

# Essanté Organics Policies and Procedures Associate (Executive) Agreement

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# SECTION 1 — INTRODUCTION

1.1 — Essanté Organics Policies and Procedures and Compensation Plan (Essanté Earnings) incorporated in this Associate (Executive) Agreement, in their present form and as amended at the sole discretion of Essanté Organics (or hereafter referred to as the "Company"), are incorporated into, and form an integral part of, the Essanté Organics Associate (Executive) Agreement. Throughout these Policies and Procedures, when the term "Agreement" is used, it collectively refers to the Essanté Organics: the terms and conditions in this document, the Associate (Executive) Application, this Agreement, these Policies and Procedures, the Compensation Plan (Essanté Earnings), and the Essanté Organics Business Entity Application (if applicable). These documents are incorporated by reference into the Essanté Organics Associate (Executive) Agreement (all in their current form and as amended by Essanté Organics). It is the responsibility of each Associate (Executive) to regularly read, understand, adhere to, and ensure that he or she is aware of and operating under the most current version of these Policies and Procedures. When recruiting and enrolling a new Associate (Executive), it is the responsibility of the Enroller to provide the most current version of these Policies and Procedures and the Essanté Organics Compensation Plan to the applicant prior to his or her execution of the Associate (Executive) Agreement.

The Associate (Executive) Agreement constitutes the entire contract between Essanté Organics and the Associate (Executive). Any promises, representations, offers, or other communications not expressly set forth in the Associate (Executive) Agreement are of no force and effect.

# 1.2 — Purpose of Policies

Essanté Organics Associates (Executives) are required to comply with all of the Terms and Conditions set forth in the Agreement which Essanté Organics may amend at its sole discretion from time to time, to update all federal, state, provincial, territorial, and local laws governing our industry. Because you may be unfamiliar with many standards of practice in the direct sales industry, it is very important you read and abide by this Agreement. Please review the information in this document carefully. It explains and governs the relationship between you, as an independent contractor and Essanté Organics. If you have any questions regarding any policy or rule, seek an answer from Essanté Organics senior management team.

Essanté Organics is a direct sales company that markets products through Independent Contractor Associates (Executives). It is important to understand that the success of each Associate (Executive) and the success of those enrolled by each, fellow Associates (Executives), is dependent upon the integrity of the men and women who market Essanté Organics products. Essanté Organics has established this Associate (Executive) Agreement to clearly define the relationship that exists between Associates (Executives) and Essanté Organics, and to explicitly set a high standard for all business operations including ethical and compliant conduct.

#### 1.3 — Changes to the Agreement

Because federal, state, provincial, territorial, local and industry laws periodically change, Essanté Organics reserves the right to amend the Agreement and its prices in its sole and absolute discretion. By signing the Associate (Executive) Agreement and by agreeing to the Associate Executive Agreement by checking the online box, an Associate (Executive) agrees to abide by all amendments or modifications Essanté Organics elects to make. Amendments shall be effective immediately upon posting to the Company's website. The Company shall provide or

make available to all Associates (Executives) a complete copy of the amended provisions by one or more of the following methods: (1) posting on the Company's official web site; (2) electronic mail (e-mail); (3) fax-on-demand; (4) voice mail system broadcast; (5) inclusion in Company periodicals; (6) inclusion in product orders or bonus checks; or (7) special mailings. The continuation of an Associate's (Executive's) Essanté Organics business or an Associate's (Executive's) acceptance of bonuses or commissions constitutes acceptance of any and all amendments.

#### 1.4 — Delays

Essanté Organics shall not be responsible for delays or failures in performance of its obligations when performance is made commercially impracticable due to circumstances beyond its reasonable control. This includes, without limitation, strikes, labor difficulties, riot, war, fire, death, curtailment of a party's source of supply, or government decrees or orders.

#### 1.5 — Policies and Provisions Severable

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

#### 1.6 - Waiver

The Company never gives up its right to insist on compliance with the Agreement and with the applicable laws governing the conduct of an Associate (Executive) or a Essanté Organics business center, position, and/or website. No failure of Essanté Organics to exercise any right or power under the Agreement or to insist upon strict compliance by an Associate (Executive) with any obligation or provision of the Agreement, and no custom or practice of the parties at variance with the terms of the Agreement, shall constitute a waiver of Essanté Organics' right to demand exact compliance with the Agreement. Waiver by Essanté Organics can be effected only in writing by an authorized officer of the Company. Essanté Organics' waiver of any particular breach by an Associate (Executive), or Essanté Organics' waiver of any particular provision of the Associate (Executive) Agreement or these Policies and Procedures, shall not affect or impair Essanté Organics' rights with respect to any subsequent breach, nor shall it affect in any way the rights or obligations of any other Associate (Executive). Nor shall any delay or omission by Essanté Organics to exercise any right arising from a breach affect or impair Essanté Organics' rights as to that or any subsequent breach.

The existence of any claim or cause of action of an Associate (Executive) against Essanté Organics shall not constitute a defense to Essanté Organics' enforcement of any term or provision of the Agreement.

# 1.7 — Limitation of Liability

To the extent permitted by law, Associates (Executives) agree Essanté Organics, its parent companies including but not limited to FUN Unlimited and For Ultimate Nutrition, Inc., its directors, its officers, its shareholders, its employees, its assignors, its successors, and its agents (collectively referred to as "affiliates") shall not be liable, and you, the Associate (Executive) releases Essanté Organics and its affiliates from and waive all claims for: any loss of profits indirect or direct, special or consequential damages, or any other loss incurred or suffered by an Associate (Executive) as a result of:

- (a) The Associate's (Executives) breach of the Associate (Executive) Agreement (including these Policies and Procedures);
- (b) The improper promotion or operation of a Essanté Organics business by an Associate (Executive) and any activities related thereto (e.g., the presentation of Essanté Organics products, the presentation of the Essanté Earnings Compensation Plan, the operation of a motor vehicle, the lease of meeting or training facilities, etc.);
- (c) Any incorrect or wrong data or information provided by an Associate (Executive) to Essanté Organics, any person, or any company; or,
- (d) The Associate's (Executive's) failure to provide any information or data necessary for Essanté Organics to operate its business.

# SECTION 2 — BECOMING AN ASSOCIATE (EXECUTIVE)

- 2.1 Requirements to Become an Associate (Executive)

  To become a Essanté Organics Associate (Executive), each applicant must:
- a) Be of the age of majority (working age) according to the labor laws in his or her state of residence:
- b) Reside in a country that Essanté Organics has officially opened for the distribution of its products and services (see the country drop down menu located on the JOIN / Become A Member webpage);
- c) Have a valid Social Security or Federal Tax ID number (for tax reporting purposes for those Associates (Executives) who earn commissions over \$600 annually with Essanté Organics;
- d) Own an Essanté Organics replicated website (not applicable in North Dakota); and
- e) Agree to the terms of a properly completed Associate (Executive) Application and Agreement by submitting the Agreement to Essanté Organics either online or by email or mail.

The company reserves the right to reject any applications for a new Associate (Executive) or applications for renewal.

2.2 — New Associate (Executive) Registration by Internet (online), Telephone, or E-mail An Applicant may enroll as an Associate (Executive) through Essanté Organics' Official Corporate Website or through the Essanté Organics Replicated Website of his or her Enroller. New Associates (Executives) enrolling through Essanté Organics' Official Corporate Website must have the identification number of his or her Enroller in order to be assigned properly during the online enrollment process. Online enrollments shall be effective upon the Applicant's proper completion of the online Associate (Executive) Agreement. It is not necessary to follow-up an online enrollment with a written Associate (Executive) Application and Agreement.

If internet access is not available, a potential new Associate (Executive) or his or her Enroller may call Essanté Organics during regular business hours, or e-mail a scanned copy of the Application to customer support, to receive a temporary identification number and temporary authorization for a new Associate (Executive). See the Associate (Executive) Application or the first page of this Agreement for contact phone numbers and appropriate business hours. The

person making the enrollment must be able to provide all necessary Associate (Executive) Agreement information for the telephonic or e-mailed enrollment.

The new Associate's (Executive's) identification number and authorization will be valid for 30 days, pending receipt of the completed and signed original Associate (Executive) Application and Agreement by Essanté Organics. Once the original Associate (Executive) Application and Agreement is received at Essanté Organics, the new Associate (Executive) Agreement will be extended to one full year from the date on which the identification number was issued. If the new Associate (Executive) Application and Agreement is not received within the temporary 30-day time period, the temporary authorization shall expire, the identification number will be canceled, and the Associate (Executive) Application and Agreement will be automatically terminated.

# 2.3 — Associate (Executive) Benefits

Once an Associate (Executive) Application and Agreement has been accepted by Essanté Organics, the benefits of the Compensation Plan (Essanté Earnings) and the Associate (Executive) Agreement are available to the new Associate online. These benefits include the right to:

- a) Purchase Essanté Organics products at the Associate (Executive) price (wholesale price);
- b) Retail Essanté Organics products and profit from these sales (no personal purchase necessary);
- c) Participate in the Essanté Organics Compensation Plan (Essanté Earnings) and qualify to earn bonuses and commissions;
- d) Enroll other individuals as Associates (Executives) into Essanté Organics and thereby build a marketing organization and progress through the Essanté Organics Compensation Plan (Essanté Earnings);
- e) Receive periodic literature and communications from Essanté Organics;
- f) Participate in optional ongoing support, service, training, motivation, inspiration, recognition, and events provided by Essanté Organics if and when applicable; and
- g) Participate in promotional and incentive contests and programs sponsored by Essanté Organics for its Associates (Executives).
- 2.4 Lifetime Essanté Organics Business Center (replicated e-commerce website)
  Each Associate (Executive) is charged an upfront lifetime Essanté Organics replicated
  website fee of \$29.95. This fee entitles the Associate (Executive) to their own replicated
  website, where they receive unlimited access to wholesale pricing and where they may
  enroll their new customers and Associates (Executives). There is no monthly fee
  assessed to maintain the online e-commerce business center (website and Back Office).
  It is rare, yet Associates (Executives) who have not purchased or produced any personal
  volume in six months may forfeit their business center.

# SECTION 3 — OPERATING AN ESSANTÉ ORGANICS BUSINESS

3.1 — Adherence to the Essanté Organics Replicated Website and Compensation Plan Associates (Executives) must adhere to the terms of the Essanté Organics website and Compensation Plan (Essanté Earnings) as set forth in official Essanté Organics literature and website text. Associates (Executives) shall not offer the Essanté Organics opportunity or products through, or in combination with, any other online system, program, or alternate method of marketing other than what is specifically set forth in the official Essanté Organics literature and website.

Associates (Executives) shall not require or encourage other current or prospective Associates (Executives) to do any of the following: (1) Participate in Essanté Organics in any manner that varies from the program as set forth in the official Essanté Organics literature and website text. (2) Execute any agreement or contract other than the official Essanté Organics Agreement to become a Essanté Organics Associate (Executive). (3) Make any purchase from, or any payment to, any individual or other entity to participate in Essanté Organics other than those purchases or payments identified, recommended, or required in the official Essanté Organics literature and replicated websites.

# 3.2 — Advertising

#### **3.2.1 - In General**

All Associates (Executives) shall safeguard and promote the good reputation of Essanté Organics and its products by mirroring the marketing efforts provided on the Essanté Organics Website. The marketing and promotion of: Essanté Organics, the Essanté Organics opportunity (business center ownership), the Essanté Organics Compensation Plan (Essanté Earnings), and the Essanté Organics products shall be promoted using good business practices and etiquette. All discourteous, deceptive, misleading, unethical, immoral conduct, or poor business practices are strictly prohibited and are grounds for termination from Essanté Organics.

To promote both the high performance products and the lucrative opportunity for recurring commissions with Essanté Organics, Associates (Executives) are only to use the compliant and branded sales aids and support materials produced by Essanté Organics. Essanté Organics has carefully designed its products, labels, Compensation Plan (Essanté Earnings), promotional materials, and website to ensure every aspect of Essanté Organics is branded, truthful, substantiated, and in compliance with the vast and complex legal requirements of federal, state, and provincial laws, including the FDA and FTC. If Essanté Organics Associates (Executives) were allowed to develop their own sales aids, promotional materials, advertisements, or personal websites, notwithstanding their integrity and good intentions, the likelihood they would unintentionally violate any number of laws, statutes or regulations affecting an Essanté Organics business is almost certain. These violations, although relatively few-in-number, would jeopardize the Essanté Organics opportunity for all Associates (Executives). For this reason, Associates (Executives) may not create their own materials or websites.

Any Associate (Executive) who desires to personally create a website or marketing materials may not use the Essanté Organics name, logo or product titles. Any personal marketing materials or creations must be submitted in advance to the Essanté Organics Compliance Department for compliance review and approval. All sales aids, promotional materials,

advertisements, websites, social media posts, and other literature (including all text placed on the internet for advertising) must be submitted to the Company and written approval from the Compliance Department must be received prior to using any non-corporate promotional material. Unless the Associate (Executive) receives specific written approval from Essanté Organics to use the material, the request shall be deemed denied.

#### 3.2.2 – Spamming and Unsolicited Faxes

Except as provided in this section, an Associate (Executive) may not use or transmit unsolicited faxes, mass e-mail distributions, unsolicited e-mails ("spamming") relative to the operation of their Essanté Organics business. The terms "unsolicited faxes" and "unsolicited e-mails" mean the transmission via telephone facsimile or electronic mail, respectively, of any material or information advertising or promoting Essanté Organics, its products, its compensation plan or any other aspect of the Company which is transmitted to any person. These terms do not include a fax or an e-mail to: (1) Any person who has provided prior express invitation or permission; or (2) Any person with whom the Associate (Executive) has an established business or personal relationship. The term "established business or personal relationship" means a prior or existing relationship formed by a voluntary two-way communication between an Associate (Executive) and said person, on the basis of: (a) An inquiry, application, purchase or transaction by the person regarding an offering by such Associate (Executive); or (b) a personal or familial relationship, in which the relationship has not been previously terminated by either party.

#### 3.2.3 – Telemarketing

The Federal Trade Commission (FTC) and the Federal Communications Commission (FCC) each have strict laws restricting telemarketing practices. Both federal agencies (as well as a number of states and provinces) have "do not call" regulations as part of their telemarketing laws. While you may not consider yourself a "telemarketer" in the traditional sense of the word, these regulations broadly define the term "telemarketer" and "telemarketing". For this reason, any inadvertent action on your part, including calling someone whose telephone number is listed on the federal "do not call" registry, could cause you to violate the law. Moreover, these regulations must not be taken lightly, as they carry significant penalties (up to \$11,000.00 per violation).

Therefore, Associates (Executives) must not engage in telemarketing relative to the operation of their Essanté Organics businesses. The term "telemarketing" means the placing of one or more telephone calls to an individual or entity to induce the purchase of a Essanté Organics product or service, or to recruit them for the Essanté Organics business opportunity. "Cold calls" made to potential customers or Associates (Executives) which promote either the Essanté Organics products or the Essanté Organics business opportunity constitute telemarketing, and are therefore prohibited.

Notwithstanding the above mentioned FTC AND FCC laws as they relate to your state / province and the states / provinces you choose to call, an Associate (Executive) may legally place telephone call(s) to a potential customer or Associate / Executive (a "prospect") under the following limited situations:

a) Associates (Executives) may call family members, personal friends, and acquaintances. An "acquaintance" is someone with whom an Associate (Executive) has at least a recent first-

hand relationship (i.e., the Associate (Executive) recently personally met him or her). Yet bear in mind, if an Associate (Executive) makes a habit of "card collecting" everyone he or she meets and subsequently calls them, the FTC may consider this a form of telemarketing that is not subject to this exemption. Thus, if Associates (Executives) engage in calling "acquaintances", the Associate (Executive)must make such calls on an occasional basis only and not as a routine practice.

- b) If the Associate (Executive) has an established business relationship with the prospect. An "established business relationship" is a relationship between an Associate (Executive) and a prospect, based on the prospect's purchase, rental, or lease of goods or services from the Associate (Executive), or a financial transaction between the prospect and the Associate (Executive), within the eighteen (18) months immediately preceding the date of a telephone call to induce the prospect's purchase of a product or service.
- c) The prospect's personal inquiry or application regarding a product or service offered by the Associate (Executive), within the three (3) months immediately preceding the date of such a call.
- d) If the Associate (Executive) receives written and signed permission from the prospect authorizing the Associate (Executive) to call. The authorization must specify the telephone number(s) which the Associate (Executive) is authorized to call.
- e) Associates (Executives) may call family members, personal friends, and acquaintances. An "acquaintance" is someone with whom an Associate (Executive) has at least a recent first-hand relationship (i.e., the Associate (Executive) recently personally met him or her). Yet bear in mind, if an Associate (Executive) makes a habit of "card collecting" everyone he or she meets and subsequently calls them, the FTC may consider this a form of telemarketing that is not subject to this exemption. Thus, if Associates (Executives) engage in calling "acquaintances", the Associate (Executive)must make such calls on an occasional basis only and not as a routine practice.
- f) Associates (Executives) shall not use automatic telephone dialing systems relative to the operation of their Essanté Organics businesses. The term "automatic telephone dialing system" means equipment which has the capacity to: (a) Store or produce telephone numbers to be called, using a random or sequential number generator; and (b) To dial such numbers.
- 3.2.4 Associate (Executive) Websites and Webpages (including all social media)
  An Associate (Executive) may only use their replicated Essanté Organics website to
  promote his or her Essanté Organics products or business online. Associates
  (Executives) are discouraged from developing their own webpages and their own
  websites because this activity is costly, time consuming, unnecessary and often times
  such websites and webpages are not compliant with current and ever changing FDA,
  FTC, FCC, and USDA Organic laws, resulting in serious legal fines to the Associate
  (Executive).

If an Associate (Executive) desires to link their current Essanté Organics Shopping Cart, Join Page or other webpages to an existing website or webpage this is permitted and it is easy to do. Essanté Organics offers links, specific to each Associate's (Executive's) business, which are located in the Back Office. In the event an Associate

(Executive) truly desires to develop their own webpage or website, they may do so as long as they contact corporate prior to development and: (a) Only use the current text and images shown on the official Essanté Organics website; and (b) Review the official Essanté Organics website every 3 months and note and employ all updates and enhancements; (c) Never supplement or add content from any source outside of Essanté Organics online and hard copy literature; (d) Never use the words Essanté Organics or any of Essanté Organics product names or programs or terms inside any URL; (e) Register their website(s) with Essanté Organics, await an extensive compliance review and receive written approval from Essanté Organics prior to the online website or webpage being make public and active. The use of any other website or webpage, or the failure to register a created website or webpage featuring Essanté Organics in any way, constitutes a material breach of these Policies and Procedures and is grounds for termination.

# 3.2.5 - URLs, Domain Names and E-Mail Addresses May Not Contain "Essanté"

Associates (Executives) may not use or attempt to register any Essanté Organics trade names, trademarks, service names, service marks, product names, the Company's name, or any derivative thereof, for any Internet domain name (URL). Nor may Associates (Executives) incorporate or attempt to incorporate any of Essanté Organics' trade names, trademarks, service names, service marks, product names, the Company's name, or any derivative thereof, into any electronic mail address.

#### 3.2.6 - Trademarks and Copyrights

Essanté Organics will not allow the use of its trade names, trademarks, designs, or symbols by any person, including an Essanté Organics Associate (Executive), without Essanté Organics' prior, written permission. Associates (Executives) may not produce for sale or distribution any recorded company events and speeches without written permission from Essanté Organics nor may Associates (Executives) reproduce for sale or for personal use any recording of company-produced audio or video tape presentations.

#### 3.2.7 - Media and Media Inquiries

Associates (Executives) must not attempt to respond to media inquiries regarding Essanté Organics, its products, or their independent Essanté Organics business. All inquiries by any type of media must be immediately referred to Essanté Organics' Marketing Department. This policy is designed to assure accurate and consistent information is provided to the public as well as a properly branded public image.

#### 3.2.8 - Associate (Executive) Release

By entering into the Associate (Executive) Agreement, the Associate (Executive) authorizes Essanté Organics to use his or her name and/or likeness in advertising or promotional materials and waives all claims for remuneration for such use.

#### 3.3 — Bonus Buying

"Bonus buying" includes: (a) The enrollment of individuals or entities without the knowledge of and/or execution of an Independent Associate (Executive) Application and Agreement by such individuals or entities; (b) The fraudulent enrollment of an individual or entity as an Associate (Executive); (c) The enrollment or attempted enrollment of non-existent individuals or entities as Associates (Executives) also referred to as "phantoms"; or (d) The use of a credit card by or on behalf of an Associate (Executive) or customer when the Associate (Executive) or customer is

not the account holder of such credit card. Bonus buying constitutes a material breach of these Policies and Procedures, is strictly prohibited and is grounds for termination from Essanté Organics.

# 3.4 — Business Entities (LLC's, Corporations, etc.)

A corporation, limited liability company, partnership or trust, collectively referred to in this section as a "Business Entity", may apply to be a Essanté Organics Associate (Executive) by submitting its Certificate of Incorporation, Articles of Organization, Partnership Agreement or trust documents, collectively referred to as the "Entity Documents", to Essanté Organics, along with a properly completed Business Entity Registration Form. If an Associate (Executive) enrolls online, the Entity Documents and Business Entity Registration Form must be submitted to Essanté Organics within 30 days of the online enrollment. If not received within the 30-day period, the Associate (Executive) Agreement shall automatically terminate. An Essanté Organics business may change its status under the same Enroller from an individual to a partnership, corporation or trust, or from one type of entity to another. There is a \$25.00 fee for each change requested, and this fee must be included with the written request and the completed Associate (Executive) Application and Agreement. The Business Entity Registration Form must be signed by all shareholders, members, partners or trustees. Members of the entity are jointly and severally liable for any indebtedness or other obligation to Essanté Organics.

# 3.5 — Changes to an Essanté Organics Business

#### 3.5.1 - In General

Each Associate (Executive) must immediately notify Essanté Organics of all changes to the information contained on his or her Associate (Executive) Application and Agreement. Associates (Executives) may modify their existing Associate (Executive) Agreement (i.e., change Social Security number to Federal identification number, or change the form of ownership from an individual proprietorship to a business entity owned by the Associate (Executive) by submitting a written request, a properly executed Associate (Executive) Application and Agreement, and appropriate supporting documentation and fees. Changes shall be processed only once per year. All changes must be submitted by November 30 to become effective on January 1 of the following year.

# 3.5.2 - Addition of Co-Applicants

When adding a co-applicant (either an individual or a business entity) to an existing Essanté Organics business, Essanté Organics requires both a written request as well as a properly completed Associate (Executive) Application and Agreement containing both the applicant's and co-applicant's Social Security Numbers and signatures. To prevent the circumvention of Section 3.24 (regarding transfers and assignments of Essanté Organics business), the original applicant must remain as a party to the original Associate (Executive) Application and Agreement. If the original Associate (Executive) wants to terminate his or her relationship with Essanté Organics, he or she must transfer or assign his or her business in accordance with Section 3.24. If this process is not followed, the business shall be canceled upon the withdrawal of the original Associate (Executive). All bonus and commission checks will be sent to the address of record of the original Associate (Executive). Please note the modifications permitted within the scope of this paragraph do not include a change of Enroller. Changes of Enroller are addressed in Section 3.5.3, below. There is a \$25.00 fee for each change requested, which must be included with the written request and the completed Associate (Executive) Application and Agreement. Essanté Organics may, at its discretion, require notarized documents before implementing any

changes to a Essanté Organics business. Please allow thirty (30) days after the receipt of the request by Essanté Organics for processing.

# 3.5.3 - Change of Enroller

To protect the integrity of all Essanté Organics Associates (Executives) and the individuals within their organizations, and to safeguard the hard work of all Associates (Executives), Essanté Organics strongly discourages changes of Enroller. Maintaining the integrity of enrollment is critical for the success of every Associate (Executive) and all attached organizations both up the line and down the line. Accordingly, the transfer of an Essanté Organics business from one Enroller to another is rarely permitted. An Associate (Executive) may not change Enrollers unless they are completely inactive for six (6) full calendar months (refer to section 3.5.4 - Cancellation and Re-application below). Changing Enrollers is strictly monitored for compliance and all requests must be submitted in writing via an Enroller Transfer Form and include the reason for transfer of Enroller and subsequent notarized Approval Forms will be required from no less than four (4) immediate upline Associates (Executives). All submissions must be approved in writing by the Essanté Organics Compliance Department. A transfer of Enroller will only be considered in the following two (2) circumstances:

- (a) In cases involving fraudulent inducement, unethical recruiting and enrolling, and extreme lack of upline support, an Associate (Executive) may request that he or she be transferred to another Enroller. All requests for transfer alleging fraudulent enrollment practices shall be evaluated on a case by case basis.
- (b) The Associate (Executive) seeking to transfer Enrollers submits a properly completed and fully executed Enroller Transfer Form which includes the written approval of his or her immediate four (4) upline Associates (Executives). Photocopied or facsimile signatures are not acceptable. All Associate (Executive) signatures must be notarized. The Associate (Executive) who requests the transfer must submit a fee of \$50.00 for administrative charges and data processing. If the transferring Associate (Executive) also wants to move any of the Associates (Executives) in his or her organization, every downlineAssociate (Executive) must also obtain a properly completed Enroller Transfer Form and return it to Essanté Organics with the \$50.00 change fee (i.e., the transferring Associate (Executive) and each Associate (Executive) in his or her organization multiplied by \$50.00 is the cost to move a Essanté Organics business, provided it is deemed complaint and approved by all upline parties. Downline Associates (Executives) will not be moved with the transferring Associate (Executive) unless all of the requirements of this paragraph are met. Transferring Associates (Executives) must allow thirty (30) days after the receipt of the Enroller Transfer Forms by Essanté Organics for processing and verifying change requests.

# 3.5.4 - Cancellation and Re-application

An Associate (Executive) may legitimately change organizations by voluntarily canceling his or her Essanté Organics business and remaining inactive (i.e.: no purchases of Essanté Organics products for resale, no sales of Essanté Organics products, no enrolling, no attendance at any Essanté Organics functions, no participation in any other form of Associate (Executive) activity, and no operation of any other Essanté Organics business) for six (6) full calendar months. Following the six month period of inactivity, the former Associate (Executive) may reapply under a new Enroller. Essanté Organics will consider waiving the six month

waiting period under exceptional circumstances. Such requests for waiver must be submitted to Essanté Organics in writing.

#### 3.6 — Unauthorized Claims and Actions

#### 3.6.1 - Indemnification

An Associate (Executive) is fully responsible for all of his or her verbal and written statements made regarding Essanté Organics products, services, and Compensation Plan (Essanté Earnings) which are not expressly contained in official Essanté Organics materials. Associates (Executives) agree to indemnify Essanté Organics and Essanté Organics' officers, employees, and agents, and hold them harmless from any and all liability including judgments, civil penalties, refunds, attorney fees, court costs, or lost business incurred by Essanté Organics as a result of the Associate's (Executive's) unauthorized representations or actions. This provision shall survive the termination of the Associate (Executive) Agreement.

#### 3.6.2 - Product Claims

No claims (which include personal testimonials) as to therapeutic, curative or beneficial properties of any products offered by Essanté Organics may be made except those contained in official Essanté Organics materials. In particular, no Associate (Executive) may make any claim that Essanté Organics products are useful in the cure, treatment, diagnosis, mitigation or prevention of any disease. Such statements can be perceived as medical or drug claims. Not only are such claims in violation of Essanté Organics Policies and Procedures, such claims also violate federal laws and state laws enforced by agencies including the FDA (The United States Food and Drug Administration), under the Food, Drug, and Cosmetic Act and the FTC (The Federal Trade Commission).

#### 3.6.3 - Income Claims

In their enthusiasm to enroll prospective Associates (Executives), some Associates (Executives) are occasionally tempted to make income claims or earnings representations to demonstrate the inherent power of network marketing and recurring, residual commissions income. This is counterproductive because new Associates (Executives) may become immediately disappointed if their results are not as extensive or rapid as the results others have achieved. Essanté Organics understands the income potential through the Essanté Organics Compensation Plan (Essanté Earnings) is strong, and therefore highly attractive, without reporting the earnings of others.

Moreover, the FTC (Federal Trade Commission) and many state laws regulate and in many cases prohibit certain types of income claims, testimonials and public marketing displays of original or copied checks, bank statements and tax returns made by persons in the network marketing industry and by persons who own certain franchises, including restaurants. While Associates (Executives) may believe it beneficial to prove their income by providing and disclosing their personal earnings and or the earnings of other Associates (Executives), such activity has legal consequences that can negatively impact Essanté Organics as well as the Associate (Executive) making the income claim, unless appropriate disclosures required by law are also made contemporaneously with the income claim or earnings representation. Because Essanté Organics Associates (Executives) do not have the data necessary to comply with the legal requirements for making income claims, an Associate (Executive), when presenting or discussing the Essanté Organics opportunity or Compensation Plan (Essanté Earnings) to a prospective Associate (Executive), may not make income projections, income claims, or

disclose his or her Essanté Organics income by sharing copied or original checks, bank statements or tax records.

Only hypothetical income examples are permissible and used to explain the operation of Essanté Organics Compensation Plan (Essanté Earnings). Permissible hypothetical income examples are based solely on mathematical projections, and therefore can be shared with prospective and potential Associates (Executives), so long as the Associate (Executive) who uses such hypothetical examples: (1) Makes clear to each prospective Associate (Executive) that such earnings are hypothetical; and (2) Provides each prospective Associate (Executive) with a current copy of Essanté Organics' official income disclosure statement. This statement is displayed in the Back Office and is to be added to all presentations which share the Essanté Earnings Compensation Plan in part or in full. Failure to add the disclaimer violates FTC law, Essanté Organics Policies and Procedures and is grounds for termination.

#### 3.7 — Commercial Outlets and Sales

# 3.7.1 - Commercial Outlets / Retail Outlets

Associates (Executives) may display and sell Essanté Organics products at privately owned retail and service outlets. In no event may such products be sold or displayed at national chain stores or mass merchandisers. Contact the Essanté Organics Marketing Department for details and clarification.

#### 3.7.2 - Commercial Sales

Essanté Organics will permit Associates (Executives) to solicit and make commercial sales upon prior written approval from the Company. For the purposes of these Policies and Procedures, the term "commercial sale" means the sale of:

- (a) Essanté Organics products that equal or exceed \$3,000.00 or more in a single order; and
- (b) To a third party who intends to resell the products to an end consumer.

#### 3.7.3 – Trade Shows, Expositions, and Other Sales Forums

Associates (Executives) may display and/or sell Essanté Organics products at suitable trade shows and professional expositions. Typically, most trade show venues authorize only one representative per company at their event, and the dated contract you sign with the trade show typically protects you from others within Essanté Organics competing with you at the same venue. Before submitting a deposit to the event promoter, it a good practice to email Essanté Organics' Customer Support Department in writing and obtain a date and time stamped approval, as it is also Essanté Organics' policy to authorize only one Essanté Organics Associate (Executive) and their team (if desired) per event. In the event two or more Associates (Executives) apply for the same venue, final approval will be granted to the Associate (Executive) who submits a copy of the earliest dated event contract signed by both the Associate (Executive) and the event official, and a copy of the receipt showing proof of deposit for the event was processed. Essanté Organics further reserves the right to refuse an Associate (Executive) authorization to participate at any function deemed an unsuitable forum for the promotion of Essanté Organics products or business opportunity. Essanté Organics does not allow its products or business opportunity to be displayed or sold at swap meets, garage sales, or flea markets as these venues are not conducive to the professional image of Essanté Organics.

#### 3.8 — Conflicts of Interest

#### 3.8.1 - Non-solicitation

Essanté Organics Associates (Executives) are free to participate in other multilevel or network marketing business ventures or marketing opportunities (collectively "network marketing"). However, during the term of this Agreement, Associates (Executives) may not recruit other Essanté Organics Associates (Executives) for any other network marketing business. Following the cancellation of this Agreement, and for a period of six (6) full calendar months thereafter, a former Associate (Executive) may not recruit any Essanté Organics Associate (Executive) for another network marketing business if: (1) The Associate (Executive) was in the former Associate's (Executive's) downline organization; or (2) The former Associate (Executive) met, developed a relationship with, or gained knowledge of the Associate (Executive) by virtue of their mutual participation in Essanté Organics. 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 Essanté Organics Associate (Executive) or customer to enroll or participate in another multilevel marketing, network marketing or direct sales opportunity. This conduct constitutes recruiting even if the Associate's (Executive's) actions are in response to an inquiry made by another Associate (Executive).

Associates (Executives) must not sell, or attempt to sell, any competing non-Essanté Organics products or services to Essanté Organics Associates (Executives). Any product or service in the same generic category as an Essanté Organics product or service, regardless if it is sold by way of traditional retail, wholesale or direct sales, is deemed to be competing (i.e.: any and all dietary supplements, any and all personal care products, any and all home care products, etc.), regardless of differences in cost, quality, ingredients or nutrient content.

Associates (Executives) may not display Essanté Organics products or services with any other products or services in a fashion that might in any way confuse or mislead a prospective customer or Associate (Executive) into believing there is a relationship between the Essanté Organics and non-Essanté Organics products or services. Associates (Executives) may not offer the Essanté Organics opportunity, products or services to prospective or existing customers or Associates (Executives) in conjunction with any non-Essanté Organics program, opportunity, product or service. Associates (Executives) may not offer any non-Essanté Organics opportunity, products or services at any Essanté Organics -related meeting, seminar or convention, or immediately following such event.

#### 3.8.2 - Downline Activity Reports

Downline Activity Reports are available for each Associate (Executive) to access and view online through their Back Office. Access to online Downline Activity Reports is password protected. All Downline Activity Reports and the information contained therein are confidential and constitute proprietary information and business trade secrets belonging to Essanté Organics. Downline Activity Reports are provided to Associates (Executives) in strictest confidence and are made available to Associates (Executives) for the sole purpose of assisting Associates (Executives) in working with their respective Downline Organizations in the development of their Essanté Organics business. Associates (Executives) should use their Downline Activity Reports to assist, motivate, and train their downline Associates (Executives). The Associate (Executive) is bound to this Agreement of Confidentiality and Nondisclosure, and shall not, on his or her own behalf, or on behalf of any other person, partnership, association, corporation or other entity:

- a) Directly or indirectly disclose any information contained in any Downline Activity Report to any third party;
- b) Directly or indirectly disclose his or her password or other user access code to his or her Downline Activity Report;
- c) Use the information to compete with Essanté Organics or for any purpose other than promoting his or her Essanté Organics business;
- d) Recruit or solicit any Associate (Executive) listed on any report, or in any manner attempt to influence or induce any Associate (Executive), to alter their business relationship with Essanté Organics; or
- e) Use or disclose to any person, partnership, association, corporation, or other entity any information contained in any Downline Activity Report.

# 3.9 — Illegal Cross-Enrolling / Illegal Cross-Recruiting

At no time shall any Associate (Executive) contact any other Associate (Executive) with intent to remove said Associate (Executive) from any Essanté Organics organization. Actual or attempted cross enrolling or cross recruiting is illegal and therefore strictly prohibited. "Cross Enrolling" or "Cross Recruiting" is defined as the attempt to contact, persuade and or enroll any individual or any entity that has a current Associate (Executive) Agreement with Essanté Organics, or who has had an Essanté Organics Agreement within the preceding six (6) calendar months, who is either in your personal downline or another Associate's (Executive's) downline, including the downlines of person's in your organization. The use of your name or any other name (i.e.: a spouse's name, relative's name, trade name, DBA, assumed name, corporation name, partnership name, trust name, federal ID number, or fictitious ID number) to circumvent this Policy is prohibited. Any attempt to demean, discredit or defame other Essanté Organics Associates (Executives), or the Company, or the Company's officers is strictly prohibited and such defamation may not be used to entice any Essanté Organics Associate (Executive) to become part of a different organization or team, either inside or outside of Essanté Organics. The illegal actions of cross recruiting and false defamation of character can cause loss of income for multiple Associates (Executives) who have built organizations and livelihoods at Essanté Organics. For this reason, if this illegal activity is reported, either in state or across state lines: Essanté Organics and their team of attorneys will take legal action and violators will be prosecuted to the fullest extent of the law, in order to protect all Associates (Executives) and their businesses. This Policy shall not prohibit appropriate legal Transfers in accordance with Section 3.24.

#### 3.10 — Errors or Questions

If an Associate (Executive) has questions about or believes any errors have been made regarding commissions, bonuses, Downline Activity Reports, or charges, the Associate (Executive) must notify Essanté Organics in writing within 60 days of the date of the purported error or incident in question. Essanté Organics will not be responsible for any errors, omissions or problems not reported in writing within 60 days of occurrence.

#### 3.11 — Excess Inventory Purchases Prohibited

Associates (Executives) are not required to carry inventory of products or sales aids, yet it is not necessary. Essanté Organics offers e-commerce sales which are guaranteed for 30 days and all of your customers and Associates (Executives) enjoy accurate and direct customer support from Essanté Organics.

That being said, some Associates (Executives) may find on-site retailing and instant point-of-sale fulfillment gratifying. Each Associate (Executive) must make his or her own decision in regard to keeping an appropriate amount of retail stock on hand for re-sale purposes. To ensure Associates (Executives) are not encumbered with excess inventory that may expire, such inventory may be returned to Essanté Organics upon the Associate's cancellation pursuant to the terms of Section 7.2.

Essanté Organics strictly prohibits the purchase of products in unreasonable (excessive) amounts primarily for the purpose of qualifying for commissions, bonuses or rank advancement in Compensation Plan. This is never necessary, because different levels of qualification occur for as little 0 to 100 in volume (as shown at the base of the Essanté Earnings Compensation Plan). Associates (Executives) may not purchase more product inventory than they can reasonably resell or consume in a month, nor may they encourage others to do so. Associates (Executives) are prohibited from purchasing more than \$1,000.00 in products per month, unless they can certify in writing to Essanté Organics: (1) they have pending retail orders in that amount or; (2) They have another appropriate need for inventory in that amount (i.e.: an upcoming trade show, etc.)

#### 3.12 — 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, Associates (Executives) shall not represent or imply that Essanté Organics or Compensation Plan have been "approved," "endorsed" or otherwise sanctioned by any government agency.

#### 3.13 — Holding Applications or Orders

Associates (Executives) must not manipulate enrollments of new applicants and purchases of products. All Associate (Executive) Applications and Agreements, and product orders must be sent to Essanté Organics within 72 hours from the time they are signed by an Associate (Executive). The good business practice of placing your new Customer(s) and or Associates (Executives) in your Essanté Organics Holding Tank (or organization) within 72 hours is important, because it allows their product order to be processed and shipped immediately.

#### 3.14 — Tax Identification

All Associates (Executives) are required to provide their Social Security Number, Social Insurance Number, or a Federal Employer Identification Number to Essanté Organics on the Associate (Executive) Application and Agreement. Upon enrollment, the Company will provide a unique Associate (Executive) Identification Number (an Essanté Organics ID#) to the Associate (Executive) by which he or she will be identified. This number will be used to place orders, track commissions and pay commissions and bonuses earned via pay card or direct deposit.

#### 3.15 — Income Taxes

Every year, Essanté Organics will automatically provide an IRS Form 1099 MISC (Nonemployee Compensation) commission earnings statement to each U.S. resident who earns more than \$600.00 in any calendar year or who has made purchases in excess of \$5,000.00 in any calendar year.

Each Associate (Executive) is responsible for paying local, state/provincial, and federal taxes on any income generated as an Independent Contractor Associate (Executive). If your Essanté

Organics business is tax exempt, the Federal Tax Identification Number must be provided to Essanté Organics.

# 3.16 — Independent Contractor Status and How To List Yourself

Associates (Executives) are independent contractors, and are not purchasers of a franchise or a business opportunity. The Agreement between Essanté Organics and its Associates (Executives) does not create an employer/employee relationship, agency, partnership, or joint venture between the Company and the Associate (Executive). AN ASSOCIATE (EXECUTIVE) SHALL NOT BE TREATED AS AN EMPLOYEE FOR HIS OR HER SERVICES OR FOR FEDERAL OR STATE TAX PURPOSES. All Associates (Executives) are responsible for fully paying their own local, state, and federal taxes due from all compensation earned as an Associate (Executive) of Essanté Organics. Essanté Organics is not responsible for withholding, and shall not withhold, or deduct FICA, or deduct taxes of any kind from an Associate's (Executive's) bonuses and commissions, unless the tax laws change and withholding becomes legally required. The Associate (Executive) has no authority, expressed or implied, to bind Essanté Organics to any obligation. Associates (Executives) are not authorized to and will not incur any debt, expense, obligation, or open any checking account on behalf of, for, or in the name of Essanté Organics. Each Associate (Executive) agrees he or she shall control the manner and means by which he or she operates his or her Essanté Organics business, and he or she shall establish his or her own goals, hours, and methods of sale, subject to compliance with these Policies and Procedures and applicable governing laws. Each Associate (Executive) shall be solely responsible for paying all expenses incurred, including but not limited to travel, food, lodging, secretarial, office, telephone, computer and other expenses.

The name of Essanté Organics, its products, its services, and other names as may be adopted by Essanté Organics are proprietary trade names, trademarks and service marks of Essanté Organics. As such, these marks are of great value to Essanté Organics and are supplied to Associates (Executives) for their use only in expressly authorized and approved materials. The use of Essanté Organics name on any hand made marketing materials, either in hard copy or on the internet (including URLs) is not permitted. Any marketing piece not produced by Essanté Organics requires written approval from the Compliance Department. All of your online and hard copy materials must be marked as follows:

Associate's Full Name or Business Name Independent Essanté Organics Executive Essanté Organics ID Number

All Associates (Executives) shall list themselves as an "Independent Essanté Organics Executive" online, in any directory, or in any advertisement next to their personal full name or personal business name. Associates (Executives) are not permitted to act as though they are Essanté Organics, thus they may not use Essanté Organics name or Essanté Organics logo without stating "Independent Essanté Organics Executive". Associates (Executives) may not establish any website, webpage, or URL with the name Essanté or the name of any Essanté Organics product or service. Associates (Executives) may not answer the telephone by saying "Essanté Organics", "Essanté Organics Incorporated", or by using any other phrase that would lead the caller to believe he or she has reached Essanté Organics corporate headquarters.

#### 3.17 - Insurance

#### 3.17.1 - Business Pursuits Coverage

You may wish to arrange insurance coverage for your business. Neither your homeowner's insurance policy nor your automobile insurance policy covers business-related injuries, or the theft of or damage to inventory or business equipment. Contact your insurance agent to make certain your property is protected; this can often be accomplished with a simple "Business Pursuit" endorsement attached to your present homeowner's and automobile policies.

# 3.17.2 - Product Liability Coverage

Essanté Organics maintains insurance to protect the Company and Associates (Executives) against product liability claims. Essanté Organics' insurance policy contains a "Vendors Endorsement" which extends coverage to Independent Associates (Executives) so long as they are marketing Essanté Organics products in accordance with these Policies and Procedures and all applicable state and federal laws. Essanté Organics' product liability policy does not extend coverage to claims or actions that arise as a result of an Associate's (Executive's) misconduct in marketing the products or opportunity.

# 3.18 — International Marketing

Because of critical legal and tax considerations, including compliance with: (1) Multiple Foreign laws regarding the approval, registration and licensure of products and services; (2) Laws regarding the accurate listing of ingredients, legal labeling, and health code packaging; (3) Laws regarding disclaimers and cautionary statements; (4) Laws upholding the protection of intellectual property; (5) Laws enforcing compliance with customs, taxes, and immigration laws; (6) Laws that dictate the direct sales industry, network marketing and direct selling; (7) Laws that regulate product and income representations; and (8) Laws that govern web and hard copy content and language, Essanté Organics must limit the resale of Essanté Organics products, and the presentation of the Essanté Organics business to prospective customers and Associates (Executives) located within countries that Essanté Organics has officially announced as being open for the promotion and sale of Essanté Organics products and the Essanté Organics opportunity. Moreover, allowing a few Associates (Executives) to conduct business in markets not yet opened by Essanté Organics would violate the concept of affording every Associate (Executive) the equal opportunity to expand internationally.

Accordingly, Associates (Executives) are authorized to sell Essanté Organics products, and enroll Associates (Executives) only in the countries in which Essanté Organics is authorized to conduct business, as listed in Essanté Organics county drop down menu on the Join Become A Member Form. Associates (Executives) may sell, give, transfer, or distribute Essanté Organics products or sales aids only in their home country. In addition, no Associate (Executive) may, in any unauthorized country: (a) Conduct sales, enrollment or training meetings; (b) Enroll or attempt to enroll potential customers or Associates (Executives); or (c) Conduct any other activity for the purpose of selling Essanté Organics products, establishing a marketing organization, or promoting the Essanté Organics opportunity.

#### 3.19 — Adherence to Laws and Ordinances

#### 3.19.1 - Local Ordinances

Many cities and counties have laws regulating certain home-based businesses. In most cases these ordinances are not applicable to Associates (Executives) because of the nature of their business. However, Associates (Executives) must obey those laws that do apply to them. If a city or county official tells an Associate (Executive) about an ordinance applies to him or her,

the Associate (Executive) shall be polite and cooperative, and immediately send a copy of the ordinance to the Compliance Department of Essanté Organics. In most cases there are exceptions to the ordinance that may apply to Essanté Organics Associates (Executives).

#### 3.19.2 - Compliance With Federal, State, and Local Laws

Associates (Executives) shall comply with all federal, state, and local laws and regulations in the conduct of their businesses.

#### 3.20 - Minors

A person who is recognized as a minor in his or her state of residence may not be a Essanté Organics Associate (Executive). Associates (Executives) shall not enroll or recruit minors into the Essanté Organics program. Essanté Organics respects child labor laws and age requirements as outlined by your state or province.

# 3.21 — One Essanté Organics Business Center Per Individual and Per Entity

An individual may operate or have an ownership interest, legal or equitable, in only one Essanté Organics business. That same individual may have an ownership interest, legal or equitable, in an additional Essanté Organics business only if the second Essanté Organics business is owned and operated by a partnership, corporation, LLC or trust. Except as specifically provided herein, no individual may have, operate or receive compensation from more than one Essanté Organics business.

#### 3.21.1 - Actions of Household Members or Affiliated Individuals

If any member of an Associate's (Executive's) immediate household engages in any activity which, if performed by the Associate (Executive), would violate any provision of the Agreement, such activity will be deemed a violation by the Associate (Executive) and Essanté Organics may take disciplinary action pursuant to the Statement of Policies and Procedures against the Associate (Executive). Similarly, if any individual associated in any way with a corporation, partnership, trust or other entity (collectively "affiliated individual") violates the Agreement, such action(s) will be deemed a violation by the entity, and Essanté Organics may take disciplinary action against the entity.

# 3.22 — Re-packaging and Re-labeling Prohibited

Associates (Executives) may not re-package, re-label, refill or alter the labels on any Essanté Organics products, information, materials or programs in any way. Essanté Organics products must be sold in their original containers only. Such re-labeling or repackaging would likely violate federal and state laws, which could result in severe criminal penalties. You should also be aware that civil liability can arise when, as a consequence of the repackaging or re-labeling of products, the persons using the products suffer any type of injury or their property is damaged.

# 3.23 — Requests for Records

Any request from an Associate (Executive) for copies of invoices, applications, downline activity reports, or other records may require payment of a fee of \$1.00 per page per copy. This fee covers the expense of the processing time required to research files and send copies of records.

3.24 — Sale, Transfer or Assignment of an Essanté Organics Business

An Associate (Executive) may not assign any rights or delegate any duties under the Associate (Executive) Agreement without the prior written consent of Essanté Organics. Any attempt to transfer or assign any Essanté Organics Business, without the express written consent of Essanté Organics, will render the Associate (Executive) Agreement voidable at the option of Essanté Organics. Therefore, although an Essanté Organics Business is a privately owned and independently operated business, the sale, transfer or assignment of a Essanté Organics Business is subject to certain limitations. If an Associate (Executive) wishes to sell his or her Essanté Organics Business, he or she must receive written authorization from Essanté Organics. In order to sell, transfer or assign an Essanté Organics Business, the following criteria must be met:

- a) Protection of the existing line of enrollment must always be maintained so that the Essanté Organics Business continues to be operated in that line of enrollment.
- b) The buyer or transferee must be (or must become) a qualified Essanté Organics Associate (Executive). If the buyer is an active Essanté Organics Associate (Executive), he or she may be required to terminate his or her Essanté Organics Business simultaneously with the purchase, transfer, assignment or acquisition of any interest in the new Essanté Organics Business. The purchaser will be required to terminate an existing Essanté Organics Business or form a business entity if the purchase of the subject business will result in a violation of Section 3.21 above.
- c) Before the sale, transfer or assignment can be finalized and approved by Essanté Organics, any debt obligations the selling Associate (Executive) has with Essanté Organics must be satisfied.
- d) The selling Associate (Executive) 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 an Essanté Organics business.

Prior to selling a Essanté Organics business, the selling Associate (Executive) must notify the Compliance Department of his or her intent to sell the Essanté Organics Business. No changes in line of enrollment can result from the sale or transfer of a Essanté Organics Business.

# 3.25 — Separation of an Essanté Organics Business

Essanté Organics Associates (Executives) sometimes operate their Essanté Organics Businesses as husband-wife partnerships, regular partnerships, corporations, or trusts. At such time as a marriage may end in divorce, or a corporation or partnership or trust (the latter three entities are collectively referred to herein as "entities") may dissolve: Arrangements must be made to assure any separation or division of the business is accomplished in a way so as not to adversely affect the interests and income of other businesses up or down the line of enrollment. If the separating parties fail to provide for the best interests of other Associates (Executives) and the Company, Essanté Organics will involuntarily terminate the Associate (Executive) Agreement.

During the pendency of a divorce or entity dissolution, 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 Essanté Organics Business pursuant to an assignment in writing whereby the relinquishing spouse, shareholders, partners or trustees authorize Essanté Organics to deal directly and solely with the other spouse or non-relinquishing shareholder, partner or trustee.
- b) The parties may continue to operate the Essanté Organics Business jointly on a "business-as-usual" basis, whereupon all compensation paid by Essanté Organics will be paid in the joint names of the Associates (Executives) or in the name of the entity to be divided as the parties may independently agree between themselves.

Under no circumstances will the downline organization of divorcing spouses or a dissolving business entity be divided. Similarly, under no circumstances will Essanté Organics split commission and bonus checks between divorcing spouses or members of dissolving entities. Essanté Organics will recognize only one Downline Organization and will issue only one commission payment per Essanté Organics Business (per commission cycle). Commission payments 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, the Associate (Executive) Agreement shall be involuntarily canceled.

If a former spouse or a former entity affiliate has completely relinquished all rights in their original Essanté Organics Business, they are thereafter free to enroll under any Enroller of their choosing, so long as they meet the six (6) consecutive month waiting period requirements set forth in Section 3.5.4. In such case, however, the former spouse or partner shall have no rights to any Associates (Executives) in their former organization or to any former retail customers. They must develop the new business in the same manner as would any other new Associate (Executive).

#### 3.26 — Enrolling

All active Associates (Executives) in good standing have the right to recruit and enroll others into Essanté Organics. Each prospective Associate (Executive) has the ultimate right to choose his or her own Enroller. If two Associates (Executives) claim to be the Enroller of the same new Associate (Executive), Essanté Organics shall regard the first application received by the Company as controlling.

# 3.27 - Stacking

The term "stacking" includes: (a) The failure to transmit to Essanté Organics, or the holding of an Independent Associate (Executive) Application and Agreement in excess of two business days after its execution; (b) The placement or manipulation of Independent Associate (Executive) Applications and Agreements for the purpose of maximizing compensation pursuant to the Essanté Organics Compensation Plan; or (c) Providing financial assistance to new Associates (Executives) for the purpose of maximizing compensation pursuant to the Essanté Organics Compensation Plan. Stacking constitutes a material breach of these Policies and Procedures, and is strictly prohibited.

#### 3.28 - Succession

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

- a) Execute a new Associate (Executive) Agreement;
- b) Comply with the terms and provisions of the Agreement; and
- c) Meet all of the qualifications for the deceased Associate's (Executive's) status.

Bonus and commission payments from an Essanté Organics Business are transferred pursuant to this section and will be paid in a single payment jointly to the devisees. The devisees must provide Essanté Organics with an "address of record" to which all bonus and commissions will be sent. If the business is bequeathed to joint devisees, they must form a business entity and acquire a federal taxpayer Identification number. Essanté Organics will issue all bonus and commissions to one ID number and one IRS Form 1099 to the business entity.

#### 3.28.1 - Transfer Upon Death of an Associate (Executive)

To effect a testamentary transfer of an Essanté Organics Business, the successor must provide the following to Essanté Organics: (1) An original death certificate; (2) A notarized copy of the will or other instrument establishing the successor's right to the Essanté Organics Business; and (3) A completed and executed Associate (Executive) Agreement.

#### 3.28.2 - Transfer Upon Incapacitation of an Associate (Executive)

To effect a transfer of an Essanté Organics Business because of incapacity, the successor must provide the following to Essanté Organics: (1) A notarized copy of an appointment as trustee; (2) A notarized copy of the trust document or other documentation establishing the trustee's right to administer the Essanté Organics Business; and (3) A completed Associate (Executive) Agreement executed by the trustee.

#### 3.29 - Promotional Tools and Sales Aids

Essanté Organics Independent Contractor Associates (Executives) are not required to purchase and sales aids, tools, marketing materials or services to advance, become or remain an Essanté Organics Associate (Executive). Nor are they required to carry inventory of products or tools for any of their new Associates (Executives).

It is recommend all Associates (Executives) use Essanté Organics branded marketing and training tools and materials, as they are compliant with Policies and Procedures as well as state and federal laws. Independent Contractor Associates (Executives) may develop, use, or provide to their downline, **at no charge**, their own accurate and unique non-Essanté Organics marketing techniques and tools, so long as the tools are submitted and written approval is obtained from the Essanté Organics Compliance Department prior to use. Associates (Executives) **may not sell or accept donations for** any personal advertising, promotional, marketing or training tools or materials provided to other Associates (Executives), nor may such

items carry the Essanté Organics name or logo. All items must include the disclaimer in section 3.30 below.

Because Essanté Organics periodically reviews and revises it Policies and Procedures, Essanté Organics reserves the right, at its sole option and discretion, to rescind and previous authorization that was given in connection with consultant tools, promotional materials or other practices. Upon notice of such rescission, Associates (Executives) agree to immediately cease using such tools, promotional materials or practices.

3.30 - Required Disclaimer on Associate (Executive) Produced Promotional Materials
The following disclaimer must CONSPICUOUSLY appear on all Independently
produced and approved sales aids and promotional materials:

These materials have been produced by (full name, Essanté Organics Executive, ID#) and are not official materials prepared or approved by Essanté Organics. Essanté Organics makes no guarantees that any Associate (Executive) will be financially successful, as each Associate's (Executive's) results are dependent on his or her own skill set, work ethic and efforts. Per the FTC Disclaimer: Like many franchise companies, an Associate's (Executive's) direct sales income may not be shared. FDA Disclaimer: Products are not intended to diagnose, treat, cure or prevent disease. Please review the commission based compensation plan titled Essanté Earnings located at www.EssantéOrganics.com.

#### 3.31 - Audio and Video Recordings

All official Essanté Organics materials, whether printed, electronically produced, computer generated, or produced by sound recording or photograph are copyrighted and may not be reproduced, in whole or in part, by independent Associates (Executives) or any other person, except as authorized in writing by Essanté Organics.

Essanté Organics Associates (Executives) are prohibited from making audio or video recordings of speeches, discussions or presentations made by any Essanté Organics officer, authorized agent, representative, or employee, unless specifically authorized in writing by both Essanté Organics Compliance Department and the company officer.

Audio and video recordings may be produced by Independent Associates (Executives) when done so in accordance with Essanté Organics Policies and Procedures section 3.29 and 3.30.

# SECTION 4 — RESPONSIBILITIES OF AN ASSOCIATE (EXECUTIVE)

# 4.1 — Current and Change of Address and Telephone

To ensure timely delivery of products, support, and commissions, it is critical Essanté Organics always has access to your current and accurate contact information in your Back Office. An accurate street address with zip code and accurate telephone number with area code are both required in your Shopping Cart (and your Back Office) in order to ship all packages. Associates (Executives) planning to move should note the moving date in their calendar and ensure they update this information into their Shopping Cart and Back Office. In addition you may contact Essanté Organics Customer Support Team and they will update your information for you at your request. To guarantee proper delivery, please ensure all changes to orders are entered into your Shopping Cart and Back Office at least 72 hours prior to any

scheduled ship date. In addition those who choose to enjoying the convenience of Essanté Organics Easy Order (auto ship) program should regularly review and approve or change their product selections at least 72 hours prior to any scheduled ship date.

#### 4.2 — Continuing Development Obligations

# 4.2.1 - Ongoing Training

Any Associate (Executive) who enrolls another Associate (Executive) into Essanté Organics must perform a genuine training and offer genuine guidance and assistance to ensure his or her newly personally Enrolled Associate (Executive) is properly operating his or her Essanté Organics Business. Associates (Executives) must have ongoing contact and communication with their personally enrolled Associates (Executives) and others in their downline organization (team). Examples include, but are not limited to: newsletters, written correspondence including emails and invitations, verbal correspondence including phone calls and voice mails, invitations and accompaniment to your personal Essanté Organics meetings and trainings, invitations and accompaniment to your Associate's (Executive's) meetings and trainings, invitations and accompaniment to corporate sponsored Essanté Organics meetings and trainings (including live events, corporate tours, teleconferences and webinars). Associates (Executives) agree to take true actions that result in supporting the success of their teammate's businesses and in turn the success of their own business. Associates (Executives) are encouraged to contact their upline Associates (Executives) and introduce them to their personally Enrolled Associates (Executives). Upline Associates (Executives) are also responsible to offer mentorship, trainings and online and/or live meetings. All Associates (Executives) are responsible for providing the newest Associates (Executives) with Essanté Organics training resources that share: product knowledge, effective relationship building and sales techniques, the Essanté Organics Compensation Plan (Essanté Earnings), and compliant and ethical business practices including those outlined in these Policies and Procedures. Communication with and the training of downline Associates (Executives) is streamlined when everyone uses Essanté Organics branded, corporate-produced tools and trainings. Associates (Executives) may not violate Section 3.2 in regard to non-branded, Associate-produced sales aids and promotional materials.

Associates (Executives) must monitor the Associates (Executives) in their downline organization to ensure downline Associates (Executives) do not make improper product or business claims, or engage in any illegal or inappropriate conduct. Upon request, every Associate (Executive) should be able to provide documented evidence to Essanté Organics of his or her ongoing fulfillment of the responsibilities of an Enroller and the ongoing training outlined above.

#### 4.2.2 - Increased Training Responsibilities

As Associates (Executives) progress through the 3 ranks of leadership (Silver, Gold, and Platinum), they become exceedingly more experienced in relationship building, support, sales techniques, product knowledge, business ethics, understanding the Essanté Organics methods of operation and compensation plan (Essanté Earnings), and the inherent positive effects of recurring residual income. The more advanced Associates (Executives) will be called upon to share this knowledge with lesser experienced Associates (Executives) within their organization.

#### 4.2.3 - Ongoing Sales Responsibilities

Regardless of their level of achievement, Associates (Executives) have an ongoing obligation to continue to personally promote sales through the generation of new retail customers,

wholesale customers and Associates (Executives), and provide ongoing service and support to all.

# 4.3 — Non-disparagement

Essanté Organics mission is provide its Associates (Executives) with the finest quality products, the highest paying compensation plan, and the fastest most reliable service in the direct sales and network marketing industry. Accordingly, we value constructive input and comments. Associates (Executives) agree to send their constructive criticism and comments privately, in writing, directly and only to the Marketing Department or Customer Support. Remember, to best serve you, we must hear from you. And to best serve your downline, your teammates must not hear discouraging negativity. While Essanté Organics welcomes constructive input, negative comments and remarks made publicly in the field, or on social media, by Associates (Executives) about any aspect of Essanté Organics serves no purpose other than to: plant doubt in, sour the enthusiasm of, slow the productivity of, and or lead to negatively effecting the income of other Associates (Executives), including those in your team and in other people's teams. For this reason, and to set a proper and ethical example for all downline Associates (Executives), each Associate (Executive) agrees to never disparage other Associates (Executives), Essanté Organics products, Essanté Organics Compensation Plan (Essanté Earnings), Essanté Organics' directors, officers, or employees nor Essanté Organics as a whole. The disparagement of any of these constitutes a material breach of these Policies and Procedures and is grounds for termination.

# 4.4 — Providing Documentation to Applicants

Associates (Executives) must provide the most current version of the Policies and Procedures and the Compensation Plan (Essanté Earnings) to the individuals they are personally enrolling to become Associates (Executives) before the applicant signs an Associate (Executive) Agreement. Refer all to these online Policies and Procedures or print them at <a href="https://www.EssantéOrganics.com">www.EssantéOrganics.com</a> at the base of the Join - Become a Member page.

#### 4.5 — Reporting Policy Violations

Associates (Executives) observing a Policy violation by another Associate (Executive) are asked to help safeguard Essanté Organics and its Associates (Executives). If illegal activity is observed please submit a confidential email report of the violation directly to the Essanté Organics Compliance Department. Details of the incident should include: Date, time, location, full name of person(s) involved, ID number of person(s) involved, and any supporting documentation. Essanté Organics ensures to keep your name strictly confidential, within the confines of the law.

# SECTION 5 — SALES REQUIREMENTS

#### 5.1 — Product Sales

The Essanté Organics Compensation Plan (Essanté Earnings) is based upon the sale of Essanté Organics products to end consumers. Associates (Executives) must fulfill personal and downline organization retail sales requirements (as well as meet other responsibilities set forth in the Agreement) to be eligible for bonuses, commissions and advancement to higher levels of rank achievement. The following sales requirements must be satisfied for Associates (Executives) to be eligible for commissions:

- a) Associates (Executives) must satisfy the Personal Sales Volume requirements associated with their rank as specified in the Essanté Organics Compensation Plan (Essanté Earnings). Personal Sales Volume includes personal purchases made by the Associate (Executive) and purchases made by the Associate's (Executive's) customers.
- b) At least 70% of an Associate's (Executive's) total monthly Personal Sales Volume must be sold to personal retail customers and online wholesale customers. By reordering, an Associate (Executive) certifies that he or she has complied with this policy.
- c) Associates (Executives) must develop or service at least five (5) customers every month. These customers can be personal retail customers or online wholesale customers.

# 5.2 — No Price or Territory Restrictions

Associates (Executives) are not required to sell Essanté Organics products at the suggested retail prices set by Essanté Organics on the Essanté Organics website. Associates (Executives) may sell Essanté Organics products at any price they choose. There are no exclusive territories granted to anyone. No franchise fees are required.

#### 5.3 — Sales Receipts

All Associates (Executives) must provide their personal retail customers with two (2) copies of an official Essanté Organics sales receipt at the time of the sale. These two (2) receipts set forth the 30 Day Customer Satisfaction Guarantee for Essanté Organics products, as well as any consumer protection rights afforded by federal or state law and need to be passed to the retail customer at time of purchase. In addition, make a third copy for your records: Associates (Executives) must maintain all retail sales receipts for a period of two (2) years and furnish them to Essanté Organics at the Company's request. In the event of a return, Essanté Organics will reimburse you (the original purchaser of product) within 30 days of your purchase date, and inturn you will reimburse your retail customer.

Orders placed online through an Associate's (Executive's) e-commerce replicated website automatically generate all receipts and all are maintained by Essanté Organics and are available in each person's Back Office.

If a sale qualifies as a "door-to-door" sale, Associates (Executives) must ensure the following information is contained on each sales receipt:

- (1) The date of the transaction;
- (2) The date (not earlier than the third business day following the date of the transaction) by which the buyer may give notice of cancellation; and
- (3) Name and address of the selling Associate (Executive) and his or her Essanté Organics ID number;

Remember each retail customer must receive two (2) copies of the sales receipt. In addition, Associates (Executives) who make "door-to-door" sales must orally inform the buyer of his or her 72-business-hour cancellation rights.

For the purposes of these Policies and Procedures, a "door-to-door" sale means a sale or contract for sale of consumer goods or services with a purchase price of \$25 or more, in which the buyer's agreement to purchase is made at a place other than the place of business of the Associate (Executive) seller (e.i.: retail sales transactions that occur at: the buyer's residence or rental, any hotel facility including lobbies or conference rooms, any civic or convention center, any fairgrounds, any restaurants, or workplace including the buyer's workplace). The phrase "consumer goods or services" is defined as "goods or services purchased, leased, or rented primarily for personal, family, or household purposes, including courses of instruction or training, regardless of the purpose for which they are taken." Thus, whether a transaction involves "consumer goods or services" will depend upon the ultimate purposes of the purchaser.

"Door-to-door" sales do not include a transaction:

- (1) Made pursuant to prior negotiations in the course of a visit by the buyer to a retail business establishment having a fixed permanent location where the products are exhibited for sale on a continuing basis; or
- (2) Conducted and consummated entirely by mail or telephone, and without any other contact between the buyer and the seller or its representative prior to delivery of the products or performance of the services.

# SECTION 6 — BONUSES AND COMMISSIONS

#### 6.1 — Bonus and Commission Qualifications

To receive bonuses and commissions in accordance with the Compensation Plan (Essanté Earnings), located online at EssanteOrganics.com, an Associate (Executive) must:

- A. Be active and qualified;
- B. Be in compliance with the Agreement; and
- C. Register and be approved for their choice: Either the Essante Organics Pay Card or Direct Deposit, and accumulate the minimum for each commission load (shown below).

# Pay Card or Direct Deposit

Essanté Organics is a green company, for this reason paper checks are not produced. All Associates (Executives) enjoy quick, pre-approved online registration for either a Pay Card or for Direct Deposit, through Payoneer, the world's leading global payor.

#### Pay Card and Direct Deposit Minimums

Commissions are paid weekly. Each week, before commissions are loaded onto your Pay Card or paid via Direct Deposit (Bank Transfer) into the bank account of your choice, the following minimum amount of commission must be earned weekly for payout to occur, otherwise commissions accumulate, rollover to the next week, and payout occurs once the following minimum is attained:

**USA Pay Card** Per Commission Load Minimum: \$20.00

USA Auto Deposit (Bank Transfer) Per Commission Load Minimum: \$20.00

INTL Pay Card Per Load Commission Minimum: \$20.00 INTL Auto Deposit (Bank Transfer) Per Commission Load Minimum: \$50.00

#### 6.2 — Adjustments to Bonuses and Commissions

# 6.2.1 - Adjustments for Returned Products

Associates (Executives) receive bonuses and commissions based on the actual sales of products to end consumers. When a product is returned to Essanté Organics for a refund (or is repurchased by the Company), the bonuses and commissions originally paid on that sale to the selling Associate (Executive) will be deducted from the selling Associate's (Executive's) commissions, in the month in which the refund is given (and continuing every pay period thereafter until the paid commission is recovered in full). In the event any such Associate (Executive) terminates his or her Agreement, the remainder of the outstanding balance may be set off against any amounts owed to the terminated Associate (Executive) pursuant to Section 7.2.

#### 6.2.2 - Other Deductions

Essanté Organics will deduct from all bonus and commission payments a standard processing fee, outlined during the quick enrollment process for either the Pay Card or Direct Deposit (Bank Transfer).

#### 6.3 — Unclaimed Commissions and Credits

Associates (Executives) must register for the Essanté Organics Pay Card or Direct Deposit to receive commissions. Any commission payment that remains uncollected after 90 days will be void. Essanté Organics will attempt to notify the Associate (Executive) who has unpaid commissions by sending a monthly written notice to their last known address identifying the amount of commission and advising the Associate (Executive) of their ability to request a paper check. There shall be a \$10.00 fee for each written notice sent to the Associate (Executive) and a \$15.00 fee for generating each paper check. These charges shall be deducted from the balance owed to the Associate (Executive). Outside of this instance, Essanté Organics is a green, paperless company. For this reason, paper checks are not offered.

Customers or Associates (Executives) who have a credit on account must use their credit within six (6) months from the date the credit was issued. If credits have not been used within six (6) months, Essanté Organics shall attempt to notify the Associate (Executive) or customer on a monthly basis, by sending written notice to the last known address, advising the Associate (Executive) or customer of the credit. There shall be a \$10.00 charge for each attempted notification. This charge shall be deducted from the Associate's (Executive's) or customer's credit on account.

#### 6.4 — Online and Telephonic Activity Reports

All information provided by Essanté Organics in online or telephonic downline activity reports, including but not limited to personal and group sales volume (or any part thereof), downline enrollment activity, and accrued bonuses and commissions is believed to be accurate and reliable. Nevertheless, due to various factors including the inherent possibility of human and mechanical error; the accuracy, completeness, and timeliness of orders; denial of credit card and electronic check payments; returned products; credit card and electronic check chargebacks; the information is not guaranteed by Essanté Organics or any persons creating or transmitting the information.

ALL VOLUME INFORMATION (E.I., PERSONAL SALES VOLUME OR PSV IS PROVIDED "AS IS" WITHOUT WARRANTIES, EXPRESS OR IMPLIED, OR REPRESENTATIONS OF ANY KIND WHATSOEVER. IN PARTICULAR, BUT WITHOUT LIMITATION, THERE SHALL BE NO WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR USE, OR NON INFRINGEMENT. TO THE FULLEST EXTENT PERMISSIBLE UNDER APPLICABLE LAW, ESSANTÉ ORGANICS AND/OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION WILL IN NO EVENT BE LIABLE TO ANY ASSOCIATE (EXECUTIVE) OR ANYONE ELSE FOR ANY DIRECT, INDIRECT, CONSEQUENTIAL, INCIDENTAL, SPECIAL OR PUNITIVE DAMAGES THAT ARISE OUT OF THE USE OF, OR ACCESS TO, VOLUME INFORMATION (INCLUDING BUT NOT LIMITED TO LOST PROFITS, LOSS OF BONUSES, OR COMMISSIONS, LOSS OF OPPORTUNITY, AND DAMAGES THAT MAY RESULT FROM INACCURACY, INCOMPLETENESS, INCONVENIENCE, DELAY, OR LOSS OF THE USE OF THE INFORMATION), EVEN IF ESSANTÉ ORGANICS, OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION, SHALL HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. TO THE FULLEST EXTENT PERMITTED BY LAW. ESSANTÉ ORGANICS, OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION, SHALL HAVE NO RESPONSIBILITY OR LIABILITY TO YOU OR ANYONE ELSE UNDER ANY TORT, CONTRACT, NEGLIGENCE, STRICT LIABILITY, PRODUCTS LIABILITY OR OTHER THEORY WITH RESPECT TO ANY SUBJECT MATTER OF THIS AGREEMENT OR TERMS AND CONDITIONS RELATED THERETO.

Access to and use of Essanté Organics' online and telephone activity reporting services and the information obtained thereby is at your own risk. All such information is provided to you "as is". If you are dissatisfied with the accuracy or quality of the information, your sole and exclusive remedy is to discontinue use of and access to Essanté Organics' online and telephone activity reporting services.

# <u>SECTION 7 — PRODUCT GUARANTEES, RETURNS AND INVENTORY</u> REPURCHASE

#### 7.1 — Product Guarantee

Essanté Organics guarantees every product to outperform every other product on the market. If you or any of your customers are not completely thrilled with Essanté Organics toxic free and organic product(s), Essanté Organics will quickly make it right. Essanté Organics offers all customers an unconditional 30-day satisfaction guarantee. Products purchased within the last 30 days may be exchanged with any other product(s) of equal or lesser value. Or a refund for products purchased will be issued back to the original credit card used during purchasing, less a 15% processing fee. Returns or exchanges must be requested in writing by emailing Customer Support. Email your full name, your Essanté Organics ID#, and share why you are not satisfied. Customer Support will contact you, offer you an equal exchange or they will issue an RMA# (Return Merchandise Authorization #). An RMA number is required for all returns and refunds. Note: Return shipping fees are the customer's responsibility and the \$29.95 lifetime wholesale website fee is nonrefundable.

#### 7.1.1 - Returns by Retail Customers

Essanté Organics offers, through its Associates (Executives), a 30-day satisfaction guarantee to all retail customers. Every Associate (Executive) is bound to honor the retail customer

satisfaction guarantee as outlined in section 5.3 above. If, for any reason, a retail customer is dissatisfied with any Essanté Organics product, the retail customer may personally return the unused portion of the product directly to the Associate (Executive) from whom it was purchased, within thirty (30) days of the purchase date, or for an equal value replacement product exchange, or for a refund of the purchase price less a 15% processing fee.

#### 7.1.2 - Retail Customer 3 Day Cancellation Right

In addition, a retail customer who makes a purchase of \$25.00 or more has three business days (72 hours) after the sale or execution of a contract to cancel the order and receive a full refund consistent with the terms outlined in section 7. When an Associate (Executive) makes a sale, or takes an order from a retail customer who cancels or requests a refund within the 72 hour period, the Associate (Executive) must promptly refund the customer's money, as long as the products are returned to the Associate (Executive) within 30 days of purchase. Additionally, Associates (Executives) must orally inform retail customers: of their right to rescind a purchase or an order within 72 business hours, based on the purchase date shown on the receipt the received from the Associate (Executive). All retail customers must be provided with two (2) copies of an official Essanté Organics sales receipt at the time of the sale. The back of the receipt provides the customer with written notice of his or her rights to cancel the sales agreement.

# 7.1.3 - Returns by Online Customers

Essanté Organics offers all customers who purchase online an unconditional 30-day satisfaction guarantee. If, for any reason, any online customer is dissatisfied with any Essanté Organics product, they may return the product to the Company within thirty (30) days of purchase, for a replacement (exchange) of an equally priced product or for a refund, less a 15% processing fee. An RMA (Return Merchandise Authorization) Number is required for all exchanges and returns and return shipping is the customer's responsibility. See section 7.1 for details on how to initiate an exchange or return in writing.

#### 7.1.4 - Retail Returns Made by the Selling Associate (Executive)

If a personal retail customer returns a product to the Associate (Executive) from whom it was purchased, the Associate (Executive) may return it to Essanté Organics for an exchange or refund (less shipping costs) as outlined in section 7. All products returned by personal retail customers must be immediately sent to Essanté Organics by the Associate (Executive), within 10 days from the date on which it was returned to the Associate (Executive), along with a copy of the sales receipt the Associate (Executive) provided to their retail customer.

#### 7.2 — Return of Inventory and Sales Aids by the Associate (Executive)

Upon cancellation of an Associate's Agreement, the Associate (Executive) may return inventory and sales aids for a refund if he or she is unable to sell or use the merchandise. An Associate (Executive) may only return his or her formerly purchased products unused sales aids in resalable condition. Upon receipt of the products and sales aids, the Associate (Executive) will be reimbursed according to Essanté Organics Satisfaction Guarantee outlined in Section 7. If the purchase was made via credit card, the refund amount will be refunded and applied back to the same credit card account. Essanté Organics shall deduct from the commissions reimbursement paid to the Associate (Executive) any associated commissions, bonuses, rebates or other incentives originally paid to the Associate (Executive). The allowable inventory to be considered for any return is also subject to Section 5 (Product Sales).

#### 7.2.1 - Montana Residents

A Montana resident, based on their unique state law, may cancel his or her Associate (Executive) Agreement within fifteen (15) days from the date of enrollment and receive a full refund of the replicated website fee.

#### 7.3 — Procedures for All Returns

The following procedures apply to all returns for refund, repurchase, or exchange:

- a) All merchandise must be returned by the Associate (Executive) or the customer who purchased it online, directly from Essanté Organics.
- b) All products to be returned must have an RMA (Return Merchandise Authorization) number which is obtained by emailing Customer Support. The RMA number must be written on each box that is returned to Essanté Organics.
- c) The return must be accompanied by:
  - 1. A completed and signed Consumer Return Form;
  - 2. A copy of the original dated sales receipt; and
  - 3. The unused portion of the product in its original container.
- d) Proper shipping carton(s) and packing materials are to be used in packaging the product(s) being returned for replacement or refund, and the best and most economical means of shipping is suggested. All returns must be shipped to Essanté Organics with shipping pre-paid, and return shipping is the customer's responsibility. Essanté Organics does not accept shipping-collect packages. The risk of loss in shipping for returned product shall be on the Associate (Executive). If returned product is not received by Essanté Organics Shipping Department, it is the responsibility of the Associate (Executive) to track and trace the shipment, and collect restitution from the shipping courier who is at fault.
- e) If an Associate (Executive) is returning merchandise to Essanté Organics, that was returned to him or her by a personal retail customer, the product must be received by Essanté Organics within ten (10) days from the date on which the retail customer returned the merchandise to the Associate (Executive), and must be accompanied by a copy of the retail sales receipt the Associate (Executive) furnished the customer at the time of sale.

No refund or replacement of product will be made if the conditions of these rules are not met.

#### SECTION 8 — DISPUTE RESOLUTION AND DISCIPLINARY PROCEEDINGS

#### 8.1 — Disciplinary Sanctions

Violation of the Agreement, these Policies and Procedures, or regulatory laws, as well as any illegal, fraudulent, deceptive or unethical business conduct by an Associate (Executive) may result, at Essanté Organics' discretion, in one or more of the following corrective measures:

- a) Issuance of a written warning or admonition:
- b) Requiring the Associate (Executive) to take immediate corrective measures;
- c) Imposition of a fine, which may be withheld from the Associate's (Executive's) bonuses and commissions:
- d) Loss of rights to one or more bonus and commission payment;

- e) Withholding all or part of the Associate's (Executive's) bonuses and commissions during the period Essanté Organics is investigating any alleged breach or violation of the Agreement. If an Associate's (Executive's) business is canceled for disciplinary reasons, the Associate (Executive) will not be entitled to recover any commissions withheld during the investigation period;
- f) Suspension of the individual's Associate (Executive) Agreement for one or more pay periods:
- g) Involuntary termination of the offending Associate's (Executive's) Agreement;
- h) Any other measure expressly allowed within any provision of the Agreement or which Essanté Organics deems practicable to implement and appropriate to equitably resolve injuries caused partially or exclusively by the Associate's (Executive's) Policies and Procedures violation or contractual breach:
- i) In situations deemed appropriate by Essanté Organics, the Company may institute legal proceedings for monetary and/or equitable relief.

# 8.2 — Grievances and Complaints

When an Associate (Executive) has a grievance or complaint with another Associate (Executive) regarding any ill practice or ill conduct in relationship to their respective Essanté Organics businesses, the complaining Associate (Executive) should first report the problem to his or her Enroller who should review the matter objectively and do their best to resolve it in a group fashion with both party's personal Enrollers. If the matter cannot be resolved within 72 business hours, by the upline Enrollers, the problem must be reported in writing to Essanté Organics Compliance Department. The Compliance Department will interview all involved parties, review the facts, and either resolve the situation amicably among all parties. If all parties cannot come to a resolution the parties at odds may present their case to the Essanté Organics senior management team, who will vote and pass a final judgment on the issue, in which case all involved Associate's (Executive's) will agree in writing to abide by the decision put forth by the Essanté Organics senior management team.

#### 8.3 — Arbitration

Any controversy or claim arising out of, or relating to, the Agreement, or the breach thereof, shall be settled by arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. If an Associate (Executive) wishes to bring an action against Essanté Organics for any act or omission relating to or arising from this Agreement, such action must be brought within one (1) year from the date of the alleged conduct giving rise to the cause of action. Failure to bring such action within one (1) year shall bar all claims by the Associate (Executive) against Essanté Organics for such act or omission. Associate (Executive) waives all claims that any other statute of limitation applies. Associates (Executives) waive all rights to trial by jury or to any court. All arbitration proceedings shall be held in the City of Phoenix, Arizona, unless the laws of the state in which an Associate (Executive) resides expressly require the application of its laws, in which case the arbitration shall be held in the capital of that state. The parties shall be entitled to all discovery rights allowed under the Federal Rules of Civil Procedure. No other aspects of the Federal Rules of Civil Procedure shall be applicable to an arbitration. There shall be one (1) arbitrator, an attorney at law, who shall have expertise in business law transactions with a strong preference being an attorney knowledgeable in the direct selling industry, selected from the panel which the American Arbitration Association provides. Each party to the arbitration shall be responsible for its own costs and expenses of arbitration, including legal and filing fees. The decision of the

arbitrator shall be final and binding on the parties and may, if necessary, be reduced to a judgment in any court of competent jurisdiction. This agreement to arbitrate shall survive any termination or expiration of the Agreement.

Nothing in these Policies and Procedures shall prevent Essanté Organics from applying to and obtaining from any court having jurisdiction a writ of attachment, a temporary injunction, preliminary injunction, permanent injunction or other relief available to safeguard and protect Essanté Organics' interest prior to, during, or following the filing of any arbitration or other proceeding or pending the rendition of a decision or award in connection with any arbitration or other proceeding.

# 8.4 — Governing Law, Jurisdiction and Venue

Jurisdiction and venue of any matter not subject to arbitration shall reside in Maricopa County, State of Arizona unless the laws of the state in which an Associate (Executive) resides expressly require the application of its laws, in which case that state's law shall govern all issues related to jurisdiction and venue. The Federal Arbitration Act shall govern all matters relating to arbitration. The laws of the State of Arizona shall govern all other matters relating to or arising from the Agreement unless the laws of the state in which an Associate (Executive) resides expressly require the application of its laws.

# SECTION 9 — ORDERING

# 9.1 — Purchasing Essanté Organics Products

Each Associate (Executive) should purchase his or her products online directly from Essanté Organics. If an Associate (Executive) purchases products from another Associate (Executive) or any other source, the purchasing Associate (Executive) will not receive the personal sales volume that is associated with that purchase.

#### 9.2 — General Order Policies

Each Associate (Executive) or customer who attempts to purchase his or her products online from Essanté Organics, yet orders with an invalid credit card or enters incorrect payment information: Essanté Organics will attempt to contact the Associate (Executive) by phone, email and or standard mail to obtain another payment method. If these attempts are unsuccessful after five (5) business days the order will remain unprocessed and the sales volume associated with that purchase will remain unassigned. No C.O.D. (Cash On Delivery) orders will be accepted. Essanté Organics maintains no minimum order requirements. Orders for products and sales aids may be combined.

#### 9.3 — Shipping and Out-Of-Stock / Back Order Policy

Essanté Organics, under normal circumstances, will ship products within one (1) to three (3) business days from the date each order is received. Essanté Organics will expeditiously ship all products currently in stock.

If an ordered product is temporarily out-of-stock, the website notifies the buyer, and the system automatically ships the back ordered product separately, once it is in stock again. Associates (Executives) will be charged and given Personal Sales Volume (PSV) on back ordered items at the original time the order is processed, unless the invoice notifies the buyer the product has been discontinued. Essanté Organics notifies its Associates (Executives) and customers if a

product is on back order in the Shopping Cart, on the box receipt, on the online Back Office receipt, and on the emailed receipt. If a back ordered item is purchased, it may be canceled by contacting Customer Support and requesting: a refund, a credit to their account, a replacement product in lieu of the back ordered product, or a refund back to the credit card originally used for the purchase. If a refund is requested, the Associate's (Executive's) Personal Sales Volume (PSV)will be decreased by the amount of the points associated with the refund, in the month in which the refund is issued.

In addition, all associated volume is clawed back from the Enroller and all Associates (Executives) up the line, who receive commissions on any refunded product(s).

#### 9.4 — Confirmation of Order

Associates (Executives) and customers who order and receive Essanté Organics products must confirm the product received matches the product listed on the shipping invoice, and is free of damage. Failure to notify Essanté Organics of any shipping discrepancy or damage within thirty (30) days of shipment will cancel the Associate's (Executive's) and customer's right to request a correction. See section 7 above for Essanté Organics Satisfaction Guarantee details.

# SECTION 10 — PAYMENT AND SHIPPING

# 10.1 — Payments For Retail Products

No monies are to be paid to, or accepted by, any Associate (Executive) from anyone other than a personal retail customer, and such monies are only to be accepted excepted at time of product delivery. Associates (Executives) shall not accept or hold monies from retail customers in advance, in anticipation of future deliveries. It is Essanté Organics Policy for all Associates (Executives) to collect monies for retail sales at time of product delivery, not earlier, and to supply two (2) copies of a valid retail sales receipt to the buyer as outlined in Section 5.3 above.

#### 10.2 — Insufficient Funds

It is the responsibility of each Associate (Executive) to ensure that there are sufficient funds or credit available in his or her account to cover their monthly Easy Order (auto ship). Essanté Organics will not contact Associates (Executives) in regard to orders that do not process due to insufficient funds or credit. This may result in an Associate's (Executive's) failure to meet his or her Personal Sales Volume requirements for the month.

#### 10.3 — Returned Checks

All checks returned by an Associate's (Executive's) bank for insufficient funds will be resubmitted for payment and a \$25.00 returned check fee will be charged to the account of the Associate (Executive), in addition to any direct charges assessed by Essanté Organics' bank. After receiving a returned check from a customer or an Associate (Executive), all future orders must be paid by debit card, credit card, purchased gift card, money order, or cashier's check. Any outstanding balance owed to Essanté Organics by an Associate (Executive) for NSF (No Sufficient Funds) and associated fees will be withheld from subsequent bonus and commission payments.

10.4 — Restrictions on Third Party Use of Credit Cards and Checking Account Access Associates (Executives) shall not permit Customers or other Associates (Executives) to use his or her credit or debit card, or personal bank accounts to Enroll or buy Essanté Organics merchandise.

#### 10.5 — Sales Taxes

As independent contractors, Associates (Executives) are responsible to collect and remit the appropriate sales tax on all products which they sell to their personal retail customers. Consult with your local sales tax authority to ensure sales tax is properly remitted.

# SECTION 11 — INACTIVITY AND CANCELLATION

#### 11.1 — Inactivity

It is the Associate's (Executive's) responsibility to lead his or her organization and set a proper example by personal producing sales to end consumers. Without this proper example and leadership, the Associate (Executive) will lose his or her right to receive commissions from the sales generated through his or her organization. Therefore, Associates (Executives) who personally produce less than \$100 of Personal Sales Volume, during any calendar quarter will forfeit all Personal Sales Volume accrued. The Associate (Executive) may reactivate his or her business center by generating a qualifying order.

#### 11.2 — Effect of Cancellation

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

The former Associate (Executive) shall not hold himself or herself out as a Essanté Organics Associate (Executive) and shall not have the right to sell Essanté Organics products or services. An Associate (Executive) whose Associate (Executive) Agreement is canceled shall receive commissions and bonuses only for the last full pay period he or she was active prior to cancellation (less any amounts withheld during an investigation preceding an involuntary cancellation).

# 11.3 — Involuntary Cancellation

An Associate's (Executive's) violation of any of the terms of the Agreement, including any amendments that may be made by Essanté Organics in its sole discretion, may result in any of the sanctions listed in Section 8.1, including the involuntary cancellation of his or her Associate (Executive) Agreement. Cancellation shall be effective on the date on which written notice is emailed and sent in the mail, return receipt requested, to the Associate's (Executive's) last known address, or when the Associate (Executive) receives actual notice of cancellation, whichever occurs first.

Essanté Organics expressly reserves the right to terminate all Associate (Executive) Agreements upon thirty (30) days written notice in the event that it elects to: (1) Cease business operations; (2) Dissolve as a corporate entity; or (3) Terminate distribution of its products and services via direct selling.

#### 11.4 — Voluntary Cancellation

An Associate (Executive) has the right to cancel their Agreement or their product order, at any time, regardless of reason. Cancellation must be submitted in writing to the Company at its principal business address. The written notice must include the Associate's (Executive's) signature, printed name, address, and Essanté Organics ID Number.

#### 11.4.1 - Non-renewal

An Associate (Executive) may also voluntarily cancel his or her Associate (Executive) Agreement by failing to renew the Agreement on its annual anniversary date.

# SECTION 12 — GLOSSARY (TERMINOLOGY AND DEFINITIONS IN ALPHABETICAL ORDER)

#### **Active Associate (Executive):**

An Associate (Executive) who satisfies the minimum Personal Sales Volume (PSV) requirements, as set forth in the Essanté Organics Compensation Plan (Essanté Earnings), to ensure he or she is eligible to receive bonuses and commissions.

#### **Active Rank:**

The current pay rank of an Associate (Executive), as determined by the Essanté Organics Compensation Plan (Essanté Earnings), for any volume period. To be considered "active" relative to a particular rank, an Associate (Executive) must meet the criteria set forth in the Essanté Organics Compensation Plan (Essanté Earnings) for his or her respective rank. See the definition of "Rank" below.

#### Agreement:

The binding contract between Essanté Organics and each Associate (Executive) which includes the Associate (Executive) Application and Agreement, the Essanté Organics Policies and Procedures, the Essanté Organics Compensation Plan (Essanté Earnings), and the Business Entity Form (where appropriate), all in their current form and as amended by Essanté Organics in its sole discretion. These documents are collectively referred to as the "Agreement."

#### **Business or Business Center or Position:**

The position within the Essanté Organics organization and the e-commerce replicated website an Essanté Organics Associate (Executive) operates as an Independent Contractor, with the ability to earn either or both retail and recurring commissions from all sales volume processed through their replicated website, in accordance with the Essanté Organics Compensation Plan (Essanté Earnings).

#### Cancel:

The termination of an Associate's (Executive's) business center, by way of voluntary, involuntary, non-renewal, or inactivity over six (6) consecutive months.

# Company:

The term used throughout the Agreement referring to Essanté Organics.

#### **Commissionable Products and Non-Commissionable Products:**

Commissionable products are Essanté Organics products with volume (points) and commissions and bonuses are paid to all qualified Associates (Executives) up the line, in accordance with the Compensation Plan (Essanté Earnings). For example: all standard size daily use products are commissionable products.

Non-Commissionable products are Essanté Organics products with zero volume (points) and do not pay commissions or bonuses. For example: all replicated websites, mini product samples, and sales aids are not commissionable products.

# **Compensation Plan (Essanté Earnings):**

The online one page document which details all six (6) bonuses, and shares how every qualified Associate (Executive) in Essanté Organics may earns commissions including:

- 1) \*Retail Sales: The 30% difference between the online Retail and Wholesale price. Paid weekly. No Personal Sales Volume (PSV) or personal purchase necessary to qualify.
- 2) \*\$499 and \$199 Pack Sales: The \$100 or \$50 flat commission bonus per sale. Paid weekly.
- 3) \*\$500 Express Start Gold Bonus: The one-time commission bonus earned by personally enrolling 4 Associates (Executives) who each become Silver in your 1st 30 days in business.
- 4) \*Endless Team Bonus (ETB): The 10% commission bonus paid to unlimited levels of depth on all sales volume below you, regardless if you generated the sales or not. Unpaid commissions are always banked in full and are never flushed. Paid weekly.
- 5) \*Matching Bonus (Essanté Organics is home of the 100% Matching Bonus): The 25% or 50% or 100% commission bonus paid on the Endless Team Bonus (ETB) of all the Associates (Executives) you personally enroll. Silver Executives earn a 25% Matching Bonus, Gold Executives earn 50% Matching Bonus, and Platinum Executives earn 100% Matching Bonus.

6) \*The Expansion Race: The 1% profit sharing bonus that is shared by only 50 Associates (Executives) per territory, who are the first to generate 50,000 in volume on both their left and right team, within any given territory. Contact Essanté Organics to determine current territories The Expansion Race is occurring in. See rules and regulations online. Paid annually on commissionable volume production. No limit to the number of countries an Associate (Executive) may participate in.

# \*To qualify for the above Essanté Earnings bonuses an Associate (Executive) must generate the following Personal Sales Volume (PSV) every 30 days:

100 PSV for all 6 Bonuses
75 PVS for bonuses 1-5
40 PSV for Retail Sales and half or 5% of ETB
0-39 PSV for Retail only

\*1-6 above are short descriptions only, and are shown for the purposes of defining terminology only in the Policies and Procedures document. 1-6 above do not constitute the Essanté Organics Compensation Plan. Only the actual online Essanté Earnings document constitutes the Essanté Organics Compensation Plan and how to qualify and earn commissions with Essanté Organics. Actual Essanté Earnings Compensation Plan at www.EssantéOrganics.com.

# **Downline or Organization or Green Tree:**

The Associates (Executives) enrolled below a particular Associate (Executive). All the individuals positioned below you, including your personally enrolled Associates (Executives) and all of your teammate's personally enrolled Associates (Executives), and so on down the line. All those enrolled by you, and all those enrolled by other downline members in your origination, in both your left and right legs (teams). The Back Office refers to your downline and organization as your Green Tree. Your Green Tree consists of two (2) teams, a left team and a right team. From your online Back Office you may view, manage, and contact select teammates in your Green Tree Downline Organization. In addition you may qualify to receive a 10% Endless Team Bonus commission to unlimited levels of depth on all Group Sales Volume produced within your Green Tree.

# **Downline Activity Report or Green Tree Detailed List:**

The online Back Office report generated by Essanté Organics that provides critical and detailed team data, including but not limited to: Associate (Executive) identities and contact information, Wholesale Customer identities and contact information, Retail Customer identities and contact information, order information, sales information, volumes, active and inactive qualification statuses, enrollment activity, and pay ranks of each Associate (Executive) in your downline organization (Green Tree). This report contains confidential and trade secret information which is proprietary to Essanté Organics. For this reason, Associates (Executives) are prohibited from sharing this internal tracking information with others. In addition, Associates (Executives) are initially given limited access to this information: for example Silver Associates (Executives) enjoy beginner access (to their personally enrolled), Gold Associates (Executives) enjoy intermediate access (to more than their personally enrolled), and Platinum Associates (Executives) are given advanced (full) access to their entire Green Tree Downline Organization.

# **Downline Leg or Leg:**

An Associate's (Executive's) left Green Tree Downline Organization team (leg), and or right Green Tree Downline Organization team (leg). Each Associate (Executive) only builds two (2) teams (2 downline legs), and this makes building a simplified and synergistic process. Each Associate (Executive) begins their Essanté Organics business by personally enrolling two (2) people: One (1) Associate (Executive) on their left team (leg) and one (1) Associate (Executive) on their right team (leg), each with a minimum of 75 points in Personal Sales Volume (PSV): Qualified Associates (Executives) who compete this activity are Silver Executives in Essanté Organics as defined by the Essanté Organics Compensation Plan (Essanté Earnings). All Associates (Executives) strive to build two (2) "downline legs" also knows as teams or organizations.

#### **End Consumer:**

A person who purchases Essanté Organics products for the purpose of personally consuming them rather than for the purpose of reselling them to others.

#### **Enroller:**

The Associate (Executive) who enrolls another Associate (Executive) into Essanté Organics. The Associate (Executive) who is documented as the seller of a business center and who is listed as the Enroller on the Associate (Executive) Application and Agreement and in the Back Office. The act of bringing and positioning another person into your team and training them to become an Associate (Executive) is called "Enrolling."

# **Essanté Earnings:**

See Compensation Plan definition only (above) and see actual Compensation Plan online at www.EssanteOrgnics.com

#### **Immediate Household:**

Heads of household and dependent family members residing in the same house.

#### Level:

The layers or vertically numbered positions in an Associate's (Executive's) two (2) teams (organization). The relationship of an Associate (Executive) relative to a particular upline Associate (Executive), determined by the number of Associates (Executives) between them, who have either been personally enrolled or enrolled by others, within your organization (team). For example, if you enroll Betty, and Betty enrolls Carol, and Carol enrolls David, and David enrolls Edward, and all enrollments have occurred in your left team (leg), then Edward is on your 4th level in your left team:

You

Level 1 Betty

Level 2 Carol

Level 3 David

Level 4 Edward

# Official Essanté Organics Material:

Compliant audio, visual, online text, printed text, flyers, tear off pads, catalogs, Keynotes, PowerPoints, slide presentations, teleconference recordings, webinars, videos, pdfs, banners, documents and all tools developed, branded, and published by the Essanté Organics Marketing

Department and distributed to Essanté Organics Associates (Executives) for the purposes of product education, sampling, and ease of business operations.

#### **Online Customer:**

An individual who purchases Essanté Organics products through an Associate's (Executive's) replicated Essanté Organics website or through the official Essanté Organics website. In the case of the latter, the individual purchasing products can initially enter their referring Associate (Executive) and all associated volume is assigned to the referring Associate (Executive). As that same individual returns to the corporate website, the system automatically recognizes the individual as your returning Customer or Associate (Executive) and automatically assigns all product purchases to your business center and all activity is registered in your Back Office.

### Pay Card or Direct Deposit (Bank Transfer):

The only two methods by which Associates (Executives) are paid commissions by Essanté Organics. All Associates (Executives) are pre-approved and all enjoy quick registration through their Back Office. A standard weekly processing fee applies only when commissions are earned. A standard commission minimum is required before Pay Cards and Bank Accounts are funded. If the minimum commission amount is not earned in a pay period, those commissions roll over to the next week, and commissions accumulate until the minimum is met and paid out (typically the minimum is \$20 - \$50 depending on country of residence).

#### **Personal Production:**

The products and volume an Associate (Executive) either personally purchases for their personal use or offers to an end consumer for the end consumer to use.

#### Personal Sales Volume (PSV):

The commissionable value of products sold every 30 days: (1) By Essanté Organics to an Associate (Executive); and (2) By the Essanté Organics Shopping Cart to the Associate's (Executive's) online Wholesale and Retail Customers.

#### Points:

See Personal Sales Volume (above). In the online Wholesale Shopping Cart, and in the back of the Essanté Organics Catalog, most daily use products are assigned a point value. Points are the commissionable value of a product. For example: if product X has a retail price of \$50.00, and a wholesale price of \$38.50, and a point value of 35, the commissionable value is 35 or \$35.00. In this example, Qualified Associates (Executives) would receive commission based on the \$35.00 point value.

Note: Points do not apply in the Retail Shopping Cart. Retail Sales are calculated on the difference between the Retail price and the Wholesale price. In the example above, the retail price of \$50.00 minus the wholesale price of \$38.50 = \$11.50. Therefore \$11.50 is the retail commission for product X.

#### **Qualify or Qualified:**

See Compensation Plan (above). An Associate (Executive) may qualify to earn certain levels of commissions through the amount of Personal Sales Volume (PSV) they generate through: (1) Their cumulative Retail Sales, (2) Their personal one time orders, (3) Their personal Monthly Easy Order(s) / auto ship(s), or any combination of these three.

#### Rank:

The "title" or achievement level an Associate (Executive) has advanced and elevated to, pursuant to the Essanté Organics Compensation Plan (Essanté Earnings). The most popular ranks include: Qualifying Executive, Executive, Silver Executive, Gold Executive, and Platinum Executive. For example A qualified Associate (Executive) may achieve the highest rank of Platinum by personally enrolling four (4) Associates (Executives) and assisting each to become Gold Executives. See the online Compensation Plan (Essanté Earnings) for details.

# Recruiting (legal) and Cross Recruiting (illegal):

Recruiting: The activity of "STEPPING" (S.T.E.P. stands for Share The Essanté Products or Plan) and personally enrolling the individual you shared Essanté Organics with.

Cross Recruiting: The illegal activity described in Section 3.8, Essanté Organics' Conflict of Interest Policy. This term refers to the actual or attempted solicitation, enrollment, encouragement, or effort to influence in any other way, either directly or through a third party, an Essanté Organics Associate (Executive) to exit Essanté Organics and enroll or participate in a different network marketing or direct sales opportunity. This illegal conduct is prohibited and violators are prosecuted, even if the Associate's (Executive's) actions are in response to an inquiry made by another Associate (Executive).

#### Resalable:

Products and sales aids shall be deemed "resalable" when each of the following elements is satisfied: 1) Products are unopened and unused; 2) Packaging and labeling is not altered or damaged; 3) The product and packaging is in a condition that it is a commercially reasonable practice, within the trade, to sell the products at full price; 4) Products are returned to Essanté Organics within one (1) year from the date of purchase; 5) The product expiration date has not expired; and 6) The product contains current Essanté Organics labeling. Any merchandise that is clearly identified at the time of sale as nonreturnable, discontinued, or a seasonal item, shall not be resalable.

#### **Retail Commission / Retail Profit:**

Retail Commission Example: if product X has a retail price of \$50.00, and a wholesale price of \$38.50, and a point value of 35, in every other instance the commissionable value is 35 or \$35.00. Yet Retail Sales commissions are calculated on the difference between the Retail price and the Wholesale price. In the example above, the retail price of \$50.00 minus the wholesale price of \$38.50 = \$11.50. Therefore \$11.50 is the retail commission for product X. Retail commissions are paid weekly to all Associates (Executives) who earn them and are approved for the Pay Card or Direct Deposit (Bank Transfer).

Retail Profit Online: The difference between the wholesale price of products and the retail price of products online at Essanté Organics. All Associates (Executives) who sell retail products from their replicated website receive the difference (a markup of 30% in most cases), in the form of weekly Retail Sales Commission, and no qualifying purchase is necessary on the part of the Associate (Executive). To receive this commission bonus, and all other commission bonuses, the Associate (Executive) must register and be approved for the Essanté Organics Pay Card or Direct Deposit.

Retail Profit Offline: The profit an Associate (Executive) sets and receives for products resold to an individual in person, versus online. Retail profit may not to be collected in advance, cost for retail goods must be collected at the time the product is delivered into the hands of the buyer.

#### **Retail Customer:**

An individual who purchases Essanté Organics products from an Associate (Executive) through their replicated Websites Retail Shopping Cart (or who physically receives products at a trade show, conference center, etc.). Retail Customers buying online pay wholesale plus 30% in most cases and the difference is paid in commission to the Associate (Executive).

# Suggested Retail Price (SRP):

The price Essanté Organics suggests Associates (Executives) sell a particular product to retail customers. Notwithstanding the SRP, Associates (Executives) are always free to sell Essanté Organics products at any price they choose.

#### Volume:

See Personal Sales Volume (above)

# **Upline:**

The Associate(s) or Executive(s) postponed above a particular Associate (Executive) in a particular team leg (left or right team organization), all the way up the line. The levels and line of Enrollers links each Associate (Executive) to Essanté Organics. For example, this team (leg) digram shows Betty, Carol, and David are all Edward's upline (support team).

Level 1 Betty Level 2 Carol Level 3 David Level 4 Edward

#### Wholesale Price (Wholesale):

The price of Essanté Organics products offered to all wholesale website owners, both Customers and Associates (Executives). The wholesale price is far less that the retail price, and is also referred to as the Member's cost or the Associate's (Executive's) cost. All wholesale purchases are tracked and logged all the way up the line in each associated Associate's (Executive's) Back Office. The volume (PSV or Points) associated with each wholesale website purchase is commissionable up to 10% for each qualified Associate (Executive), on both personally and team generated wholesale volume, to unlimited depth (levels).