entity only.
- D. Appropriate legal documentation must be submitted to the Company Compliance Department to ensure the transfer is done properly. To affect a testamentary transfer of a Company business, the successor must provide the following to the Company Compliance Department:
 - I. A certified copy of the death certificate; and
 - II. A notarized copy of the will or other appropriate legal documentation establishing the successor's right to the Company business.

- E. To complete a transfer of the Company business because of incapacity, the successor must provide the following to the Company Compliance Department:
 - I. A notarized copy of an appointment as trustee;
 - II. A notarized copy of the trust document or other appropriate legal documentation establishing the trustee's right to administer the Company business; and
 - III. A completed IAP Agreement executed by the trustee.
- F. If the successor is already an existing IAP, Company will allow such IAP to keep their own business plus the inherited business active for up to six (6) months. By the end of the 6-month period, the IAP must have compressed (if applicable), sold or otherwise transferred either the existing business or the inherited business.
- G. If the successor wishes to terminate the Company business, they must submit a notarized statement stating the desire to terminate the business, along with a certified copy of the death certificate, appointment as trustee, and/or any other appropriate legal documentation.
- H. Upon written request, Company may grant a one (1) month bereavement waiver and pay out at the last "paid as" rank.

10.8 Resignation/Voluntary Termination

- A. An IAP may immediately terminate their business by submitting a written notice or email to the Company Compliance Department. The written notice must include the following:
 - I. The IAP's intent to resign and date of resignation;
 - II. Company Identification Number and reason for resigning; and
 - III. Signature.
- B. A Company IAP may not use resignation as a way to immediately change Sponsor and Placement. Instead, the IAP who has voluntarily resigned is not eligible to reapply for a business or have any financial interest in a or any Company business for six (6) months from the receipt of the written notice of resignation.

10.9 Involuntary Termination

- A. Company reserves the right to terminate an IAP's business for, but not limited to, the following reasons:
 - I. Violation of any terms and conditions of the IAP Agreement;

- II. Violation of any provision in these Policies and Procedures;
 - III. Violation of any provision in the Compensation Plan;
 - IV. Violation of any applicable law, ordinance, or regulation regarding the Company business;
 - V. Engaging in unethical business practices or violating standards of fair dealing.
- B. Company will notify the IAP in writing, at their last known home address or e-mail address of its intent to terminate the IAP's business and the reasons for termination.
 - C. If the IAP wishes to provide documentation to appeal Company's decision, IAP must do so within three (3) business days from the date of termination notice. Company shall then make a decision on whether or not to rescind termination.
 - D. If the termination is not rescinded, the termination will be effective as of the date of the original termination notice by Company. The former IAP shall thereafter be prohibited from using the names, marks or signs, labels, stationery, advertising, or business material referring to or relating to any Company products or services. Company will notify the active upline Sponsor within ten (10) days after termination. The organization of the terminated IAP will "roll up" to the active Upline Sponsor on record.
 - E. The Company IAP who is involuntarily terminated by Company may not reapply for a business, either under their present name or any other name or entity, ***without the express written consent of an officer of Company following a review by the Company Compliance Committee***. In any event, such IAP may not reapply for a business for twelve (12) months from the date of termination.

10.10 Effect of Cancellation

- A. Following an IAP's cancellation for inactivity or voluntary or involuntary termination (collectively, a "cancellation") such IAP:
 - I. Shall have no right, title, claim or interest to any commission or bonus from the sales generated by the IAP's former organization or any other payments in association with the IAP's former independent business;
 - II. Effectively waives any and all claims to property rights or any interest in or to the IAP's former Downline organization; and
 - III. Shall receive commissions and bonuses only for the last full pay period in which they were active prior to cancellation, less any amounts withheld during an investigation preceding an involuntary cancellation, and less any other amounts owed to Company.

11.0 WARRANTIES AND LIMITATIONS OF LIABILITY

11.1 Warranty; Disclaimer

Company warrants to IAPs that the Company products as and when delivered by Company shall be free from material defects. Company's sole obligation to IAPs, and IAPs' sole and exclusive remedy, for breach of this warranty shall be to return any defective Company products and receive a replacement or refund as described in Section 6. **TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, COMPANY HEREBY DISCLAIMS ALL OTHER WARRANTIES WITH RESPECT TO THE COMPANY PRODUCTS, THE SALES PROGRAM, COMPANY MARKETING MATERIALS, COMPANY BUSINESS SUPPLIES, AND ANY OTHER SUBJECT MATTER OF THE AFFILIATE AGREEMENT, WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, NONINFRINGEMENT, ACCURACY OR COMPLETENESS OF CONTENT, RESULTS, LACK OF NEGLIGENCE OR LACK OF WORKMANLIKE EFFORT, AND CORRESPONDENCE TO DESCRIPTION.**

11.2 Limitation of Liability

NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY OR ANY FAILURE OF ESSENTIAL PURPOSE, IN NO EVENT SHALL AN AFFILIATE OR COMPANY (INCLUDING ANY OF ITS RELATED PARTIES (AS DEFINED IN SECTION 13.3E) BE LIABLE TO THE OTHER PARTY FOR ANY SPECIAL, INCIDENTAL, INDIRECT, PUNITIVE OR EXEMPLARY, OR CONSEQUENTIAL DAMAGES OF ANY KIND OR NATURE, HOWEVER CAUSED, ARISING OUT OF OR RELATED TO THE AFFILIATE AGREEMENT OR THE SUBJECT MATTER HEREOF (INCLUDING BUT NOT LIMITED TO THE COMPANY PRODUCTS, THE PROGRAM, COMPANY MARKETING MATERIALS OR COMPANY BUSINESS SUPPLIES), WHETHER SUCH LIABILITY IS ASSERTED ON THE BASIS OF CONTRACT, TORT OR OTHER THEORY OF LIABILITY (INCLUDING BUT NOT LIMITED TO NEGLIGENCE OR STRICT LIABILITY), OR OTHERWISE, EVEN IF THE AFFILIATE OR COMPANY (OR ANY OF ITS RELATED PARTIES) HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN JURISDICTIONS THAT DO NOT GIVE EFFECT TO LIMITED LIABILITY OR EXCULPATORY CLAUSES, THIS PROVISION IS NOT APPLICABLE. IN JURISDICTIONS THAT ALLOW FOR EXCULPATORY OR LIMITED LIABILITY CLAUSES IN A LIMITED MANNER, THIS PROVISION IS APPLICABLE TO THE FULLEST EXTENT ALLOWED BY THE LAW OF SUCH JURISDICTION.

12.0 DISCIPLINARY SANCTIONS

12.1 Imposition of Disciplinary Action - Purpose

It is the spirit of Company that integrity and fairness should pervade among its IAPs, thereby providing everyone with an equal opportunity to build a successful business. Therefore, Company reserves the right to impose disciplinary sanctions at any time, when it has determined that an IAP has violated the Agreement or any of these Policies and Procedures or the Compensation Plan as they may be amended from time to time by Company.

12.2 Consequences and Remedies of Breach

- A. Disciplinary actions may include one or more of the following:
- I. Monitoring an IAP's conduct over a specified period of time to assure compliance;
 - II. Issuance of a written warning or requiring the IAP to take immediate corrective action;
 - III. Imposition of a fine (which may be imposed immediately or withheld from future commission payments) or the withholding of commission payments ("Commission Hold") until the matter causing the Commission Hold is resolved or until Company receives adequate additional assurances from the IAP to ensure future compliance;
 - IV. Suspension from participation in Company or IAP events, rewards, or recognition;
 - V. Suspension of the Company IAP Agreement and business for one or more pay periods;
 - VI. Involuntary termination of the IAP's Agreement and business;
 - VII. Any other measure which Company deems feasible and appropriate to justly resolve injuries caused by the IAP's Policy violation or contractual breach; OR
 - VIII. Legal proceedings for monetary or equitable relief.

13.0 GRIEVANCES & DISPUTE RESOLUTION

13.1 Grievances

- A. If a Company IAP has a grievance or complaint against another IAP regarding any practice or conduct relating to their respective Company businesses, they are encouraged to resolve the issue directly with the other party. If an agreement cannot be reached, it must be reported directly to the Company Compliance Department as outlined below in this Section.
- B. The Company Compliance Department will be the final authority on settling such grievance or complaint and its written decision shall be final and binding on the IAPs involved.
- C. Company will confine its involvement to disputes regarding Company business matters only. Company will not decide issues that involve personality conflicts or unprofessional conduct by or between IAPs outside the context of a Company business. These issues go beyond the scope of Company and may not be used to justify a Sponsor or Placement change or a transfer to another Company organization.

- D. Company does not consider, enforce, or mediate third party agreements between IAPs, nor does it provide names, funding, or advice for obtaining outside legal counsel.

- E. Process for Grievances:
 - I. The IAP should submit a written letter of complaint (e-mail will not be accepted) directly to the Company Compliance Department. The letter shall set forth the details of the incident as follows:
 - a. The nature of the violation;
 - b. Specific facts to support the allegations;
 - c. Date(s) and number(s) of occurrences;
 - d. Persons involved; and
 - e. Supporting documentation.

 - II. Upon receipt of the written complaint, Company will conduct an investigation according to the following procedures:
 - a. The Compliance Department will send an acknowledgment of receipt to the complaining IAP.
 - b. The Compliance Department will provide a verbal or written notice of the allegation to the IAP under investigation. If a written notice is sent to the IAP, they will have five (5) business days from the date of the notification letter to present all information relating to the incident for review by Company.
 - c. The Compliance Department will thoroughly investigate the complaint and consider all the submitted information it deems relevant, including information from collateral sources. Due to the unique nature of each situation, determinations of the appropriate remedy will be on a case-by-case basis, and the length of time to reach a resolution will vary.
 - d. During the course of the investigation, the Compliance Department will only provide periodic updates simply stating that the investigation is ongoing. No other information will be released during that time. IAP calls, letters, and requests for “progress reports” during the course of the investigation will not be answered or returned.

- E. Company will make a final decision and timely notify the Company IAPs involved.

13.2 Liquidated Damages

In any case which arises from or relates to the wrongful termination of the Agreement and/or an IAP’s business, Company and the IAP agree that damages will be extremely difficult to ascertain. Therefore, the Company and the IAP stipulate that if the involuntary termination of the Agreement and/or loss of IAP’s Company business is proven and held to be wrongful under any theory of law, the IAP’s sole remedy will be liquidated damages calculated as follows:

- a. Liquidated damages will be in the amount of their gross compensation that they earned pursuant to the Company's Compensation Plan in the twelve (12) months immediately preceding the termination.
- b. In any action arising from or relating to the Agreement, the Company business, or the relationship between the Company and an IAP, both Parties waive all claims for incidental and/or consequential damages, even if the other Party has been apprised of the likelihood of such damage. The Company and IAP further waive all claims to exemplary and punitive damages.

13.3 Dispute Resolution

- A. THIS PROVISION CONTAINS AN AGREEMENT THAT AFFECTS HOW CLAIMS AN AFFILIATE MAY HAVE AGAINST COMPANY, OR CLAIMS COMPANY MAY HAVE AGAINST AN AFFILIATE, WILL BE RESOLVED. THE PARTIES UNDERSTAND AND AGREE THAT THIS DISPUTE RESOLUTION AGREEMENT OPERATES AS A SEPARATE AND DISTINCT AGREEMENT THAT IS SEVERABLE FROM THE REMAINDER OF THE AFFILIATE AGREEMENT AND IS ENFORCEABLE REGARDLESS OF THE ENFORCEABILITY OF ANY OTHER PROVISION OF THE AFFILIATE AGREEMENT OR THE AFFILIATE AGREEMENT AS A WHOLE. CONSIDERATION FOR THIS DISPUTE RESOLUTION AGREEMENT INCLUDES, WITHOUT LIMITATION, THE PARTIES' MUTUAL AGREEMENT TO ARBITRATE CLAIMS. THE PARTIES FURTHER UNDERSTAND AND AGREE THAT THE UNENFORCEABILITY OF THE AFFILIATE AGREEMENT IN WHOLE OR IN PART SHALL NOT SUPPORT A FINDING THAT THIS DISPUTE RESOLUTION AGREEMENT IS UNENFORCEABLE. THE FEDERAL ARBITRATION ACT ("FAA") SHALL GOVERN THIS DISPUTE RESOLUTION AGREEMENT WITHOUT GIVING EFFECT TO ANY STATE LAW TO THE CONTRARY.**

Any controversy, claim or dispute of whatever nature arising between IAP, on the one hand, and Company and/or the Related Parties (as defined in subsection E below), on the other, including but not limited to those arising out of or relating to the IAP Agreement including these Policies and Procedures or the breach thereof, the sale, purchase or use of the Company products/services, or the commercial, economic or other relationship of IAP and Company and/or the Related Parties (for purposes of this Section, each a "party"), whether such claim is based on rights, privileges or interests recognized by or based upon statute, contract, tort, common law or otherwise ("Dispute"), and any Dispute as to the arbitrability of a matter under this provision, shall be settled through negotiation, mediation or arbitration, as provided herein.

- B. Negotiation and Mediation.** If a Dispute arises, the Parties shall first attempt in good faith to resolve it promptly by negotiation. Any of the Parties involved in the Dispute may initiate negotiation by providing notice (the "Dispute Notice") to each involved Party setting forth the subject of the Dispute and the relief sought by the Party providing the Dispute Notice and designating a representative who has full authority to negotiate and settle the Dispute. Within ten (10) Business Days after the Dispute Notice is provided, each recipient shall respond to all other known recipients of the Dispute Notice with

notice of the recipient's position on and recommended solution to the Dispute, designating a representative who has full authority to negotiate and settle the Dispute. Within twenty (20) Business Days after the Dispute Notice is provided, the representatives designated by the Parties shall confer either in person at a mutually acceptable time and place or by telephone, and thereafter as often as they reasonably deem necessary, to attempt to resolve the Dispute. At any time twenty (20) Business Days or more after the Dispute Notice is provided, but prior to the initiation of arbitration, regardless of whether negotiations are continuing, any Party may submit the Dispute to JAMS for mediation by providing notice of such request to all other concerned Parties and providing such notice and a copy of all relevant Dispute Notices and notices responding thereto to JAMS. In such case, the Parties shall cooperate with JAMS and with one another in selecting a mediator from the JAMS panel of neutrals and in promptly scheduling the mediation proceedings and shall participate in good faith in the mediation either in person at a mutually acceptable time and place or by telephone, in accordance with the then-prevailing JAMS's mediation procedures and this Section, which shall control.

- C. **Arbitration.** Any Dispute not resolved in writing by negotiation or mediation shall be subject to and shall be settled exclusively by final, binding arbitration before a single arbitrator or, for Disputes in excess of two million dollars (\$2,000,000 USD), a panel of three arbitrators, in the City of Atascadero in the State of California in accordance with the then-prevailing Comprehensive Arbitration Rules of JAMS, Inc. No Party may commence Arbitration with respect to any Dispute unless that Party has pursued negotiation and, if requested, mediation, as provided herein, provided, however, that no Party shall be obligated to continue to participate in negotiation or mediation if the Parties have not resolved the Dispute in writing within sixty (60) Business Days after the Dispute Notice was provided to any Party or such longer period as may be agreed by the Parties. Unless otherwise agreed by the Parties, the mediator shall be disqualified from serving as an arbitrator in the case. The Parties understand and agree that if the arbitrator or arbitral panel awards any relief that is inconsistent with the Limitation of Liability provision of these Policies and Procedures, such award exceeds the scope of the arbitrator's or the arbitral panel's authority, and any Party may seek a review of the award in the exclusive jurisdiction and venue of the courts in the City of Atascadero in the State of California.

Notwithstanding the foregoing, venue and jurisdiction for any claims or disputes arising under or relating to the IAP Agreement brought by residents of Louisiana shall be established pursuant to Louisiana law.

- D. **Waiver of Class Action and Jury Trial. THE NEGOTIATION, MEDIATION OR ARBITRATION OF ANY DISPUTE SHALL BE LIMITED TO INDIVIDUAL RELIEF ONLY AND SHALL NOT INCLUDE CLASS, COLLECTIVE OR REPRESENTATIVE RELIEF. IN ANY ARBITRATION OF A DISPUTE, THE ARBITRATOR OR ARBITRAL PANEL SHALL ONLY HAVE THE POWER TO AWARD INDIVIDUAL RELIEF AND SHALL NOT HAVE THE POWER TO AWARD ANY CLASS, COLLECTIVE OR REPRESENTATIVE RELIEF. THE PARTIES UNDERSTAND AND AGREE THAT**

EACH IS WAIVING THE RIGHT TO TRIAL BY JURY OR TO PARTICIPATE IN A CLASS, COLLECTIVE OR OTHER REPRESENTATIVE ACTION.

- E. Although the IAP Agreement is made and entered into between IAP and Company, Company affiliates, owners, members, managers and employees (“Related Parties”) are intended third-party beneficiaries of the IAP Agreement for purposes of the provisions of the IAP Agreement referring specifically to them, including this agreement to negotiate, mediate and arbitrate. The Parties acknowledge that nothing contained herein is intended to create any involvement by, responsibility of, or liability for, the Related Parties with respect to any dealings between IAP and Company, and the Parties further acknowledge that nothing contained herein shall be argued by either of them to constitute any waiver by the Related Parties of any defense which Related Parties may otherwise have concerning whether they can properly be made a party to any dispute between the other parties.
- F. To the fullest extent allowed by law: (i) the costs of negotiation, mediation and arbitration, including fees and expenses of any mediator, arbitrator, JAMS, or other persons independent of all Parties acting with the consent of the Parties to facilitate settlement, shall be shared in equal measure by IAP, on the one hand, and Company and any Related Parties involved on the other, except where applicable law requires that Company bear any costs unique to arbitration (which Company shall bear); and (ii) the arbitrator or arbitral panel or, in the case of provisional or equitable relief or to challenge an award that exceeds arbitral authority as described in this Section, the court, shall award reasonable costs and attorneys’ fees to the person or entity that the arbitrator, arbitral panel, or court finds to be the prevailing party; provided, however, that if fees are sought under a statute or rule that sets a different standard for awarding fees or costs, then that statute or rule shall apply.
- G. Nothing in these Policies and Procedures shall prevent Company from applying for or 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 Company interests or its Confidential Information prior to, during or following the filing of an arbitration or other proceeding, or pending the rendition of a decision or award in connection with any arbitration or other proceeding.
- H. Any Party may seek specific performance of this Section, and any Party may seek to compel each other Party to comply with this Section by petition to any court of competent jurisdiction. For purposes of any provisional or equitable relief sought under this Section, the Parties consent to exclusive jurisdiction and venue in the courts in the City of Atascadero in the State of California, or the United States District Court for the Central District of California. The pendency of mediation or arbitration shall not preclude a Party from seeking provisional remedies in aid of the arbitration from a court of appropriate jurisdiction, and the Parties agree not to defend against any application for provisional relief on the ground that mediation or arbitration is pending.
- I. **ANY AMENDMENT BY COMPANY TO THE DISPUTE RESOLUTION AGREEMENT IN THIS SECTION SHALL ONLY TAKE EFFECT UPON AN AFFILIATE’S EXPRESS**

AGREEMENT TO SUCH AMENDMENT. AN AFFILIATE MAY INDICATE THEIR AGREEMENT TO SUCH PROPOSED AMENDMENT BY FOLLOWING THE INSTRUCTIONS THAT WILL APPEAR WHEN LOGGING IN TO THE COMPANY CORPORATE WEBSITE OR THE AFFILIATE'S REPLICATED WEBSITE. COMPANY MAY TERMINATE THE AFFILIATE AGREEMENT OF ANY AFFILIATE WHO DOES NOT AGREE TO A PROPOSED AMENDMENT TO THE DISPUTE RESOLUTION AGREEMENT IN THIS SECTION WITHIN THIRTY (30) DAYS AFTER THE EFFECTIVE DATE OF THE AMENDMENT. ANY SUCH AMENDMENT SHALL APPLY TO ALL CLAIMS BROUGHT BY COMPANY OR THE AFFILIATE ON OR AFTER THE EFFECTIVE DATE OF THE AMENDMENT, REGARDLESS OF THE DATE OF OCCURRENCE OR ACCRUAL OF ANY FACTS UNDERLYING SUCH CLAIM.

13.4 Governing Law

This Agreement is to be construed in accordance with and governed by the laws of the State of California, without regard to its choice of law principles, and the Federal Arbitration Act shall govern the Dispute Resolution Agreement of these Policies and Procedures and the IAP Agreement without giving effect to any state law to the contrary.

14.0 MISCELLANEOUS

14.1 Severability

If any provision of these Policies and Procedures is found to be invalid, or unenforceable for any reason, only the invalid provision shall be severed. The remaining terms and provisions hereof shall remain in full force and shall be construed as if such invalid or unenforceable provision never had comprised a part of these Policies and Procedures.

14.2 Waiver

- A. Only an officer of Company can, in writing, affect a waiver of the Company Policies and Procedures. Company's waiver of any particular breach by an IAP shall not affect Company's rights with respect to any subsequent breach, nor shall it affect the rights or obligations of any other IAP. A waiver in one instance does not constitute a waiver at any other point for that IAP or for any other IAP likely situated.
- B. The existence of any claim or cause of action of an IAP against Company shall not constitute a defense to Company's enforcement of any term or provision of these Policies and Procedures.

14.3 Successors and Claims

This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns.

15.0 DEFINITIONS

AFFILIATE: This is also a customer, who can refer others. Commonly known in other Companies as a “preferred customer” and has access to the “customer referral program” which we call “Affiliate Program”). Affiliate Members cannot earn ranks or participate in the compensation plan as they’re not considered to be building an IYO team business. Affiliates being “Customers” only earn 1 level to get a reward for their referral of another Customer.

ACTIVE AFFILIATE PLUS+: An IAP who satisfies the minimum volume requirements and has paid the required fees, as set forth in the Compensation Plan and these Policies, to ensure that they are eligible to receive bonuses and commissions.

AFFILIATE PLUS+ (IAP): A generic term for any person or entity that has completed the IAP Agreement with the Company and fulfilled all requirements to participate within the career path. An IAP is able to recruit other IAPs, sell products and services, and build a Company business via retail sales and commissions earning.

AGREEMENT: The contract between the Company and each IAP; includes the IAP Agreement, the Company Policies and Procedures, the Company Compensation Plan, and all other applicable forms incorporated herein, all in their current form and as amended by Company in its sole discretion. These documents are collectively referred to as the “Agreement.”

BUSINESS DAYS: Monday through Friday, excluding the weekend days of Saturday and Sunday. If a day within a period of Business Days, for purposes of counting, falls on a Monday through Friday on which there is a national holiday in which, for example, federal banks are closed, then that day shall not count as a Business Day.

CANCEL: The termination of an IAP’s business. Cancellation may be either voluntary, involuntary, or through non-renewal.

COMPENSATION PLAN: The guidelines and referenced literature for describing how IAPs can generate commissions and bonuses.

CUSTOMER: A Customer who purchases Company products and does not engage in building a business or retailing product. Also called a Member.

LINE OF SPONSORSHIP (LOS): A report generated by Company that provides critical data relating to the identities of IAPs, sales information, and enrollment activity of each IAP’s organization. This report contains confidential and trade secret information which is proprietary to Company.

ORGANIZATION: The Customers and IAPs placed below a particular IAP.

OFFICIAL COMPANY MATERIAL: Literature, audio or video tapes, and other materials developed, printed, published, and distributed by Company to IAPs.

PLACEMENT: Your position inside your Sponsor’s organization.

RECRUIT: For purposes of Company’s Conflict of Interest Policy, the term “Recruit” means the actual or attempted solicitation, enrollment, encouragement, or effort to influence in any other way, either directly, indirectly, or through a third party, another Company IAP or Customer to enroll or participate in another multilevel marketing, network marketing, or direct sales opportunity.

SPONSOR: An IAP who enrolls a Customer, Affiliate, or another IAP into the Company, and is listed as the Sponsor on the IAP Agreement. The act of enrolling others and training them to become IAPs is called “sponsoring.”

UPLINE: This term refers to the IAP or IAPs above a particular IAP in a sponsorship line up to the Company. It is the line of sponsors that links any particular IAP to the Company.

Last Revised Date: May 9, 2023.

