

TERMS AND CONDITIONS

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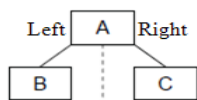
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SECTION 1 – INTRODUCTION

- 1.1 **Marketing Strategy.** The key to market penetration is to have strategic distribution points where the consuming public can easily complete a transaction. With the advancements in technology, distribution, fulfillment and more, i-Club BIZ is able to set every consumer up as a distribution point, giving i-Club BIZ a 100% market penetration capacity. By bypassing the normal channels of distribution, i-Club BIZ is able to offer its members great prices as well as an excellent income opportunity based on their ability to help expand i-Club BIZ's customer base. The most effective form of advertising is word-of-mouth and i-Club BIZ believes that Network Marketing is the best form of word-of-mouth advertising and is the perfect distribution model to expand our business.
- 1.2 **Genealogy.** i-Club BIZ' growth is driven by our Independent Business Owners (IBO). If our IBOs as a whole are successful, i-Club BIZ will be successful. The Company has designed our Compensation Plan to reward IBOs for (1) successfully selling the i-Club BIZ products and (2) successfully building sales organizations by recruiting, training, and motivating others to do the same. IBOs who take the initiative to build sales organizations benefit by earning a piece of the sales revenue their organization generates. To reward these leaders proportionally to the success they have building teams, we track the relationships between all of the IBOs, as they are added by word-of-mouth. We track these relationships in two ways: (1) Lineage Organization and (2) Binary Organization. The organizational structure is called the Genealogy.
- 1.2.1. **Lineage Organization.** The Lineage Organization is very simple - Who sponsored whom? We also refer to the Lineage Organization as a Unilevel. If an IBO personally sponsored four IBOs, then he/she has four different lines (sometimes called "legs") of Lineage. Each is independent from the other, and each will probably have a different number of Active IBOs and Customers over time. An IBO's Lineage Organization only includes IBOs and Customers added through direct line of sponsorship and is independent of the Binary Organization.
- 1.2.2. **Binary Organization.** The Binary Organization is built on twos. Each IBO has a left side and a right side and may be related to only one IBO on each side. It looks like this:



In the example to the left, IBO A has one relationship on his left, "IBO B", and one relationship on his right, "IBO C". IBO B and C each have exactly the same relationships under them, left and right. If IBO A sponsors another IBO, they must go under B or C and "A" chooses where they go. This is called "Spillover". IBO D would "spillover" into B or C's organization.

Note: An IBO may have IBOs in his/her Binary Tree who are not in their Lineage because of "Spillover". These IBOs are a part of his/her Binary Organization, but they are **not** a part of his/her Lineage Organization.

- 1.3 **General Information.** i-Club BIZ is a direct selling company that markets its Products through Independent Business Owners (IBO). It is important to understand that your success and the success of your fellow IBOs depend on the integrity of the men and women who market i-Club BIZ' Products and services. The Agreement (as defined below) is made to clearly define the relationship between you and us, between you and your Customers, and between you and other IBOs.
- 1.3.1. i-Club BIZ or its subsidiaries are sometimes referred to as "the Company," "we," "us," and "our," and the Member signing the Agreement is sometimes referred to as "IBO, you" and "your."
- 1.3.2. These Policies and Procedures (sometimes hereinafter referred to as the "Policies" "T&Cs" or the "P&Ps"), as currently stated and as amended from time to time upon mutual agreement of the parties as described herein, are incorporated into and form an integral part of the Agreement. When the term "Agreement" is used herein, it collectively refers to the i-Club BIZ Member Agreement, these Policies and Procedures and the attached addenda (which are incorporated herein by this reference), and the i-Club BIZ Compensation Plan.
- 1.3.3. The addenda may be country-specific and may modify the terms herein. You have the responsibility to read, understand, and adhere to the most current version of these Policies and Procedures. When sponsoring a new member, you must ensure that he or she is provided with the opportunity to: (1) review and understand the terms and conditions of the Agreement and (2) read and understand the Policies and the Compensation Plan prior to signing the Member Agreement or joining as a Member.
- 1.3.4. We will be using both Membership and IBOship in defining the Member's position. When the term IBOship is being used it is to reflect an income producing Membership. The term Membership is primarily used to define a customer's position but it can also be used to reflect an income producing membership too.

SECTION 2 – THE DIFFERENCE BETWEEN IBOS AND CUSTOMERS

- 2.1 **Description.** To understand the i-Club BIZ Compensation Plan, it is important to understand the distinction between IBOs and Customers. i-Club BIZ is in the business of acquiring new customers who purchase our retail products. IBOs are compensated based strictly on the sale of i-Club BIZ' products (both their personal sales, and the sales made by their team). **No commissions are paid out for recruiting new members.** A customer joins for free and purchases products from their back office. A person becomes a Member after they have accumulated 75 RV (Retail Value) that is assigned to their Member ID on an annual basis. It is **not** mandatory that the member purchase the 75 RV of product to become a Member but it is highly encouraged. If the member wishes to **not** purchase the 75 RV in product, they can join as a Free Customer and then request a pathway to become an IBO. The Customer position will be reclassified as Free Member and the Free Member will have 30 days to generate at least 75 RV in product sales to customers. If the Free Member does not achieve the sales volume requirement, they are reclassified as a Customer Only Member with no pathway to IBO. The Member upgrades to and maintains their Active Member status by having at least 25 BV (Business Volume) that is assigned to their Member ID on a monthly basis. The Active Member upgrades and maintains their Qualified IBO status after they have personally setup 2 Active members; at least one in each of their binary legs.
- 2.1.1. Everyone joins i-Club BIZ as a customer and maintains a Customer status until the person has generated at least 25 BV on a monthly basis from a personally sponsored Member or Customer. At that time the person is considered to be a participant in the comp plan.
- 2.2 **Non-Binary Customer Only Sales.** When a Member or above makes a sale of one of i-Club BIZ's products to a Retail Customer who is not a Member, the Customer will be listed in the Member's back office under "My Customers" and will not be displayed in the Binary Tree or the Personal enrollment Unilevel organization.
- 2.2.1. Members will earn Cash Commissions based on the RV (Retail Value) of their Customer Sales.
- 2.2.2. Customers of this type are kept in a separate tally and the weekly sales credits they represent are automatically added to the sponsoring Member's weaker leg.

- 2.2.3. Customer Business Volume (BV) is credited in the Binary Tree starting with the Member who personally generated the volume and moving upwards. If Member X makes a Customer Only sale, the credit for the sale would count towards Member X's numbers, but would not benefit any team members *below* Member X in the Binary Tree.
- 2.2.4. In the event that the Customer later elects to become a Member in the binary, they may be assigned to the first available Business Center in the sponsoring Member's Binary Tree.
- 2.3 **Binary Customer Only Sales.** If a person joins as a free member in the binary and does not upgrade to a paid member status within 30 days of joining, their binary position is re-classified as a Free Consumer position in the binary.
 - 2.3.1. Members will earn Cash Commissions based on the RV (Retail Value) of Sales by Customers that are placed in the binary too.
 - 2.3.2. Customer Sales of this type are tracked in the binary based on the placement of the position that the Customer received when they joined as a member.
- 2.4 **Binary Member Customer Sales.** All purchases by Members are considered Member Customer sales.
 - 2.4.1. Customer Sales of this type are tracked in the binary based on the placement of the position that the Member Customer received when they joined as a Member.

SECTION 3 – BECOMING AN INDEPENDENT BUSINESS OWNER (IBO)

- 3.1 **Requirement to Become an IBO.** To become an i-Club BIZ IBO, you must:
 - 3.1.1. If you are an individual, be of the age of legal majority in the jurisdiction in which you reside (usually age 18);
 - 3.1.2. If you are a legal entity, be properly registered and in good standing with your governing jurisdiction;
 - 3.1.3. Reside in an Opened Country;
 - 3.1.4. Provide, where allowed by law, evidence of identity in the form and manner as the Company may require;
 - 3.1.5. Submit a true, accurate and properly completed Member Agreement to the Company;
 - 3.1.6. Upgrade to an Active Member status by having and maintaining an autoship assigned to their Member ID within 30 days of joining;
 - 3.1.7. Personally enroll at least 1 Active Member in each of their binary legs;
 - 3.1.8. Not be in violation of any of the company policies.
- 3.2 **Application and Acceptance.** By completing the Member Application and submitting it to us, you are applying to become an IBO of i-Club BIZ. Your application is accepted when your data is entered into our database and if you are otherwise in compliance with the Member Application. Upon acceptance, we will establish in the Lineage Organization (Personal Enrollment Tree) and the Binary Organization (Placement Tree) a Membership, and issue to you an identifying Member number.
 - 3.2.1. We reserve the right to reject any Member Agreement. We will not accept inaccurate or false information. Incomplete, inaccurate, or unlawful Member Agreements are voidable by us.
 - 3.2.2. You are responsible for informing us of any changes affecting the accuracy of your Member Agreement and any subsequent information regarding the account information of your Membership.
 - 3.2.3. The Agreement is subject to acceptance by Company as stated above before becoming binding with Company.
- 3.3 **Territory.** Acceptance of your Member Agreement authorizes you to resell Products and operate your Membership in the country for which it is specified. You are only authorized to sell Products and sponsor in countries the company has clearly defined.
- 3.4 **IBO Benefits.** Once your Member Agreement has been accepted by us, the benefits of the Member Agreement will be available to you as long as your Membership is in good standing. These benefits include the right to:
 - 3.4.1. Sell i-Club BIZ Products in accordance with the Policies and Procedures;
 - 3.4.2. Participate in the Compensation Plan (receive Bonuses, if eligible) based on Member Qualified status;
 - 3.4.3. Sponsor other persons;
 - 3.4.4. Receive periodic i-Club BIZ literature and other i-Club BIZ communications;
 - 3.4.5. Participate in i-Club BIZ -sponsored support, service, training, motivational, and recognition functions (upon payment of appropriate charges, if applicable); and
 - 3.4.6. Participate in promotional and incentive contests and programs sponsored by i-Club BIZ.
 - 3.4.7. Have a pathway to becoming an IBO.
 - 3.4.7.1. As a Member, you are considered to be a Preferred Retail Customer with a pathway to becoming an IBO. You maintain that Preferred Retail Customer status until such time where you are generating at least 25 BV in sales volume on a monthly basis from either personally sponsored Members or personally sponsored Retail Customers.
- 3.5 **No Product Purchase Required.** No person is required to purchase our Products or Sales Tools to become an IBO.
 - 3.5.1. Everyone can earn both Member and Active Member status by selling products to retail customers.
- 3.6 **Term and Renewal of an i-Club BIZ Business.** There are no fees assigned to an i-Club BIZ Business. The only requirement is that the Member must have at least 75 RV assigned to their Member ID on an annual basis. If the Member chooses to be their own customer (We highly encourage this), they will be charged based upon the Product purchase agreement. If the Member chooses to gain Member Status through the Retail purchase option, they pay no fees to maintain their Member Status, which upon meeting the requirements will lead to IBO status.
 - 3.6.1. The Membership is automatically renewed every year on the anniversary date of the enrollment as long as the member is in good standings with i-Club BIZ.
- 3.7 **Termination.** The Agreement between you and us may be terminated as follows:
 - 3.7.1. You may terminate the Agreement at any time, regardless of reason by submitting a notice in writing to the Company at its principal business address, or via email to support@iclubbiz.com. The email notice must be from your email of record and include your name, Member identification number, and address. The written notice must also include your signature.

- 3.7.2. We may also terminate the Agreement if you are in breach of the Agreement. Prior to doing so we will give you a notice of the breach and an opportunity to cure within a reasonable time.
- 3.8 **Effects of Termination.** When your Agreement with us is terminated, for whatever reason, the Membership rights as set forth in the Agreement also terminate. This includes the right to sell Products and the right to receive Commissions, Bonuses or other income resulting from the sales and other activities of your Organization. However, certain obligations herein survive termination.
- 3.8.1. Any personally sponsored customers or IBOs of the terminated member will be appropriated to the Active Building Upline (as defined by corporate).
- 3.8.2. If terminated member has more than one binary leg with members in it, the company will have the option to move one of the legs to the bottom of one of the binary legs of the Active Building Upline (as defined by corporate).
- 3.9 **Beneficial Interest.** You may ***not*** have a Beneficial Interest in more than one Membership without company approval. "Beneficial Interest" means a legal or equitable right—whether granted by law, contract, or practice—to direct, control, own, participate in or be the beneficiary of the direction, control, ownership, or participation of another person. Also, if you are a legal entity, then all possessing a right to control you, including but not limited to your shareholders, officers, directors, or your members or managers, as the case may be, possess a Beneficial Interest in your Membership and may not hold a Beneficial Interest in another Membership without company approval.
- 3.9.1. Your spouse or partner residing in your household may have their own Membership without violating the Beneficial Interest rule.
- 3.9.2. When the IBO reaches the rank of Executive the company will award the IBO with an additional business center above their existing center without violating the Beneficial Interest rule.
- 3.9.3. If you marry another Member, no effect will be given to the provisions of this section and the two of you may maintain your Memberships separate and independent.
- 3.9.4. If you are an IBO and receive the rights to another's Membership upon death, we will waive the Beneficial Interest policy, subject to the succession rules herein.
- 3.9.5. A Corporation, Partnership or Trust may become a Member. Legal entities must submit certified copies of their formation documents and attest to the management and ownership of the entity or, in the case of a trust, the name of the Trustee and the Beneficiaries. The entity must also submit a certificate of good standing from the jurisdiction in which it was formed if such a certificate is provided by the jurisdiction. All of these documents must be submitted within thirty (30) days of the acceptance of the entity's Agreement. The authorized officer, agent or trustee must sign the Agreement form. The actions of the corporation shareholders, officers, directors, agents or employees and the actions of the partnership partners, agents, or employees, which do not conform to the i-Club BIZ policies shall be attributable to the entire corporate or partnership entity.
- 3.9.6. Unincorporated Businesses (Proprietorships) with unique IRS issued taxpayer identification numbers (not the social security number of the proprietor,) where applicable, may become a Member. Proof of the issuance of the taxpayer identification number must be submitted to i-Club BIZ.
- 3.9.7. i-Club BIZ, while allowing the above identified business entities to be Members, will tie recognition to the primary applicant (signature on agreement) as the authorized representative of said entity.
- 3.10 **Succession and Incapacity.** If you bequeath your rights in your Membership upon death, and such rights are given by a competent court upon your death, we will recognize the transfer to the successor if the successor provides proof that is acceptable to us and completes and delivers an amended Member Application with such information as is necessary for us and the successor to carry on business. Otherwise, we will terminate your Agreement. If you are incapable of operating your Membership due to incapacity, we will recognize your authorized agent to operate the Membership during your incapacity. To do so, your authorized agent must provide proof of your incapacity and proof of his authority that is authentic and which we can verify to be lawful.
- 3.11 **Effects of Divorce and Legal Entity Dissolution.** We will not allow a Membership to be partitioned or in any way divided in the event of divorce or company dissolution.
- 3.11.1. During the divorce or entity dissolution process, the parties must adopt one of the following methods of operation:
- 3.11.1.1. One of the parties may, with consent of the other(s), operate the i-Club BIZ business pursuant to an assignment in writing whereby the relinquishing spouse, shareholders, partners, or trustees authorize us to deal directly and solely with the other spouse or non-relinquishing shareholder, partner, or trustee.
- 3.11.1.2. The parties may continue to operate the IBOship on a "business-as-usual" basis, whereupon all compensation paid by us will be paid according to the status quo as it existed prior to the divorce or dissolution proceedings. This is the default procedure if the parties do not agree on the format set forth above.
- 3.11.1.3. We will not remove a party to an IBOship from the IBO account without that party's written permission and signature. Under no circumstances will the downline organization of divorcing spouses or a dissolving business entity be divided. Under no circumstances will we divide Bonuses between divorcing spouses or members of dissolving entities. We recognize only one downline organization. Bonuses shall always be issued to the same individual or entity.
- 3.11.1.4. If a former spouse has completely relinquished all rights in the IBOship pursuant to a divorce, he or she is thereafter free to enroll under any Sponsor without waiting six (6) calendar months (see Section 4.3.7). In the case of "a business entity" dissolution, those holding a Beneficial Interest in the legal entity must wait six (6) calendar months from the date of the final dissolution before re-enrolling as an IBO. In either case, however, the former spouse or business affiliate shall have no rights to any IBOs in his or her former organization or to any former Customer and must develop the new business in the same manner as would any other new IBO.
- 3.12 **Changes Involving a Spouse and/or a Closely Held Company.**
- 3.12.1. The First Right of Refusal rules in Section 3.17 shall not apply if an IBO desires to add or remove a spouse from the IBOship. [Examples: (1) Mrs. X is an IBO. She may add her husband, Mr. X, to the IBOship. She may not add an adult child, parent, or other relative, or an unrelated business partner. (2) Mrs. Y and Mr. Y are joint applicants on an IBOship. They divorce and by agreement, or court order, Mrs. Y retains all the rights to the IBOship and Mr. Y releases, or is ordered to release, all such rights.]
- 3.12.2. An IBO who is an individual may transfer his or her interest (and the spouse's interest, if applicable) to a legal entity that is 100% held by one or both spouses. (Example: XYZ, Inc. is 100% owned by Mr. A. The IBOship is in the name of XYZ, Inc. XYZ, Inc. may transfer its interest to Mr. A (and to Mrs. A, if Mr. A agrees.)

- 3.12.3. An IBO that is a legal entity and 100% owned by an individual and/or his spouse may transfer its interest to the individual and/or the spouse. (Example Mr. A is the sole name on a IBOship. He may transfer his rights to XYZ, inc. if he is the sole shareholder (or he and his wife, Mrs. A, are the sole shareholders] of XYZ, Inc.)
- 3.12.4. To accomplish a transfer, the IBO must submit an amended IBO Application and,
- 3.12.4.1. if adding a spouse, a copy of their marriage certificate;
- 3.12.4.2. if removing a spouse, a notarized copy of the signatures of both spouses authorizing the removal;
- 3.12.4.3. if transferring to a legal entity, a certificate of good standing from the state of organization and a copy of the company's charter documents showing all the interest holders and management; and
- 3.12.4.4. if transferring from a legal entity to the individual and/or individual and spouse, an authorizing statement signed by an officer or director of the legal entity and signed by the individual (and spouse, if applicable).
- 3.13 **Changes in Form of Legal Entity.** An IBO that is a legal entity and desires to change to another type of legal entity may do so as long as the Beneficial Interests in the legal entity do not change. All Beneficial Interest holders of the former legal entity must confirm with a notarized or other form of authenticated signature that they agree to the change. Also, a new Member Agreement must be submitted by the new legal entity. Members of the former entity are jointly and severally liable for any indebtedness or other obligation to i-Club BIZ.
- 3.14 **Changes in Existing Beneficial Interest Holders of a Legal Entity.** Changes in the Beneficial Interest holders of a legal entity, whether by addition or replacement (but not removal or resignation) of a shareholder, director, officer, manager or member, are deemed to be a transfer of interest and are therefore subject to the right of first refusal procedures in Section 3.17.
- 3.15 **Limitations.** Changes within the scope of these Sections 3.15, 3.16, and 3.17 do not include a change of sponsorship, which is addressed in Section 5.2 below. However, if such changes involve a change in the beneficial interest of an IBOship, the change is subject to the right of first refusal rules in Section 3.17.
- 3.16 **Sale, Transfer, or Assignment of an i-Club BIZ Business.** The Company discourages the sale of IBOships, the transfer of partial interests in IBOships, and the practice of partnering as a subterfuge for transferring interest. If an IBO wishes to sell, transfer, or assign (hereinafter in this section "sell" if used as a verb and "sale" if used as a noun) his or her whole or partial interest in an i-Club BIZ IBOship, the following criteria must be met:
- 3.16.1. The IBOship being sold must be an active IBOship for a minimum of six (6) months immediate prior to the time the request for sale is made.
- 3.16.2. Except as allowed for Sponsors in Section 3.17.1, the buying IBO may not currently have a beneficial interest in an IBOship or have had a "Beneficial interest" in an IBOship within the preceding six (6) months;
- 3.16.3. The selling IBO may not reapply to become an IBO under another Sponsor for a period of not less than six (6) months after the sale occurs.
- 3.16.4. The sale is subject to the Right of First Refusal rules in Section 3.17.
- 3.16.5. The Company must first give express written approval of the sale, which the Company may grant or withhold in its sole discretion.
- 3.17 **Right of First Refusal (RFR).** All offers for the sale of an IBOship are subject to the rights of first refusal as described herein.
- 3.17.1. **Procedures.** If an IBO receives a Good Faith Offer (as hereinafter defined) to purchase his or her interest in an IBOship, the IBO shall first offer to sell such interest to the Company on the same terms and conditions contained in the Good Faith Offer. The IBO shall deliver the Good Faith Offer in writing to the Company, and the Company shall have fifteen (15) business days in which to accept the offer. A "Good Faith Offer" is an arm's length written offer to purchase the IBOship Rights by a Person that is not an IBO, which the Company, in its sole discretion, determines to be a legitimate offer. Evidence of a legitimate offer may include, but is not limited to, cash or securities deposited into an escrow account, evidence of a loan commitment, and other substantial steps taken for the sole purpose of purchasing such IBOship Rights.
- 3.17.1.1. If the Company fails to exercise its RFR within the fifteen (15) business day time period, the IBO shall extend the same offer to his or her Sponsor who is not in violation of the Contract and who within the previous month qualified for earnings under the Compensation Plan. The offer shall be on the same terms and conditions as those contained in the Good Faith Offer. The Company shall convey the Good Faith Offer by providing written notice of the same to the Sponsor. The Sponsor shall have ten (10) business days in which to accept or reject such offer. If the Sponsor qualifies and accepts the offer, he or she must provide written notice to the Company upon acceptance, resign his or her existing IBOship (contingent on completing the sale), and submit an amended application for the IBOship.
- 3.17.1.2. If the Sponsor rejects or fails to accept the offer, the same procedures and requirements shall be applied to the next Upline Sponsor.
- 3.17.1.3. If that Sponsor rejects or fails to accept the offer, the same procedures and requirements shall be applied to the next Upline Sponsor.
- 3.17.1.4. If that Sponsor rejects or fails to exercise his or her RFR within the time allotted, the IBO may complete the sale of his or her rights in the IBOship to the third party according to the same terms and conditions contained in the Good Faith Offer, provided, however, that the IBO complies with all other transferring procedures contained in this section and as may be established from time to time by the Company.
- 3.17.1.5. This section shall apply to each new Good Faith Offer received by the IBO. This section shall not apply to changes as described in Sections 3.10, 3.11, and 3.12.
- 3.17.2. **Line of Sponsorship.** No changes in line of sponsorship can result from the sale or transfer of an i-Club BIZ business.
- 3.17.3. **Compliance Department Approval** Upon complete execution of the purchase and sale agreement and the new Member Agreement, the parties must submit copies of the same to i-Club BIZ' Compliance department for review and approval. i-Club BIZ may request additional documentation that may be necessary to analyze the transaction between the buyer and seller. i-Club BIZ' Compliance department will, in its sole and absolute discretion, approve or deny the sale, transfer or assignment within three (3) days after its receipt of all necessary documents from the parties.
- 3.17.4. **Voidable Sales; Assumption of Obligations; Waiting Period.** If the seller sells, transfers, or assigns, or attempts to sell, transfer, or assign his or her IBOship upon terms different than those set forth in the offer to the Company, such transfer shall be voidable at i-Club BIZ' option. Further, if the parties fail to obtain i-Club BIZ' approval for the transaction, the transfer shall be voidable at i-Club BIZ' option. The purchaser of the existing IBOship will assume the obligations and position of the selling IBO. An IBO who sells his or her IBOship shall not be eligible to re-apply as an i-Club BIZ IBO for a period of at least six (6) full calendar months after the sale.
- 3.18 **Changes to the Agreement.** Because laws and the business environment periodically change, i-Club BIZ may find it necessary to amend the Agreement and its prices from time to time. Once the amendments are published, you may elect to accept the amendments or reject them. If you reject them and submit your rejection in writing, your Agreement will terminate at the end of its term and will not be renewed. Amendments shall be effective upon notice to all IBOs that the Agreement has been modified. Notification of amendments shall be published in one or more of the following: (1) posting on the

Company's official website, (2) electronic mail (email), (3) fax-on-demand, (4) voice mail system broadcast, (5) inclusion in Company periodicals, (6) inclusion in Product orders, or (7) special mailings. If you continue to Sponsor and/or accept Bonuses from us, such actions shall be deemed acceptance of the amendments.

SECTION 4 – OPERATING YOUR IBOSHIP

- 4.1 **Code of Ethics.** We are a values-based company and pride ourselves on the quality and character of our Members. The following Code of Ethics helps ensure a uniform standard of excellence throughout our organization. You agree to practice the following ethical behavior when operating your IBOShip. Each behavioral part of the Code of Ethics is material to the Agreement.
- 4.1.1. I will actively work to establish and maintain a retail customer base.
 - 4.1.2. I will be respectful of every person I meet while operating my IBOShip.
 - 4.1.3. At all times, I'll conduct myself and my business in an ethical, moral, legal, and financially sound manner.
 - 4.1.4. I will not engage in activities that may bring disrepute to i-Club BIZ, any i-Club BIZ corporate officer, or employee, or myself, or other IBOs.
 - 4.1.5. I will not make discouraging or disparaging claims toward other i-Club BIZ IBOs. I will ensure that in all i-Club BIZ business dealings I will refrain from engaging in negative language and defamatory statements.
 - 4.1.6. I will be truthful in my representation of i-Club BIZ Products and make no claims regarding the i-Club BIZ Products that violate the law.
 - 4.1.7. I will provide support and encouragement to my Customers to ensure that their experience with i-Club BIZ is a successful one and will clearly state all terms of sale.
 - 4.1.8. I will provide follow-up service and support to my downline as is reasonably necessary to assist them in building a retail Customer base and a downline organization.
 - 4.1.9. I will correctly represent the Compensation Plan and the income potential represented therein. I understand I may not use my own income as an indication of others' potential success, or use compensation earnings as marketing materials. I further understand that I may only disclose my i-Club BIZ income to recruit a potential IBO(s).
 - 4.1.10. I shall make personal or telephone contact with potential applicants and Customers in a reasonable manner and during reasonable hours to avoid intrusiveness.
 - 4.1.11. When making a sales presentation, I shall discontinue it immediately upon the request of the recipient.
 - 4.1.12. I shall take appropriate steps to protect the private information of my Customers and downline.
 - 4.1.13. I shall respect the lack of commercial experience of potential applicants and actual retail Customers and downline.
 - 4.1.14. I shall not abuse the trust my retail Customers and downline place in me, nor shall I exploit their age, illness, lack of understanding or unfamiliarity with language.
 - 4.1.15. I will abide by all of i-Club BIZ' Policies and Procedures.
- 4.2 **Independent Contractor Status.** You are an independent contractor. You are not an agent, employee, partner, or joint venture with the Company. You may not represent yourself as anything other than an independent contractor (IBO). You have no authority to bind i-Club BIZ to any obligation. Should you be deemed an agent by a competent agency or court in any jurisdiction in which you do business, you shall release us from any claim arising from such determination.
- 4.2.1. As an independent contractor, you are responsible for paying your own self-employment taxes, income taxes, and other taxes imposed by law upon an independent contractor and you shall indemnify us from any claims arising from your failure to pay such taxes.
 - 4.2.2. Your work hours, business expenditures, and business plans are not dictated by us and you shall make no printed or verbal representations that state or imply otherwise.
 - 4.2.3. It is your responsibility and you agree to comply with all laws and the Agreement in the operation of your IBOShip or the acquisition, receipt, holding, selling, distributing, or advertising of our Products or opportunity.
 - 4.2.4. You also agree to be fully responsible for all of your verbal and/or written statements made regarding the Products, services, and the Compensation Plan which are not expressly contained in Official i-Club BIZ Materials. You agree to indemnify us against any claims, damages, or other expenses, including attorneys' fees, arising from any representations or actions made by you that are outside the scope of the Agreement. The provisions of this section survive the termination of the Agreement.
- 4.3 **Unfair Competition.**
- 4.3.1. **Non-solicitation during Agreement.** You are free to participate in other direct selling, multilevel, or network marketing business ventures or marketing opportunities (collectively "Network Marketing"). However, unless authorized in writing by an officer of i-Club BIZ, during the term of this Agreement, you shall not directly or indirectly solicit, recruit, or attempt to solicit or recruit other i-Club BIZ IBOs or Customers to any other Network Marketing business with competing products, other than those you have personally sponsored. If you participate in another Network Marketing business, you agree that you shall operate your i-Club BIZ IBOShip entirely separate and apart from it. Accordingly, if participating in another Network Marketing business, you agree that:
 - 4.3.1.1. You shall not display any non- i-Club BIZ Products and Sales Aids with, or in the same location as i-Club BIZ Products or Sales Aids;
 - 4.3.1.2. You shall not offer any non- i-Club BIZ program, opportunity, product, or service in conjunction with the i-Club BIZ opportunity or Products to prospective or existing Customers or IBOs;
 - 4.3.1.3. You shall not offer any non- i-Club BIZ opportunity, products, or services at any i-Club BIZ -related meeting, seminar or convention, or within two hours and a five mile radius of the i-Club BIZ event. If the i-Club BIZ meeting is held telephonically or on the internet, any non- i-Club BIZ meeting must be at least two hours before or after the i-Club BIZ meeting, and on a different conference telephone number or internet web address from the i-Club BIZ meeting.
 - 4.3.2. **Non-solicitation after Termination.** For period of twelve (12) calendar months following termination of the Agreement, with the exception of those IBOs you personally sponsored, you may not recruit any IBO or Customer for another Network Marketing business. You and we recognize that because network marketing is conducted through networks of independent contractors in many countries, and business is commonly conducted via the internet and telephone, an effort to narrowly limit the geographic scope of the non-solicitation provisions herein would render it wholly ineffective. Therefore, you and we agree that this non-solicitation provision shall apply to all markets in which i-Club BIZ conduct business. This subsection shall survive termination of the Agreement.

- 4.3.3. Not Applicable to Trade Secrets. Notwithstanding any other provision of this Agreement, you shall never use our trade secrets and confidential information, as further described herein, to solicit, recruit, or attempt to solicit or recruit, whether directly or indirectly, other i-Club BIZ IBOs or Customers to any other Network Marketing business.
- 4.3.4. Sale of Competing Goods or Services. While an IBO, you shall not sell, or attempt to sell, any programs, products, or services to i-Club BIZ Customers or IBOs that compete with our Products. Any program, product, service, or Network Marketing opportunity in the same generic categories as our Product is deemed to be competing, regardless of differences in cost, quality or other distinguishing factors.
- 4.3.5. Targeting Other Direct Sellers. You agree to refrain from systematically targeting members of another Network Marketing business to be an IBO. If any lawsuit, arbitration, or mediation is brought against you alleging that you engaged in such prohibited activity, you shall indemnify us against all claims, actions, suits, and demands arising from or related to the systematic targeting.
- 4.3.6. Disparagement.
- 4.3.6.1. You shall not demean, discredit, defame, or make misleading comparisons with other companies, competitors of i-Club BIZ, IBO organizations or systems, or IBOs in an attempt to promote our Products, or to entice another IBO to become part of your marketing organization, or to enroll in i-Club BIZ.
- 4.3.6.2. You shall not use financial enticements or other incentives to persuade an IBO to change his or her line of sponsorship or business building system.
- 4.3.7. Line Switching, Cross Sponsoring, and Enticement. You and we agree that maintaining the integrity of the line of sponsorship in an IBOship organization is fundamental to network marketing. Accordingly, you agree to not engage in Line Switching, Cross-Sponsoring, and Enticement. "Line Switching" means applying for and becoming an IBO: (a) when already an IBO, (b) when holding a Beneficial Interest in another IBOship; and/or (c) when less than six (6) months have passed since having been an IBO or having held a Beneficial Interest in another IBOship. "Cross Sponsoring" means the enrollment of another IBO (including an IBO whose Agreement was terminated within the preceding six (6) months or has Sponsored or purchased Product in the preceding six (6) months) to a different line of sponsorship. "Enticement" means soliciting, encouraging, offering benefits, or in any way aiding another IBO to Line Switch and/or Cross-Sponsor.
- 4.3.7.1. You shall not use a spouse's or relative's name, trade names, assumed or fictitious names, legal entities, false government issued identification numbers, or fictitious ID numbers to circumvent this policy.
- 4.3.7.2. Because Line Switching, Cross-Sponsoring, and Enticement can be so detrimental to us and to the IBOs involved, you have an affirmative obligation to notify us as soon as is reasonably possible if you know of or have reasonable grounds to suspect another IBO has breached these covenants.
- 4.3.7.3. Should you or another IBO breach these covenants, we may take any or all of the following actions;
- 4.3.7.3.1. terminate the IBOships in breach;
- 4.3.7.3.2. terminate the IBOships created as a result of Line Switching (the "Second in Time IBOship"); and leave the IBOships enrolled by the Second-in-Time IBOships in place and not change Sponsorship or Placement unless extenuating circumstances and fairness compel otherwise. However, we are under no obligation to do so and any move and the ultimate disposition of the organization remains within the sole discretion of i-Club BIZ.
- 4.3.7.3.3. You waive all claims and against us that arise from or relate to the disposition of such IBOships.
- 4.3.8. Unethical Activity. You agree to be ethical and professional at all times when conducting your i-Club BIZ IBOship. Accordingly, you agree that you will not, nor will you encourage or in any way condone IBOs in your Downline to participate in unethical activity. Examples of unethical activities include, but are not limited to the following, some of which are further described in these T&Cs:
- 4.3.8.1. Making unapproved claims about the Product;
- 4.3.8.2. Making unapproved income claims;
- 4.3.8.3. Making false statements or misrepresentation of any kind, including but not limited to: untruthful or misleading representations or sales offers relating to the quality, availability, grade, price, terms of payment, refund rights, guarantees, or performance of the Products;
- 4.3.8.4. Making disparaging comments;
- 4.3.8.5. Causing Product sales in Retail Establishments;
- 4.3.8.6. Use of another IBO's credit card without express written permission;
- 4.3.8.7. Unauthorized use of our Confidential Information;
- 4.3.8.8. Line Switching, Cross-Sponsoring, or Enticement;
- 4.3.8.9. Failure to comply with the sales and promotional activity requirements;
- 4.3.8.10. Engaging in unauthorized premarket activity;
- 4.3.8.11. Violating the rules for conducting business in an NFR (Not For Resale) market;
- 4.3.8.12. Personal conduct that discredits the Company and/or its IBOs;
- 4.3.8.13. Violating the laws of your jurisdiction that pertain to your IBOship;
- 4.3.8.14. Breaching the Code of Ethics;
- 4.3.8.15. Breaching the Agreement.

4.4 Activity Reports. We desire to protect you, other IBOs and the Company from unfair and inappropriate competition. We provide you access and viewing of your Personal Organization through your i-Club BIZ Web Site Back Office. The Personal Organization and any other IBO list, including but not limited to all IBOs; organization lists; names; addresses; email addresses; and telephone numbers contained in the i-Club BIZ database, in any form, including, but not limited to, hard copies, electronic or digital media (collectively the "Activity Reports") are our confidential and proprietary property. We have derived, compiled, configured, and currently maintain the Activity Reports through the expenditure of considerable time, effort, and monetary resources. Activity Reports, in present and future forms and as amended from time to time, constitute commercially advantageous proprietary assets and trade secrets of the Company, which you shall hold confidential. You and we agree that—but for this agreement of confidentiality and nondisclosure—we would not provide Activity Reports to you. Your right to disclose the Activity Reports and information contained therein and other IBO information maintained by us is expressly reserved by us and may be denied at our discretion.

- 4.4.1. Purpose. Activity Reports are made available to you for the sole purpose of assisting you in working with your downline organization in the development of your i-Club BIZ business. You may use your Activity Reports to assist, motivate, and train your downline organization.

- 4.4.2. Limited Use. Your access to your Activity Reports is password protected. Activity Reports are provided to you in strictest confidence. Such Activity Reports shall not be disclosed by you to any third party or used for purposes other than in the performance of your obligations under the Agreement and for our benefit without our prior written consent. Any unauthorized use or disclosure of Activity Report constitutes misuse, misappropriation, and a violation of the Member Agreement and may cause irreparable harm to us.
- 4.4.3. **No Improper Disclosure.** You shall not, on your own behalf, or on behalf of any other person:
- 4.4.3.1. Directly or indirectly disclose any information contained in any Activity Report to any third party;
- 4.4.3.2. Directly or indirectly disclose the password or other access code to your Activity Report;
- 4.4.3.3. Use the information to compete with us or for any purpose other than promoting your i-Club BIZ business;
- 4.4.3.4. Recruit or solicit any IBO listed on any Activity Report or in any manner attempt to influence or induce any IBO to alter his or her business relationship with the Company.
- 4.4.4. **Return.** Upon our demand and always upon termination of the Agreement, you shall return to us the original, and all copies of any Activity Reports and any confidential or trade secret information taken there from (whether paper or electronic) that is in your possession or subject to your control.
- 4.4.5. **Breach.** In the event you breach any of the covenants of this subsection on Activity Reports, we may terminate your IBOship and we may seek injunctive relief to prevent irreparable harm to us or any of our IBOs. We may also pursue all appropriate remedies under applicable law to protect our rights to Activity Reports; any failure to pursue such remedies will not constitute a waiver of those rights.
- 4.4.6. No Warranty of Information. All information provided by us, including but not limited to personal and group sales volume (or any part thereof), and downline sponsoring activity is believed to be accurate and reliable. Nevertheless, due to various factors—including but not limited to the inherent possibility of human and mechanical error; the accuracy, completeness, and timeliness of orders; denial of credit card and electronic check payments; credit card; and electronic check charge-backs—the information is not guaranteed by us or any persons creating or transmitting the information. To the extent allowed by law, ALL PERSONAL AND GROUP SALES VOLUME INFORMATION 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, WE AND/OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION WILL IN NO EVENT BE LIABLE TO YOU OR ANYONE ELSE FOR ANY DIRECT, INDIRECT, CONSEQUENTIAL, INCIDENTAL, SPECIAL, OR PUNITIVE DAMAGES THAT ARISE OUT OF THE USE OF OR ACCESS TO PERSONAL AND GROUP SALES VOLUME INFORMATION (INCLUDING BUT NOT LIMITED TO LOST PROFITS OR BONUSES, LOSS OF OPPORTUNITY, AND DAMAGES THAT MAY RESULT FROM INACCURACY, INCOMPLETENESS, INCONVENIENCE, DELAY, OR LOSS OF THE USE OF THE INFORMATION), EVEN IF WE 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, WE 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.
- 4.5. **Identification.** Upon enrolling, or at our discretion, you shall, if permitted by law, provide us your government-issued ID number and/or a copy thereof. Upon enrollment, we will provide you a unique IBO identification number. We will use this number to track all your business with us.
- 4.6. **Product Packaging and Liability.** Under no circumstances shall you re-label, or in any way alter or repack age the Products. Products are to be sold in their original packaging only.
- 4.7. **Insurance.** i-Club BIZ does not extend coverage under any of its policies to IBOs. If you use your personal property (e.g., car or computer) or your home for business use, such property may not be covered for loss or damage and you release us from any claims arising from or related to the operation of your IBOship.
- 4.8. **Reporting Policy Violations.** To assist us in maintaining a level playing field for all IBOs and to maintain the integrity and longevity of the Company, you agree to report violations of the Policies and Procedures immediately to our Compliance department, complete with all supporting evidence and pertinent information. Our Compliance department can at times more effectively enforce the Policies and Procedures when disclosing the source of the allegations; however, the Compliance department will honor all requests for confidentiality.
- 4.9. **Correct Information.** We may periodically request that you update your account information, which you agree to do in a reasonable amount of time.
- 4.10. **Release for use of Photo, Audio, or Video Image, and/or testimonial Endorsement.** We may take photos, audio or video recordings, or written or verbal statements of you at Company events or may request the same directly from you. You agree to and hereby grant us the absolute and irrevocable right and permission, to use, re-use, broadcast, rebroadcast, publish, or republish any such photo, audio, video, or endorsement, in all or in part, individually or in conjunction with any other photograph or video, or any other endorsement, in any current or future medium and for any purpose whatsoever, including (but not by way of limitation) marketing, advertising, promotion, and/or publicity; and to copyright such photograph and/or video, in the original or as republished, in the name of the Company, or in any other name. Regardless of any other agreements or contracts you may have with any other entity, you agree that any use by us as set forth in this section shall be royalty free, is a work made for hire, and is not subject to any other claim. You agree to defend and indemnify us against any claims by any other party arising out of our use of the rights granted herein. You confirm that the information you may give as a testimonial endorsement, or as represented in a photograph, video or audio is true and accurate to the best of your knowledge. You waive any right you may have to inspect or approve the finished or unfinished product(s), the advertising copy, printed, recorded, photographic or video matter which may be used in connection with it or any use that may be made of it.

SECTION 5 – SPONSORSHIP

5.1 Sponsoring IBO Responsibilities.

- 5.1.1. Disclosure. You must provide the most current version of the Policies and Procedures, and Compensation Plan to potential applicants you are Sponsoring before the applicant signs an Member Agreement. Copies of the Policies and Procedures, and the Compensation Plan can be downloaded from your i-Club BIZ website.
- 5.1.2. Assistance. You may assist an applicant in the online enrollment process; however, the applicant must agree to the terms and conditions of the Agreement by clicking to submit the application.
- 5.1.3. Purchase. If sponsoring an applicant, you may purchase their product and pay for it only if authorized by the applicant. For Product purchases, please see Section 8.3.

5.2 Sponsor/Placement Change. We highly discourage Sponsor or Placement changes. However, we recognize such changes are occasionally beneficial. Accordingly, we permit the following exceptions:

- 5.2.1. Change of Sponsor. To change your Sponsor, you must submit a Sponsor Change Request to our Compliance department within three (3) calendar days from the date of enrollment. The form requires your signature and the signature of your current Sponsor. We may require authentication of the signatures.
- 5.2.2. Change of Placement. As a Sponsor, you may request to change the placement of a Member you recently Sponsored by submitting to our Compliance department a Change of Placement form within three (3) calendar days of enrollment. The recently enrolled Members placement may be moved only inside your organization and will be placed in the first available open bottom position on the date that the change is made. We will not change the placement if your Member has earned Bonuses or achieved rank.
- 5.2.3. We reserve the discretion to approve or deny a request for a change of Sponsor or Placement, which approval may not be unreasonably withheld.

5.3 Re-application. If you are not in breach of the Agreement, you may change your Sponsor by voluntarily terminating your Agreement or remaining inactive (i.e., no purchases of i-Club BIZ Products, no sales of i-Club BIZ Products, no Sponsoring, no attendance at any i-Club BIZ functions, no participation in any other form of IBO activity, nor operation of any other i-Club BIZ business) for six (6) full consecutive calendar months. Following the six (6) month period of inactivity or termination, you may reapply under a new Sponsor. If your Agreement was terminated by us for breach, you must wait eighteen (18) months to reapply.

SECTION 6 – PROMOTING THE PRODUCTS AND OPPORTUNITY

Because many aspects of the i-Club BIZ opportunity and the Products are regulated, compliance with advertising law is important for the longevity of your business and ours. We make every effort to comply with advertising law and expect the same from you. This section describes Product and opportunity claims that you may make, and the limitations. It also explains the types and methods of advertising you may use in building your i-Club BIZ business.

6.1 Claims, Sales and Promotional Activity.

- 6.1.1. Product Claims. You may make claims about the Products that are in the Official i-Club BIZ Materials.
- 6.1.2. Opportunity Claims. See Addendum A.

6.2 Limitations on Offering. You shall not offer the i-Club BIZ opportunity through, or in combination with any other compensation plan or placement program, other than as specifically set forth in Official i-Club BIZ Materials. Further, you shall not require or encourage other current or prospective IBOs to participate in i-Club BIZ in any manner that varies from the program as set forth in Official i-Club BIZ Materials. Regardless of your rank, you shall not require or encourage other current or prospective IBOs to execute any agreement, contract, or membership, other than those offered by the Company, in order to become an i-Club BIZ IBO. Similarly, you shall not require or encourage other current or prospective IBOs to make any purchase from, or payment to, any individual or other entity to participate in the i-Club BIZ Compensation Plan other than those purchases or payments identified as recommended or required in the Official i-Club BIZ Materials.

6.3 Internet Advertising.

- 6.3.1. IBO Websites. If you desire to utilize an Internet webpage to promote your i-Club BIZ business, you may do so only through i-Club BIZ' official website, or if available, through i-Club BIZ -approved replicating websites. IBOs may not use personal or third-party web sites to promote their i-Club BIZ business, use any proprietary or intellectual property rights of i-Club BIZ and/or proprietary or intellectual property rights of its licensed agreements. No reference to the above is allowed through third party names or fictitious names to circumvent the policy.
- 6.3.2. Blogs, Chat Rooms, Social Networks, Online Auctions, and other Online Forums. Except as otherwise indicated herein, you agree to not use any other website, including but not limited to, online blogs, chat rooms, social networks, online auction sites, video websites, or any other online forum to market, sell, advertise, promote, or discuss i-Club BIZ' Products or services, the i-Club BIZ opportunity or intellectual rights of its licensed agreements. You agree that this provision is material to the Agreement and if you breach it by advertising our Products through an online auction, you agree that we may terminate the Agreement without notice.
- 6.3.3. Names and Email Addresses. You may not use or attempt to register or sell any of i-Club BIZ' trade names, trademarks, service names, service marks, Product names, proprietary names and trademarks of licensed agreements or any derivative thereof, for any internet domain name or email address.
- 6.3.4. You may not use i-Club BIZ' trademarks or licensed agreement trademarks or any derivative or confusingly similar variation of its trademarks for an Internet search engine or "pay per clicks" service. You may not post i-Club BIZ or any derivative or confusingly similar variation of its trademarks on any internet forum, discussion group, news group or online auction. In addition, you may not use i-Club BIZ trademarks for domain or sub-domain names, web site text, meta-tag list, telephone number, or any other address.
- 6.3.5. You agree to immediate re-assign to i-Club BIZ any registration of i-Club BIZ' names, trademarks or internet domain names registered or reserved in violation of this policy. The provisions of this section survive the termination of the Agreement. Failure to promptly reassign any registration will result in suspension, termination and possible legal proceedings against IBO.
- 6.3.6. i-Club BIZ determines, in its sole discretion that a name is a derivative or confusingly similar and IBO agrees to immediately comply with i-Club BIZ instructions for transferring the name.

- 6.4 **Other Sales Media.** i-Club BIZ Products may not be sold or promoted through catalogs or other mass sales mediums, such as magazines, infomercials, television, radio, or other related sales media, unless approved by us.
- 6.5 **Retail Establishments.** You may not sell or promote Products through retail establishments. A retail establishment is any fixed location where the primary business is to sell products to the public. You may, however, sell Products and Sales Tools through service establishments. These service establishments must require a membership and/or appointment. Advertising in a service establishment is limited to Official i-Club BIZ Materials, which may be displayed only in the private membership and/or appointment area of the establishment. They may not be displayed in waiting rooms and similar, public areas, etc. No Sales Tools may be visible from the outside of the establishment.
- 6.6 **Trade Shows, Expositions, and Other Sales Forums.** i-Club BIZ provides a Trade Show Request Form in the IBO's Back Office, or upon request through IBO Support. IBOs may display and/or sell ONLY i-Club BIZ Products at trade shows and professional expositions, with prior written approval from Compliance. Requests are approved on a first-submitted, first-served basis, and a maximum of one representation per event is allowed. Only one event per IBO at a time is permitted. At the completion of each event, an additional request may be made. i-Club BIZ further reserves the right to refuse authorization to participate at any function which it does not deem a suitable forum for the promotion of the Products or opportunity. Approval will not be given for swap meets, garage sales, flea markets, or farmer's markets as these events are not conducive to the professional image i-Club BIZ wishes to portray.
- 6.7 **Generic Business Advertisements.** If you advertise in a newspaper or other advertising mediums, the following rules apply:
- 6.7.1. No advertisement may imply that a job, position, salary, or any type of employment is allowed.
- 6.7.2. No advertisement may promote, represent, or imply salaried positions, management positions, hourly wages, full or part-time employment, or guaranteed incomes. The i-Club BIZ opportunity is not employment, and may not be presented as such. Terms such as "manager trainee," "management positions available," "travel provided," "call for interview," "positions available," "now hiring," and other misleading statements are not allowed.
- 6.7.3. No specific income can be promised or implied, and any references to compensation must use the word "Bonuses" to indicate the independent contractor status of IBOs.
- 6.7.4. Advertisements may not contain references to i-Club BIZ or our Products (i.e., no product mention, no use of i-Club BIZ logo or proprietary trademarks of licensed agreements).
- 6.7.5. You may not use any of i-Club BIZ' trademarks, trade names or proprietary trademarks of licensed agreements in any advertising.
- 6.8 **Email and Fax Communication.** i-Club BIZ does not permit IBOs to send unsolicited emails unless such emails strictly comply with applicable laws. Please see the Addendum for country-specific rules.
- 6.8.1. **Requirements.** Any email sent by you may not promote i-Club BIZ, the i-Club BIZ opportunity, the Products, any proprietary trademarks or intellectual property rights of i-Club BIZ or its licensed agreement and must comply with the following:
- 6.8.1.1. There must be a functioning return email address to the sender.
- 6.8.1.2. There must be a notice in the email that advises the recipient that he or she may reply to the email, via the functioning return email address, to request that future email solicitations or correspondence not be sent to him or her (a functioning "opt-out" notice).
- 6.8.1.3. The email must include your physical mailing address.
- 6.8.1.4. The email must clearly and conspicuously disclose that the message is an advertisement or solicitation.
- 6.8.1.5. The use of deceptive subject lines and/or false header information is prohibited.
- 6.8.1.6. All opt-out requests, whether received by email or regular mail, must be honored within two (2) business days.
- 6.8.1.7. Under United States law (CAN-SPAM Act of 2003), it is unlawful "to use any telephone, facsimile machine, computer, or other device to send an unsolicited advertisement. Electronic mail advertisement means any email message, the principal purpose of which is to promote, directly or indirectly, the sale or other distribution of goods or services to the recipient."
- 6.8.1.8. Consent to Receive Emails. We may periodically send commercial emails on behalf of Distributors. By entering into the Agreement, you agree that we may send such emails and that the Distributor's physical and email addresses will be included in such emails as outlined above. You shall honor opt-out requests generated as a result of such emails sent by the Company.
- 6.8.2. **No Unsolicited Fax and Phone Advertising.** Except as provided in this section, you may not use or transmit unsolicited faxes or use an automatic telephone dialing system relative to the operation of your i-Club BIZ business
- 6.9 **Phone Use.** You may not answer the telephone by saying " i-Club BIZ," "Extreme Savings Travel Club," or by any other manner that would lead the caller to believe that he or she had reached i-Club BIZ' corporate offices. You may only represent that you are an i-Club BIZ IBO.
- 6.10 **Correspondence.** An IBO may only represent that he or she is an i-Club BIZ IBO. All correspondence and approved business cards relating to or in connection with an IBO's i-Club BIZ business shall contain the IBO's name followed by the term "Independent Business Owner."
- 6.11 **Media and Media Inquiries.** You must not initiate any interaction with the media or attempt to respond to media inquiries regarding i-Club BIZ, its Products or services, or your independent i-Club BIZ business. All inquiries by any type of media must be immediately referred to i-Club BIZ' Communications department at support@iclubbiz.com, or by calling (563) 359-1422. Additionally, you may not draft, publish, post on the internet, or otherwise dispense verbal or written i-Club BIZ -related press releases or statements to the media. This policy is designed to ensure that accurate and consistent information is provided to the public and to maintain the desired public image. You understand that i-Club BIZ does not allow any audio and/or video recordings of any meetings whether conducted by corporate staff or IBOs without prior approval by i-Club BIZ. You may not record any audio and/or video of employees, company representatives, speakers, company functions, meetings, trainings, etc.
- 6.12 **International Marketing.** We own the worldwide distribution rights to the i-Club BIZ Products and opportunity. We may choose to open certain countries from time to time and will grant you limited rights to Sponsor in those countries. You shall not Sponsor outside of our Opened Countries. Also, because of important business, legal, and tax considerations, you shall not sell Products to Customers and IBOs

outside of our Opened Countries. Additionally, to preserve our rights, you may never secure or attempt to secure approval for our Products or business practices; register or reserve the Company names, trademarks, trade names, or Internet domain names; or establish any kind of business or governmental contact on behalf of the Company. Your breach of any of these provisions shall require you to indemnify us against any claims, demands, actions, judgments, fines, and penalties.

- 6.12.1. **Business Models.** We operate under one of two models in those countries in which we have chosen to do business:
 - 6.12.1.1. On the Ground (OTG). This is a fully operational business model. Products are properly labeled and legalized for resale in the country. Product is purchased in local currency and Bonuses may be paid in local currency. Marketing material specific to the country is available for IBOs residing in that country.
 - 6.12.1.2. Not for Resale (NFR). This is a model of limited activity. Residents of an NFR market may enroll to purchase Product for personal consumption only. They may not sell, distribute, or gift the Product in any way to persons outside their household. They purchase Product from our U.S. or designated office and may receive Bonuses in U.S. currency where allowable by law.
- 6.12.2. **Qualifications.** To Sponsor outside your home country of enrollment, your IBOship must be in good standing; you must request, read, and comply with the Policies and Procedures and such other guides as we may have available for the Opened Country; and we may require you to pay an international Sponsoring fee for each OTG and NFR country in which you wish to Sponsor.
- 6.12.3. **Sponsoring in an Opened Country.** Your compliance with this section protects us, you, and our collective ability to conduct business in selected countries. Violation of these policies may result in governmental regulatory action, which may include severe fines, confiscation of property, closure of business operations, or even imprisonment. Accordingly:
 - 6.12.3.1. You shall not engage in blind prospecting without our prior written approval. Many countries have strict privacy laws that forbid blind solicitations. Also, many local laws forbid advertising for leads.
 - 6.12.3.2. You may not advertise for leads without the prior written consent of our designated officer or employee.
 - 6.12.3.3. You shall not import any Product into a market for which that Product is not officially approved.
 - 6.12.3.4. You shall not distribute our Sales Tools not approved for the country in which it is intended. Promotional statements from one country's literature may not be appropriate or legal in another country.
 - 6.12.3.5. You may not send any unauthorized Products to another country. Products to be sold in an Opened Country must be obtained directly from that country's Company office or warehouse.
 - 6.12.3.6. You may not seek or participate in media coverage of any kind without prior written approval from us.
 - 6.12.3.7. You may not misrepresent Products or the i-Club BIZ opportunity in the country.
 - 6.12.3.8. You may not make claims or guarantee of specific earnings potential. You may not make unlawful claims about our Products.
 - 6.12.3.9. You must comply with the Policies and Procedures of both the country in which you enrolled and the Opened Country in which you desire to do business.
 - 6.12.3.10. You must understand and comply with the laws of the Opened Country.
- 6.12.4. **Pre Market Activity in a Country Announced for OTG Operations.** You may not engage in any business activity in an unopened country unless we make a general announcement to all qualifying IBOs. Such general announcement will specify the limited business activities permissible in the unopened market, including the date when pre-market activity may commence and the scope of the pre-market activity. Non-compliance with covenants of this subsection or the limitations set forth in the general announcements may result in termination of the Agreement.
- 6.12.5. **Sponsoring in a Not for Resale Country.** In an NFR country, we permit persons to import Products for personal consumption only. Accordingly, while these Policies and Procedures are inapplicable to Sponsored persons residing in an NFR market, you agree to and shall not sell, offer to sell, distribute, import, or gift Products in an NFR market, nor shall you encourage, aid or abet a person to do the same. Meetings must be limited to explaining the i-Club BIZ opportunity and Sponsoring pursuant to specific guidelines for each NFR market.
- 6.12.6. **Earnings.** There may be specific withholding requirements in your home country; when required, we will deduct such withholdings from your earnings and remit them to the appropriate government agency.
- 6.12.7. **Indemnification.** You are fully responsible for all verbal and written statements you make regarding our Products, services, and the Compensation Plan which are not expressly contained in our Official i-Club BIZ Materials.
 - 6.12.7.1. You agree to indemnify i-Club BIZ and i-Club BIZ' directors, 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 i-Club BIZ as a result of your unauthorized representations or actions. This provision shall survive the termination of the Agreement.
 - 6.12.7.2. Subject to the limitations set forth in this provision, we shall defend you from claims made by third-party Customers alleging injury from use of a Product or injury due to a defective Product. You must promptly notify us in writing of any such claim, no later than five (5) days from the date of first receipt of the third-party claimant's notice alleging injury; failure to so notify us shall alleviate any obligation of the Company respecting such claim. You must allow the Company to assume the sole and absolute discretion respecting the defense of the claim, and use and choice of counsel as a condition to our obligation to defend you.

SECTION 7 – RETAIL SALES AND ORDERING

- 7.1 **Selling to End Consumers.** The i-Club BIZ opportunity is built on selling Products to end consumers. Your primary opportunity as an IBO is to develop and maintain Customers. We also allow you to purchase Product that you may use as a sales tool and that you and your family may consume. You agree to not purchase more Product than what you can consume or resell to your Customers in a reasonable period of time.
- 7.2 **Participation in the Compensation Plan.** You must fulfill the following sales requirements to be eligible for participating in the Compensation Plan.
 - 7.2.1. Each order you place must comply with the 70% rule as set forth in Section 8.1.
 - 7.2.2. You must sell at least 75 BV of Products each year.
 - 7.2.3. You must have at least 1 personally sponsored Active Member in each of your binary legs to make money in the binary comp plan.
 - 7.2.4. Your Membership must be in good standing with us.
 - 7.2.5. Sales Receipts. When making a sale to a Customer, you must provide him or her with an official i-Club BIZ sales receipt at or prior to the time of the initial sale and every sale thereafter. These receipts may set forth any consumer rights afforded by law for retail sales. You must also verbally inform the Customer of his or her cancellation rights, if any, as set forth on the official sales receipt.

- 7.2.5.1. When making the sale, you must complete the information required on the sales receipt, including the items ordered, the transaction amount, and the Customer's name, address, and telephone number. You must keep a copy of the sales receipt for your records.
- 7.2.5.2. You must keep copies of all Retail Sales Receipts on file for at least four years. You are required to pay any applicable transactional taxes, if required by law. We will maintain documentation for orders placed directly to the Company by your Customers.
- 7.2.6. Customer Satisfaction Guarantee. As an IBO of i-Club BIZ Products, you shall offer to each Customer a 100%, 30-day money-back guarantee for all Product sales. You are required to honor the terms of the Customer satisfaction guarantee and the cancellation and refund policies stated on the Retail Customer Receipt, which is set forth in Addendum B.

SECTION 8 – ORDERING

- 8.1 **The 70% Rule.** You shall personally sell, consume, or use in business building at least 70% of the Product from every order placed with the Company prior to placing another order. You agree to validate to such uses if required by the Company or by any regulatory agency. No Bonuses may be paid to any IBO unless it is based on the sale of i-Club BIZ Products to end users.
- 8.2 **Buying Rank Prohibited.** Purchasing Product for the purpose of earning Bonuses or achieving rank is prohibited. We retain the right to limit the amount of purchases you may make if we reasonably believe those purchases are being made solely for rank and other qualification purposes instead of for resale or business building. We may revoke a rank advancement if it was earned in violation of this policy.
- 8.3 **Restricted Ordering Practices.** You shall not order Product through any IBOship other than one in which you have a Beneficial Interest unless you have prior written permission to do so from the IBO; this written permission must be on file with us. If you violate the provisions of this section, we may restrict or deduct the Volume and Bonuses paid to you and to all IBOs who earned such Bonuses. The deduction of Volume and Bonuses will occur in the month in which the related sales occur, and shall continue every commission period thereafter until all Volume and Bonuses are recovered from you and the IBOs who received compensation from such sales.
- 8.4 **Return of Product and Sales Aids.** See Addendum B.
- 8.5 **Product Abandonment.** An order transaction is considered complete only when the order has been paid for and delivery method has been satisfied. If these conditions are not met within 30 days from the date of order, we reserve the right to determine the final outcome of the order and you release us from any further obligation or liability.
- 8.6 **Returned Checks.** All checks returned by your bank for insufficient funds will be re-submitted for payment. Where lawful, a US \$35.00 returned check fee will be charged to your account. After receiving a returned check from you or your Customer, all future orders must be paid by credit card, money order, or cashier's check. Any outstanding balance owed us by you for Non-Sufficient Fund checks and returned check fees will be withheld from your account, though our failure to withhold does not relieve you of your obligation to pay. The fee is due upon placement of the debt on your account with us.
- 8.7 **Restrictions on Third Party Use of Credit Cards and Checking Account Access.** You may not facilitate any i-Club BIZ purchase using a credit card or payment method other than your own unless we have on file an official i-Club BIZ Authorization Letter prior to the transaction. The form authorization letter is found in the Document Library of your Back Office.
- 8.8 **Sales/Transaction Taxes.** See Addendum A.
- 8.9 **Autoship.** The i-Club BIZ offers many different products. The Autoship program is a convenience for our Customers and IBOs.
- 8.9.1. **Cycle.** Your order will be processed on the same day of the month – quarter – thirds – year. (Depending on which autoship you sign up for).
- 8.9.2. **Autoship Status.** You may modify, deactivate, or reactivate your Autoship at any time from your back office. However, any modification or cancellation must be submitted at least three (3) business days prior to the next recurring date. Requests made after that may not be effective until the following processing date.

SECTION 9 – BONUSES

- 9.1 **Bonus Qualifications.** As an IBO, you are entitled to receive Bonuses from us pursuant to the currently published Compensation Plan if you are in good standing and in compliance with the terms of the Agreement.
- 9.2 **No Earning Guarantee.** You are neither guaranteed a specific income nor assured any level of profit or success. Your profit and success can come only through the successful retail sale, use, and consumption of our Products and the retail sales, use, and consumption of our Products by other Members in your downline.
- 9.3 **Payment.** We will deposit your commissions into your eWallet (located in your back office) every Saturday night at midnight West Coast Time. You can request your funds from your eWallet at anytime. The Company will issue transfers within 7 days of the request. Without prejudice to our right of termination, we may suspend or revoke payment if you are in breach of any term or condition of the Agreement. We may also debit your account if you owe us money.
- 9.4 **Bonus Buying Prohibited.** Bonus buying is strictly and absolutely prohibited. Bonus buying includes: (1) the enrollment of individuals or entities without the knowledge of and/or execution of a IBO Application by such individuals or entities; (2) the fraudulent enrollment of an individual or entity as an IBO or Customer; (3) the enrollment or attempted enrollment of non-existent individuals or entities as IBOs or Customers ("phantoms"); (4) purchasing Products on behalf of another IBO or Customer, unless authorized herein, or through another IBO's or Customer's ID number, to qualify for Bonuses; (5) purchasing excessive amounts of goods or services that cannot reasonably be

used or resold in a month; and/or (6) any other mechanism or artifice to qualify for rank advancement, incentives, prizes, or Bonuses that is not driven by bona fide Product purchases by end user consumers.

- 9.5 **Adjustments to Bonuses.** When a Product is returned to us for a refund, the Bonuses attributable to the returned Product(s) will be deducted from the commission period in which the refund is given, and continuing every pay period thereafter until the Bonus is recovered from the IBOs who received Bonuses on the sales of the refunded Products.
- 9.6 **Errors or Questions.** If you have questions about or believe any errors have been made regarding Bonuses, Personal Organization, or charges, you must notify us in writing within 60 days of the date of the purported error or incident in question. We will not be responsible for any errors, omissions, or problems not reported to the Company within 60 days.
- 9.7 **Processing and Other Fees.** We may deduct from your Compensation Plan earnings or charge you a reasonable processing fee for computer processing and other customer services. If you request special services, we may charge an hourly fee with a one hour minimum or a flat fee. We will quote you the fee prior to initiating the services.

SECTION 10 – MEMBER STATUS REQUIREMENT

- 10.1 **Description.** A person must be “Member” status or above to be eligible to earn the FAST CASH Commissions on their personally sponsored Retail Customers and Members.
- 10.1.1 A person becomes/remains Member status by having 75 RV assigned to their Member ID on an annual basis.
- 10.2 **Limitations.**
- 10.2.1 If a person falls out of Member Status, and remains Inactive for more than thirty (30) consecutive days, the position will be re-classified as a Customer only.
- 10.3 **Billing Grace Period.** Once a person achieves the rank of Member, he/she is eligible for a Grace Period of up to six (6) days. To return to Member status the account must be brought current within six (6) days of the recurring billing date. If, for example, their recurring order did not process on July 21st, they would go into grace period of six (6) days. If it was corrected, bringing them current, prior to the six (6) days, they would maintain their Member status and would then continue to bill normally on the newest date of the transaction. If the six (6) days were hit without correcting the grace period, the Member would go inactive and at that time the person would no longer earn the FAST CASH Commissions. If the person remains Inactive for more than thirty (30) consecutive days, the position will be re-classified as a Free Customer.

SECTION 11 – ACTIVE STATUS REQUIREMENT

- 11.1 **Description.** i-Club BIZ Members must be “Active” to be eligible to accumulate BV for binary commissions.
- 11.1.1 Only Active Members accumulate BV towards earning commissions and bonuses in the binary. Only Active Members and above will earn the FAST CASH Leadership Bonuses on the Starter Pack purchases made through seven levels of depth in their personal enrollment organization.
- 11.1.2 A Member becomes/remains Active by having 25 BV assigned to their Member ID on a monthly basis.
- 11.1.3 Once the Member becomes Active, he/she continues to accumulate BV towards earning commissions and bonuses based on the Member’s rank.
- 11.2 **Limitations.**
- 10.2.1 If a Member falls out of Active Member Status, and remains Inactive for more than thirty (30) consecutive days, the position will be re-classified as a Customer only.
- 11.3 **Billing Grace Period.** Once a Member achieves the rank of Active Member, he/she is eligible for a Grace Period of up to six (6) days for the binary BV accumulation and the FAST CASH payout. To return to Active status the account must be brought current within six (6) days of the recurring billing date. If, for example, their recurring order did not process on July 21st, they would go into grace period of six (6) days. If it was corrected, bringing them current, prior to the six (6) days, they would become Active and would then continue to bill normally on the newest date of the transaction. If the six (6) days were hit without correcting the grace period, the Member would go inactive and the member would no longer earn the FAST CASH and at that time new volume for the binary would no longer accrue, but previously accrued volume would continue to hold. If the Member remains Inactive for more than thirty (30) consecutive days, the position will be re-classified as a Free Customer.

SECTION 12 - QUALIFIED STATUS REQUIREMENT

- 12.1 **Description.** i-Club BIZ IBOs must be “Qualified” to be eligible to earn Cycle Bonuses and other compensation.
- 11.1.1 A Member becomes/remains Qualified by: Maintaining Active Member status and personally sponsoring at least 1 Active Member in their left leg of the binary and at least 1 Active Member in their right leg of the binary.
- 11.1.2 Once the Member becomes a Qualified IBO, he/she begins to qualify to earn binary commissions and bonuses.
- 12.2 **Limitations.**
- 11.2.1 If a Member falls out of “Qualified” status, they forgo commissions and bonuses but as long as they are Active, they’ll accumulate volume.
- 12.3 **Billing Grace Period.** Once a Member achieves the rank of Active Member, he/she is eligible for a Grace Period of up to six (6) days for the binary BV accumulation and the FAST CASH payout. To return to Active status the account must be brought current within six (6) days of the recurring billing date. If, for example, their recurring order did not process on July 21st, they would go into grace period of six (6) days. If it was corrected, bringing them current, prior to the six (6) days, they would become Active and would then continue to bill normally on the newest date of the transaction. If the six (6) days were hit without correcting the grace period, the Member would go inactive and the member would no longer earn the FAST CASH and at that time new volume for the binary would no longer accrue, but

previously accrued volume would continue to hold. If the Member remains Inactive for more than thirty (30) consecutive days, the position will be re-classified as a Free Customer.

SECTION 13 – FAST CASH COMMISSIONS

- 13.1 **Description.** Members earn 30% to 50% FAST CASH Commissions on their personally sponsored Retail Customers and 26.67% of the Starter Packs purchased by their personally sponsored Members.
- 13.2 **Qualification.** A person must be a Member Rank or above to earn this commission.
- 13.3 **Weekly Pay Period.** All Commissions and Bonuses are paid every Saturday with NO delay. The weekly pay period begins Sunday 12:00:00 AM Central Time and ends Saturday 11:59:59 AM (Midnight) Central Time (See Fig. 1).
 - 13.4.1 **eWallet:** The IBO’s commissions and bonuses are paid to the IBO’s eWallet located in the back office. See sections 22.2.

SECTION 14 – FAST CASH LEADERSHIP COMMISSIONS

- 14.1 **Description.** Active Members earn FAST CASH LEADERSHIP COMMISSIONS on every Starter Pack purchased by Members in their personal enrollment organization through 7 levels. In addition to the 26.67% FAST CASH COMMISSION for the personally sponsored 1st level Member, the Active Member will earn 6.67% on the on all of the Starter Pack purchases that are sold on the 2nd level, 2.67% on all of the Starter Packs sold on the 3rd, 4th, 5th and 6th level and 6.67% on the 7th level.
- 14.2 **Qualification.** A person must be an Active Member Rank or above to earn FAST CASH LEADERSHIP COMMISSIONS.
- 14.3 **Weekly Pay Period.** All Commissions and Bonuses are paid every Saturday with NO delay. The weekly pay period begins Sunday 12:00:00 AM Central Time and ends Saturday 11:59:59 AM (Midnight) Central Time (See Fig. 1).
 - 14.4.1 **eWallet:** The IBO’s commissions and bonuses are paid to the IBO’s eWallet located in the back office. See sections 22.2.

SECTION 15 - WEEKLY CYCLE BONUSES

- 15.1 **Description.** Qualified i-Club BIZ IBOs earn Weekly Cycle Bonuses based on the BV generated by their entire binary sales organization based their rank. The IBO accumulates BV based on the product purchase each customer makes.
 - 15.1.1 BV accumulates throughout the pay period as new sales are completed and payment is confirmed.
 - 15.1.2 A “cycle” is generated for every 75 BV on the left side that matches up with 75 BV on the right side of the IBO’s binary organization. Each Weekly Bonus cycle pays up to \$12.50.
 - 15.1.3 75 BV Left + 75 BV Right = 1 cycle = up to \$12.50.
 - 15.1.4 When Weekly Bonuses are calculated, oldest BVs are used first. It is “First In, First Out” (FIFO).
 - 15.1.5 Weekly BV is also called Weekly Sales Volume, Weekly Volume, or Primary Binary Volume.
- 15.2 **Active Status Requirement.** Members must be active to accumulate BV (also called volume). If a Member is in Inactive status, no new BV will accumulate until he/she becomes Active again, and will not be credited retroactively if he/she does become Active again.
- 15.3 **Qualification.** IBOs must also be “Qualified” to earn Weekly Cycle Bonuses. To be eligible for a Weekly Cycle Bonus, an IBO must be a Qualified IBO (QI) or higher rank.
- 15.4 **Weekly Pay Period.** All Commissions and Bonuses are paid every Saturday with NO delay. The weekly pay period begins Sunday 12:00:00 AM Central Time and ends Saturday 11:59:59 AM (Midnight) Central Time (See Fig. 1).
 - 15.4.1 **eWallet:** The IBO’s commissions and bonuses are paid to the IBO’s eWallet located in the back office. See sections 22.2.

Example Week						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Pay period Begins					Upgrade Autoship Cutoff	Pay period Ends
PAYDAY						

Figure 1 Weekly pay period and payday example

15.5 Limitations.

- 15.5.1 **Maximum Payout by Rank.** There is a maximum amount that an IBO may earn at each promotion rank. IBOs will not be paid more than the maximum amount, regardless of the number of cycles completed for the pay period. If the 65% rule comes into play in a given week, IBOs will be able to use all completed cycles for that week, up to the point where the maximum weekly commissions are met. The limits are illustrated to the right.

Rank	Maximum Amount
o Qualified (QI)	\$ 1,000
o Builder	\$ 1,500
o Producer	\$ 2,500
o Achiever	\$ 5,000
o Executive	\$12,000

Example: Nancy is a Builder. She has 15,000 BV on her left and 24,200 BV on her right in weekly binary BV on Saturday night at 11:59:59 PM. When the bonus process runs, 200 cycles are calculated (15,000 ÷ 75 = 200). Her cycle bonus is \$2,500, but since she is a Builder, she is limited to \$1,500 per week, so her Weekly Bonus would be \$1,500, subject to the 65% Payout Rule, and she will have 0 BV on her left and 9,200 BV on her right carry over to the next pay period.

- 15.5.2 **Weekly Bonus Sales Volume Expiration and Counter Resets.**

- 15.5.2.1 **Expiration 1 – Volume Expiration for Qualified IBOs.** The company can at its discretion set the Binary Sales Volume to expire after three hundred sixty five (365) days for Qualified IBOs. If the company does this, volume that is not used to generate a cycle within that time frame, the sales volume expires at the beginning of the next pay period and can no longer be used to create a bonus cycle. Volume is used First In, First Out (FIFO) to generate cycles. All accumulated sales volume that is three hundred sixty five (365) days or newer will remain.
- 15.5.2.2 **Counter Reset – For Unqualified IBOs.** If a Member falls out of Active Member Status, and remains Inactive for more than thirty (30) consecutive days, the position is re-classified as a Free Customer and all volume counters will be reset and the BV they have accumulated will irrevocably expire.
- 15.5.2.3 **Counter Reset – Billing Grace Period Expiration.** Once a Member achieves the rank of Active Member, he/she is eligible for a Grace Period of up to six (6) days for the binary BV accumulation and the FAST CASH payout. To return to Active status the account must be brought current within six (6) days of the recurring billing date. If, for example, their recurring order did not process on July 21st, they would go into grace period of six (6) days. If it was corrected, bringing them current, prior to the six (6) days, they would become Active and would then continue to bill normally on the newest date of the transaction. If the six (6) days were hit without correcting the grace period, the Member would go inactive and the member would no longer earn the FAST CASH and at that time new volume for the binary would no longer accrue, but previously accrued volume would continue to hold. If the Member remains Inactive for more than thirty (30) consecutive days, the position will be re-classified as a Free Customer.

15.5.3 65% Cap Rule. The Weekly Bonus program is subject to the 65% Cap Rule. For details, please see Section 19.

SECTION 16 – AUTO-BALANCE VOLUME

- 16.1 **Customer Only Credit Auto-Balance.** For Weekly Cycle Bonuses, if an IBO has generated BV on their left and right that do not yet complete a cycle and has non binary Retail Customer Only BV (sales of products to Customer Only participants that are therefore not placed in the binary tree) that have not yet been paid on, the computer will Auto-Balance the IBO’s BV and apply any available volume to the weaker team’s volume.
 - 16.1.1 For instance, IBO X has made two Retail Customer Only Sales for 25 BV each. This week his left team generates 150 BV and his right team generates 125 BV. Seeing that the right team needs an additional 25 BV to complete a second cycle, the computer will Auto-Balance and assign one of the two Customer Only Sales to IBO X’s right team. With 150 BV on the left and 150 BV on the right, he would thus earn two (2) cycles.
 - 16.1.2 It is important to understand that when a Retail Customer Only BV is “assigned” to the IBO’s left or right side, that no changes are actually made to the binary tree organization. The Customer still exists outside of the binary tree and does not have a business center.

SECTION 17 - WEEKLY MATCHING CYCLE BONUSES (MCB)

- 17.1 **Description.** i-Club BIZ IBOs at the Producer or higher rank (Please see Section 20) earn a percentage of the Cycle Bonuses paid to all Qualified IBOs in their Lineage Organization through up to 5 generations of leaders (Producer and above).
 - 17.1.1 All Active Producer IBOs will earn up to a 10% match of the Cycle Bonuses paid to all Qualified IBOs in their Lineage Organization down through and including the first (1st) Active Producer IBO or above in the line.
 - 17.1.2 All Active Achiever IBOs will earn up to a 10% match of the Cycle Bonuses paid to all Qualified IBOs in their Lineage Organization down through and including the first (1st) Active Producer IBO or above in the line and they will also earn up to a 5% match of the Cycle Bonuses paid to all second (2nd) generation Qualified IBOs in their Lineage Organization down through and including the second (2nd) Active Producer IBO or above in the line.
 - 17.1.3 All Active Executive IBOs will earn up to a 10% match of the Cycle Bonuses paid to all Qualified IBOs in their Lineage Organization down through and including the first (1st) Active Producer IBO or above in the line, they will also earn up to a 5% match of the Cycle Bonuses paid to all second (2nd) generation Qualified IBOs in their Lineage Organization down through and including the second (2nd) Active Producer IBO or above in the line and they will also earn up to a 5% match of the Cycle Bonuses paid to all third (3rd) generation Qualified IBOs in their Lineage Organization down through and including the third (3rd) Active Producer IBO or above in the line.
 - 17.1.4 All Active Presidential IBOs will earn up to a 10% match of the Cycle Bonuses paid to all Qualified IBOs in their Lineage Organization down through and including the first (1st) Active Producer IBO or above in the line, they will also earn up to a 5% match of the Cycle Bonuses paid to all second (2nd) generation Qualified IBOs in their Lineage Organization down through and including the second (2nd) Active Producer IBO or above in the line, they will also earn up to a 5% match of the Cycle Bonuses paid to all third (3rd) generation Qualified IBOs in their Lineage Organization down through and including the third (3rd) Active Producer IBO or above in the line and they will also earn up to a 5% match of the Cycle Bonuses paid to all forth (4th) generation Qualified IBOs in their Lineage Organization down through and including the forth (4th) Active Producer IBO or above in the line.
 - 17.1.5 All Active Presidential IBOs will earn up to a 10% match of the Cycle Bonuses paid to all Qualified IBOs in their Lineage Organization down through and including the first (1st) Active Producer IBO or above in the line, they will also earn up to a 5% match of the Cycle Bonuses paid to all second (2nd) generation Qualified IBOs in their Lineage Organization down through and including the second (2nd) Active Producer IBO or above in the line, they will also earn up to a 5% match of the Cycle Bonuses paid to all third (3rd) generation Qualified IBOs in their Lineage Organization down through and including the third (3rd) Active Producer IBO or above in the line, they will also earn up to a 5% match of the Cycle Bonuses paid to all forth (4th) generation Qualified IBOs in their Lineage Organization down through and including the forth (4th) Active Producer IBO or above in the line and they will also earn up to a 5% match of the Cycle Bonuses paid to all fifth (5th) generation Qualified IBOs in their Lineage Organization down through and including the fifth (5th) Active Producer IBO or above in the line.

Leaders Ranks	Producer	Achiever	Executive	Presidential	Executive Presidential
Generations Paid	1	2	3	4	5
% CBM per Level	10%	5%	5%	5%	5%

- 17.2 **Active Producer Status Requirement.** IBOs must have an Active Producer or above Status at 11:59:59 PM (Midnight) Central Time on the last day of the weekly pay period to be qualified to earn the MCB.
- 17.3 **Qualification.** IBOs must also be “Qualified” to earn Weekly Matching Cycle Bonuses. To be eligible for a Weekly Matching Cycle Bonus, an IBO must be a Producer IBO or higher rank.
- 17.4 **Limitations.**
- 164.1 **65% Cap Rule.** The MCB program is subject to the 65% Cap Rule. For details, please see Section 19.

SECTION 18 – ADDITIONAL BUSINESS CENTER

- 18.1 **Description.** All IBOs that reach the rank of Executive will be awarded an additional business center. This center is placed above their existing center, thus providing these elite IBOs with an opportunity to add to their income with one leg of their Cycle Bonus already established. This business center offers the same compensation as the IBOs original business center.
- 18.2 **Qualification.** To earn income on your additional business center you must maintain the paid-as rank of Achiever (or above) in your original center.
- 18.3 **Limitations**
- 18.3.1 **Non-Qualified Original Center.** In the event the original business center does not achieve Active Achiever status, the new business center will be reclassified as a Member until such time as the original center qualifies as an Active Achiever Rank.

SECTION 19 - 65% PAYOUT CAP RULE

- 19.1 **Description.** i-Club BIZ commits to pay up to 65% of all BV generated by our IBOs back to the field, and sets these amounts aside into separate commission accounts. To ensure the long term viability of i-Club BIZ and protect the future opportunity for our IBOs, the Company must limit the percentage of total commission payout to this percentage. This 65% maximum is called the 65% Payout Cap.
- 19.1.1 Here is an example of how it works. If weekly sales volume for a given week were \$1,000,000 companywide, then i-Club BIZ would pay a maximum of \$650,000 in commissions to our IBOs. If the weekly commissions process generated \$700,000, or 70%, then all Cycle Bonus and Matching Cycle Bonus checks would be "shaved" an equal percentage to bring the total payout back to 65%. This would cause a weekly cycle to payout less than \$12.50. The same is true of the MCB. The 65% Payout Cap is necessary to insure the long-term health and continued growth of i-Club BIZ and to provide long-term opportunity for our IBOs. We all want a company that will be profitable and secure for many years to come

SECTION 20 – RANK QUALIFICATIONS

- 20.1 **Member.** The 1st Rank is that of a Member. The Member status is achieved and maintained when a person has at least 75 RV assigned to their Member ID on an annual basis.
- 20.1.1 A person can achieve the Member rank by purchasing a Starter Pack at time of enrollment.
- 20.1.2 A person can achieve the Member rank by choosing to achieve the volume requirement through retail customer sales. To do this the person joins as a Customer for free and then emails support@ivclubbiz.com and request to reclassify their position to a FREE Member. The person will have 30 days to accumulate 75 RV in retail customer sales. If the person cannot achieve the volume requirement in the allotted timeframe the position is reclassified to Customer only and there is no longer a pathway to become an IBO.
- 20.2 **Active Member.** The Member is awarded the Active Member Status when they at least 25 BV assigned to their Member ID on a monthly basis.
- 20.3 **Qualified IBO.** An Active Member who has personally sponsored at least 2 Active Members, with at least one personally enrolled Active Member in both binary legs.
- 20.4 **Director IBO.** An Active Member who has personally enrolled at least 4 Active Members, with at least one personally enrolled Active Member in both binary legs.
- 20.5 **Builder.** An Active Member who has personally enrolled at least 6 Active Members and has a combined team of at least 4 Active Members in at least three of their personal enrollment tree legs, with at least one personally enrolled Active Member in both binary legs.
- 20.6 **Producer.** An Active Member who also has at least 50 BV assigned to their Member ID within the last 30 days and has personally enrolled at least 8 Active Members and has a combined team of at least 4 active Builder IBOs in at least three of their personal enrollment tree legs, with at least one personally enrolled Active Member in both legs and at least two active Builder IBOs from their personal enrollment tree in both binary legs.
- 20.7 **Achiever.** An Active Member who also has at least 75 BV assigned to their Member ID within the last 30 days and has personally enrolled at least 12 Active Members and has a combined team of at least 4 active Producer IBOs in at least three of their personal enrollment tree legs, with at least one personally enrolled Active Member in both binary legs and at least four active Producer IBOs from their personal enrollment tree in both binary legs.
- 20.8 **Executive.** An Active Member who also has at least 75 BV assigned to their Member ID within the last 30 days and has personally enrolled at least 16 Active Members and has a combined team of at least 4 active Achiever IBOs in at least three of their personal enrollment tree legs, with at least one personally enrolled Active Member in both binary legs and at least four active Achiever IBOs from their personal enrollment tree in both binary legs.
- 20.9 **Presidential.** An Active Member who also has at least 75 BV assigned to their Member ID within the last 30 days and has personally enrolled at least 20 Active Members and has a combined team of at least 4 active Executive IBOs in at least three of their personal enrollment tree legs, with at least one personally enrolled Active Member in both binary legs and at least four active Executive IBOs from their personal enrollment tree in both binary legs.
- 20.10 **Executive Presidential.** An Active Member who also has at least 75 BV assigned to their Member ID within the last 30 days and has personally enrolled at least 24 Active Members and has a combined team of at least 4 active Presidential IBOs in at least three of their personal enrollment tree legs, with at least one personally enrolled Active Member in both binary legs and at least four active Presidential IBOs from their personal enrollment tree in both binary legs.

SECTION 21 – BREACH OF CONTRACT AND REMEDIES

- 21.1 **Breach.** In the event of a breach or failure to perform as required under the plain language of the Agreement, the other party shall give written notice of such breach to the party claimed to be in breach. In the event that a breach is not cured within a reasonable time from receipt of written notice of any such breach, the breach shall be considered material and a default of the Agreement. In the event a default is not cured, in addition to other remedies available at law, the non-defaulting party shall be entitled to terminate the Agreement by delivering notice of termination to the other party. Unless otherwise specified in the notice of termination, the Agreement shall terminate immediately upon receipt of such notice of termination.
- 21.2 **Internet Auctions.** The parties agree that certain breaches are so egregious, or that potential damages for breach are irreparable, that notice and a cure period is an inadequate remedy. Accordingly, the parties agree that notice and cure are waived for selling Products on an Internet auction site.
- 21.3 **Material Breach.** The following covenants of this Agreement are deemed to be material:
- 21.3.1. Section 4.1-The Code of Ethics.
- 21.3.2. Section 4.3.8-Unethical Activity.
- 21.4 **Remedies for Breach.** Our remedies for breach shall include, but not be limited to, recovery of any and all monies paid pursuant to this Agreement and termination of the IBOship. Your remedies include specific performance and money damages. Nothing herein shall prevent you or us from seeking all other available remedies.
- 21.5 **Grievances and Complaints.** When you have a grievance or complaint with another IBO regarding any practice or conduct in relationship to his or her IBOship, you should try to resolve it with the other IBO. If the matter involves interpretation or violation of the Agreement by that IBO, you must report it in writing to i-Club BIZ' Compliance department, via email or certified mail, who will review the facts and attempt to resolve the matter.
- 21.6 **Mediation.** If either party disputes a matter, prior to instituting arbitration, you and we agree to meet in good faith and attempt to resolve any dispute arising from or relating to the Agreement through non-binding mediation. An individual who is mutually acceptable to the parties shall be appointed as mediator. The mediator's fees and costs, as well as the costs of holding and conducting the mediation, shall be divided equally between the parties. Each party shall pay its portion of the anticipated shared fees and costs at least ten (10) days in advance of the mediation. Each party shall pay its own attorneys fees, costs, and individual expenses associated with conducting and attending the mediation. Mediation shall be held in Davenport, Iowa, and shall last no more than two (2) business days.
- 21.7 **Arbitration.** If mediation is unsuccessful, any controversy or claim arising out of or relating to the Agreement, or the breach thereof, shall be settled by arbitration.
- 21.7.1. Governing Law and Arbitration. The State of Iowa is the place of origin of this Contract, and is where the Company accepted the offer of an Applicant to become an IBO and where the IBO entered into the Contract with the Company. The Contract is therefore governed by and to be construed in accordance with the laws of the State of Iowa without reference to the conflict of laws principles thereof, and the arbitration provisions herein are governed by the Iowa Uniform Arbitration Act, Iowa Code 679A.1-.19. (the "Act"), except as such requirements may be specifically varied and modified by the terms set forth herein.
- 21.7.2. Mandatory Arbitration. Any controversy or claim arising between Company and the IBO, including any controversy or claim arising out of or relating to the Contract or the breach thereof, or any controversy or claim relating to the business arising between IBOs, shall be resolved by mandatory, binding arbitration in Davenport, Iowa, in the United States of America, to be conducted in the English language. IBO hereby submits to the arbitral jurisdiction set forth herein, and, with respect to any matters not determined by or subject to arbitration, to the personal jurisdiction of the state and federal courts within Davenport, Iowa. The arbitration shall be initiated by service of written demand for arbitration on the responding party. IBO hereby consents to service of such demand by mail to the address for such IBO on file with the Company and waives all rights and defenses as to insufficiency of service of process as may be applicable under the laws of the United States or any other country.
- 21.7.3. Arbitrator. There shall be one arbitrator, who shall be impartial, independent, and mutually agreed upon by the parties to the arbitration within 30 days following receipt of the written demand for arbitration. If the parties do not reach agreement on a single arbitrator within such period, the parties shall obtain a judicial appointment of an arbitrator pursuant to the Act, Section 679A.1-.19.
- 21.7.4. Process and Powers. The arbitration and all pre-hearing matters, including discovery, shall be governed by and conducted in accordance with the Iowa Rules of Civil Procedure and Rules of Evidence. The arbitration and all proceedings associated therewith are private proceedings and not subject to any public right of access. The arbitrator shall have the authority to enter appropriate protective orders to preserve the confidentiality of the proceedings and information exchanged in discovery. The arbitrator shall have the authority, power, and jurisdiction to grant both legal and equitable relief, including temporary, preliminary, and permanent injunctive relief, and the parties hereto hereby submit to the jurisdiction of the arbitrator for all such relief. The arbitrator shall also have the sole and exclusive authority to determine whether any particular issue is subject to arbitration under this Agreement.
- 21.7.5. Award. The arbitration award shall be a reasoned award, given in writing, and shall be final and binding on the parties hereto and not subject to any appeal, except as specifically provided in the appeal provision below. Judgment upon the award rendered may be entered in any court having jurisdiction, or, application may be made to such court for a judicial recognition of the award or an order of enforcement thereof, as the case may be. Execution upon any such judgment shall be governed by the laws of the State of Iowa, and the parties hereto agree unconditionally to recognize an arbitration award rendered in connection with this Agreement as binding and compulsory and subject to execution pursuant to any applicable laws.
- 21.7.6. Appeal. Should the Arbitrator enter an award against any party for a sum in excess of twenty-five thousand dollars (\$25,000), or enter an award constituting permanent injunctive relief against any party, the party against whom such an award has been entered may appeal the award to a private arbitration panel of three impartial and independent arbitrators mutually agreed upon by the parties (the "Appeal Panel"). Any such appeal must be taken by written notice served no later than thirty (30) days after the party has received the written award. If the parties do not agree on three arbitrators within 30 days of the date of the arbitration award, the Appeal Panel shall be judicially appointed in accordance with the Act, Section 679A.1-.19. The appeal shall be conducted in Davenport, Iowa, in the United States of America, in the English language. Upon briefing of relevant issues by the parties, and oral argument if requested by the parties, the Appeal Panel shall review and correct the award for (1) any error of law, (2) a failure of substantial evidence to support all or any element of the award, and (3) an error of a mixed question of fact and law. The arbitration panel shall issue a reasoned decision, given in writing, which shall be final and binding on the parties and not subject to any appeal.
- 21.7.7. Costs. The parties shall equally share the assessed costs associated with the arbitration, including all arbitrator fees, provided however, that the prevailing party in any appeal to the Appeal Panel shall be entitled to recover its share of the costs of such appeal from the non-prevailing party. The parties shall each bear their own attorneys fees in connection with the arbitration and any appeal, irrespective of which party prevails and any demand or request made for such fees.

- 21.8 **Other Remedies.** Nothing in these Policies and Procedures shall prevent us 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 our 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.

SECTION 22 – MISCELLANEOUS

- 22.1 **Travel Wallet and Travel Dollars.** The Member can use the funds in their Travel eWallet (at i-Club BIZ discretion) to pay for travel related purchases that are booked and paid through the Extreme Savings Travel Club with the exception of airfare. The Member **cannot** use their Travel dollars to pay for airfare.
- 22.1.1 **Travel Dollars in the Travel Wallet will not expire within the first year.** The company reserves the right to flush unused Travel eWallet dollars after one year at its discretion.
- 22.1.2 The company will transfer the Travel Dollars in the member's Travel eWallet to the member's iPayout eWallet, or the member's cash eWallet, or send a check to the member after the requirements have been met to receive the travel dollars in the member's Travel eWallet.
- 22.1.3 Only Active Travel Club Members receive Travel eWallet deposits.
- 22.1.4 The Travel Dollars deposited in the Travel eWallet are not transferable.
- 22.2 **eWallet.** All commissions and bonuses earned through the comp plan are deposited into the members' eWallet.
- 22.1.1 **Request funds.** The IBO can request the funds at anytime from their eWallet through their back office by clicking on Account Withdrawal (Fees apply). The eWallet can also be used to pay for the Member's purchases and their Autoship too. The Member can also transfer money from their eWallet to another Member's eWallet.
- 22.3 **Charge Backs and Refunds.** i-Club BIZ reserves the right to recover sales volume credited or commissions paid to an IBO any time a commissionable purchase of any kind is refunded to a Customer.

SECTION 23 – DEFINITIONS

- 23.1 **AUTOSHIP.** A program in which we automatically fulfill your purchase based upon an agreed amount
- 23.2 **BINARY ORGANIZATION.** The structure of your downline sales organization
- 23.3 **BONUSES.** Monies earned by you, as determined by the Personal Volume of Products retailed or purchased by you and the Group Volume of your Downline, as set forth in the Compensation Plan.
- 23.4 **COMPENSATION PLAN.** The method by which you generate Bonuses and are compensated for retail sales and sales Volume within your downline The Compensation Plan is described in the Company's literature.
- 23.5 **CUSTOMER.** End Consumers of the Product.
- 23.6 **GROUP VOLUME (GV).** The business value of Products sold to the downline in your Binary Organization.
- 23.7 **IBO.** An independent contractor who met the requirements to participate in the comp plan.
- 23.8 **IBS.** A selection of i-Club BIZ "at-cost" training materials, website and business support literature that IBO's purchase.
- 23.9 **IBOSHIP.** The collective rights arising from the Agreement granted to you to purchase, sell, distribute, and promote the Products and i-Club BIZ business opportunity.
- 23.10 **LINEAGE TREE.** Your downline organization of IBOs and Customers you personally Sponsor and those IBOs and Customers that they personally Sponsor.
- 23.11 **OFFICIAL i-Club BIZ MATERIAL.** Literature, audio or video tapes, and other materials developed, printed, published, and distributed by i-Club BIZ to IBOs.
- 23.12 **OPENED COUNTRY.** A country that we have officially opened for business using an OTG or NFR model
- 23.13 **PERSONAL VOLUME (PV).** The business value of Products you personally purchase.
- 23.14 **PERSONALLY ENROLLED ACTIVITY REPORT (PEAR).** A report generated by us that provides information relating to the identities of IBOs, sales information, and Sponsoring activity of IBOs in your Lineage Tree. This report contains confidential and trade secret information which is proprietary to the Company.
- 23.15 **PLACEMENT.** Your position inside your Sponsor's Binary Organization
- 23.16 **PRODUCTS.** Any commodity sold by us that has Volume assigned to it.
- 23.17 **RESALABLE.** Products shall be deemed "resalable" if each of the following elements is satisfied: (1) they are unopened and unused, (2) original packaging and labeling has not been altered or damaged, (3) they are in a condition such that it is a commercially reasonable practice within the trade to sell the merchandise at full price, and (4) the Product contains current i-Club BIZ labeling. Any merchandise that is clearly identified at the time of sale as nonreturnable, discontinued, or as a seasonal item, shall not be resalable.
- 23.18 **SALES TOOLS.** Any audio or visual device used to promote the i-Club BIZ Products and/or opportunity. It may be printed; electronic; a logo used on clothing, decals, or in any other form.
- 23.19 **SPONSOR.** An IBO who introduces an applicant to the Company and is listed as the Sponsor on the Member Agreement
- 23.20 **VOLUME.** The business value assigned to Products sold for purposes of calculating Bonuses under the Compensation Plan.

ADDENDUM A—UNITED STATES

- A.1. **ADVERTISED PRICE.** You may not advertise any i-Club BIZ Products at a price LESS than the highest company-published, established retail price plus shipping and applicable taxes. No special enticement advertising is allowed. This includes but is not limited to offers of free membership, free shipping, or other such offers that grant advantages beyond those available through the Company.
- A.2. **SALES PROMOTION AND SPONSOR TRAINING.** Regardless of your level of achievement, you have an ongoing obligation to continue to personally promote sales through the generation of new Customers and through servicing existing Customers. You are also responsible to motivate and train your new downline in Product knowledge, effective sales techniques, the Compensation Plan, and compliance with these Policies and Procedures. Additionally, you must provide bona fide assistance and training to IBOs you Sponsor to ensure that your downline IBOs are properly operating their I-Club BIZ businesses.
- A.3. **OPPORTUNITY CLAIMS.**
- a. **Business Opportunity Specific Claims.** Do not use the term "business opportunity." Use the terms "income opportunity," "financial opportunity," or "home-based opportunity." When discussing the i-Club BIZ opportunity, you must mention that the purchase of tools is optional. The word "free" should never be used to describe i-Club BIZ products—regardless of how they're obtained.
 - b. **AutoShip.** Position AutoShip as a great way to ensure you never let your Membership go inactive. Do not position the AutoShip as a way to remain active or qualify for compensation. Example: "Neither a product order nor participation in the AutoShip program are required to become an IBO, activate, or remain active. Both are optional." You MUST indicate that AutoShip is optional for becoming an IBO AND for earning compensation.
 - c. **Purchasing Requirements.** Do not impose personal purchase requirements. Do not require an IBO to purchase a minimum amount of product. You may say that an IBO must generate a certain amount of personal BV to qualify for earnings under the i-Club BIZ Compensation Plan.
 - d. **Income Claims.** No income claims can be made. Also avoid words like "millions" and instead use nonfinancial phrases like "Beyond imagination" or "Your wildest dreams." Use terms like "income-creating" rather than "wealth-creating." Do not use the term "passive income."
 - e. Compensation Plan.
 - 1) Do not use "purchased" when describing how RV and BV is acquired. Use terms such as "generated." Use wording like "Build teams that duplicate by helping your personally sponsored IBOs build their businesses, and you will earn the Builder Bonus."
 - 2) Regarding Rank Advancements, either is acceptable:
 - 1. To qualify for the following ranks one must be active with 25 or more of personally generated BV during the qualifying period.
 - 2. Be active with 25 or more personally generated BV during the qualifying period.
 - 3) Avoid the words "investment" or "invest." It's okay to talk about investing time or effort—but not money. Accordingly, use words like "cost" or "expenditure" to describe the IBS.
- A.4. **TAXES**
- a. The Company will collect and remit sales tax based on the retail price of products purchased by you unless otherwise required by law. The sales tax is based upon the tax rate in the jurisdiction to which the Product is shipped. For your retail sales, if you submit to us a current Sales Tax Exemption Certificate (STEC) from your resident state, we will not charge or collect sales tax on your orders shipped to that state unless prohibited by law. You will be responsible for tracking and reporting all sales and sales taxes due for retail sales. Sales tax on orders placed before we receive a STEC will not be reimbursed. If you provide us a STEC, you agree to indemnify and hold i-Club BIZ harmless from any liability that i-Club BIZ incurs as a result of your failure to collect or remit sales taxes. If an i-Club BIZ business is tax exempt, the Federal tax identification number must be provided to i-Club BIZ.
 - b. Every year, i-Club BIZ will provide an IRS Form 1099 MISC (Non-employee Compensation) earnings statement to each non-corporate U.S. resident who: (1) Had earnings of over \$600 in the previous calendar year or (2) made purchases during the previous calendar year in excess of \$5,000.
- A.5. **GOVERNMENTAL APPROVAL OR ENDORSEMENT.** Neither government agencies nor their officials approve or endorse any Network Marketing companies or products. Therefore, you shall not represent or imply that i-Club BIZ, its products, or its Compensation Plan have been approved, endorsed, or otherwise sanctioned by any government agency or official.
- A.6. **BREACH OF CONTRACT—ADDITIONAL PROVISIONS.**
- a. Additional Actions for Breach. We may take the following actions against you and/or your IBOship if you breach the agreement.
 - 1) We may issue you a written warning or admonition;
 - 2) We may require you to take immediate corrective measures;
 - 3) We may impose a fine and may withhold it from your earnings;
 - 4) We may suspend payment of all or part of your Compensation Plan earnings during the period that we investigate your conduct. If your Agreement is terminated by us, you will not be entitled to recover any Bonuses withheld during the investigation period;
 - 5) We may suspend your right to operate your IBOship for one or more pay periods;
 - 6) We may involuntarily terminate your Agreement;
 - 7) We may institute legal proceedings for monetary and/or equitable relief;
 - 8) We may transfer or reassign some or all of your downline organization to another IBO's downline organization;
 - 9) We may take any other measure expressly allowed within any provision of the Agreement or which we deem practicable to implement and appropriate to resolve damages caused partially or exclusively by your policy violation or contractual breach.
 - b. IBO Conduct Review Committee. The purpose of this committee is to review policy violations and determine disciplinary actions. The Compliance department solicits information from all involved parties and presents the same to the committee for final resolution and disciplinary action, up to and including termination of a Member Agreement. Once the committee has made a decision, the decision will be communicated to the IBO in writing.
 - c. IBO Conduct Appeals Committee. If you wish to appeal a decision made by the IBO Conduct Review Committee, you must do so in writing within ten (10) business days of the date of notification of decision. A decision will only be reviewed by the Appeals Committee if new information or

further supporting evidence has been provided. All cases will be reviewed on a monthly basis and notification will be provided accordingly. Please note that during the appeals process, all involved IBO accounts may be placed on a complete business hold, and all Bonuses generated will be held by us until the matter is resolved. Decisions mandated by the IBO Conduct Appeals Committee are final and binding, and will not be further reviewed by the Company.

A.7. Sponsoring without permission

- a. If a member sponsors a person without the permission of that person. The sponsoring person may be terminated at the discretion of the company.
- b. The person who was sponsored into the program without their permission is free to terminate their position and be re-assigned to another member.

A.8. TELEMARKETING. You must not engage in telemarketing relative to the operation of your IBOship and agree to inform yourself of the laws pertaining to telemarketing.

- a. The term "telemarketing" means the placing of one or more telephone calls to an individual or entity to induce the purchase of an i-Club BIZ product or service, or to recruit them for the i-Club BIZ opportunity. "Cold calls" made to prospective Customers or IBOs that promote either i-Club BIZ' products or services of the i-Club BIZ opportunity constitute telemarketing and are prohibited.
- b. Notwithstanding the foregoing, an IBO may place telephone call(s) to a prospective Customer or IBO (a "prospect") under the following limited situations:
 - 1) If the IBO has an established business relationship with the prospect. An "established business relationship" is a relationship between an IBO and a prospect based on:
 - The prospect's purchase, rental, or lease of goods or services from the IBO within the eighteen (18) months immediately preceding the date of a telephone call to induce the prospect's purchase of a product or services; or
 - A financial transaction between the prospect and the IBO within the eighteen (18) months immediately preceding the date of such a call.
 - 2) The prospect's personal inquiry or application regarding a product or service offered by the IBO within the three (3) months immediately preceding the date of such a call.
 - 3) If the IBO receives written and signed permission from the prospect authorizing the IBO to call. The authorization must specify the telephone number(s) which the IBO is authorized to call.
 - 4) IBOs may call family members, personal friends, and acquaintances. An "acquaintance" is someone with whom an IBO has at least a recent first-hand relationship (i.e., the IBO recently personally met him or her). Bear in mind, however, that if an IBO makes a habit of "card collecting" from everyone he or she meets and subsequently calling them, the FTC may consider this a form of telemarketing that is not subject to this exemption. Thus, if IBOs engage in calling "acquaintances," the IBO must make such calls on an occasional basis only and not as a routine practice. In addition, IBOs shall not use automatic telephone dialing systems relative to the operation of their i-Club BIZ businesses. The term "automatic telephone dialing system" means equipment that has the capacity to: (1) store or produce telephone numbers to be called, using a random or sequential number generator, and (2) to dial such numbers.

ADDENDUM B

RETURN POLICY AND CANCELLATION NOTICE

- B.1 RETURN OF PRODUCT UPON TERMINATION.** If you voluntarily terminate the Agreement, you may return Currently Marketable Products in your inventory for a refund. You may only return Products that you personally purchased from us for resale (purchases from third parties are not subject to refund). "Currently Marketable" means that the Products are returned within twelve (12) months of purchase and are in resalable condition; however, Products shall not be considered Currently Marketable if returned for repurchase after the Products' commercially reasonable usable or shelf life period has passed; nor shall Products be considered Currently Marketable if we clearly disclose to you prior to purchase that the Products are seasonal, discontinued, or special promotion Products and are not subject to the repurchase obligation. Upon receipt of Currently Marketable Products, we will reimburse you 90% of the net cost of the original purchase price(s) as otherwise required by law. Shipping and handling charges incurred by you when the Products were purchased will not be refunded.
- B.2 RETURN OF STARTER PACK UPON TERMINATION.** If you voluntarily terminate the Agreement, you may return the Starter Pack for a refund if (a) you personally purchased it from us and (b) you return it within thirty (30) days of purchase and it is in saleable condition. Upon receipt of the Starter Pack, we will reimburse you 100% of the net cost of the original purchase price(s), or as otherwise required by law as long as the Starter Pack is in resalable condition. Shipping and handling charges incurred by you when the Starter Pack was purchased will not be refunded.
- B.3 NO REFUND FOR SALES TOOLS.** We will not refund Sales Tools.
- B.4 RETURN OF PRODUCT—NO TERMINATION.** If you are not 100% satisfied with our Products, you may return them for a refund if neither you nor we have terminated the Agreement and the Products were purchased within thirty (30) days and are in resalable condition. The refund shall be 100% of the purchase price. Shipping and handling charges incurred by you when the Products were purchased will not be refunded.
- B.5 REFUSED PRODUCTS.** If you order Products and then refuse delivery, your order is subject to the restocking fee and other procedures for returns herein, and we may charge you for the return shipping costs.
- B.6 REFUND PROCEDURES.** To receive a refund, you must comply with the following:
- Obtain a Return Merchandise Authorization (RMA) number by emailing the IBO Services department. This RMA number must be written on each carton returned. RMA's are valid for 30 days from the date of issue.
 - Proper shipping carton(s) and packing materials are to be used in packaging the Product(s) being returned for replacement. All returns must be shipped to i-Club BIZ pre-paid. i-Club BIZ does not accept shipping collect packages. The risk of loss in shipping for returned Product shall be borne by you. If returned Product is not received by the Company's Distribution Center, it is your responsibility to trace the shipment.
 - If you are sending Product that was returned to you by your Retail Customer, the Product must be received by us within ten (10) days from the date on which your Retail Customer returned the Product to you and it must be accompanied by a copy of the sales receipt you gave to the Customer at the time of the sale.
- B.7 REFUNDS TO CUSTOMERS.** If you resell Product directly to your Customer, you must provide the Customer a full refund of all monies paid if the Customer returns the Product to you within thirty (30) days of the sales transaction.
- B.8 CANCELLATION NOTICE.** You must give your Customer two copies of an official i-Club BIZ sales receipt (one to keep and one to send). The sales receipt should be dated and show your name and address. The sales receipt must be in the same language that is used in the sales presentation. The cancellation notice appears on the sales receipt and must be given verbally by you when making a retail sale to a Customer. You must comply with its terms.
- B.9 REACTIVATION FEE.** If a Member goes inactive the Company at its discretion can access a reactivation fee of up to \$75.
- B.10 TRAVEL CLUB PRODUCT.** The Extreme Savings Travel Club is a discount travel program that offers its members travel agency rates on all reservations requested through the member's back office and Travel Rebates based on the commissions earned by the travel agency on the reservation. (50% of the commissions earned by the travel agency on the travel reservation will be deposited into the member's Travel eWallet within 3 business days after the travel agency receives the commissions. Commissions could take up to and in some cases more than 90 days to be received by the travel agency.). The member can use the funds in their Travel eWallet to go towards future travel reservations or the member can request a cash transfer at 80% of the value in the Travel eWallet. All Travel eWallet withdrawals are processed the same day of request and a check is mailed out to the member the following business day.
- Commissions vary for the travel agency on all reservations. The following estimates are only used as an approximate example of commissions by category issue.

Hotel – 10%	Car Rental – 5%	Cruises – 16%	All Inclusive – 10%
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 - NOTE: There are NO COMMISSIONS paid to travel agencies on airfare.
 - Travel Club Members will also receive Condo deals at wholesale rates

The Extreme Savings Travel Club is offered to you conditioned on your acceptance without modification of the terms, conditions, and notices contained herein. Your processing of the member application constitutes your agreement to all such terms, conditions, and notices.

100% MONEY BACK GUARANTEE Extreme Savings Travel Club offers its members a 30 day 100% money back guarantee. The member can request their money back at any time within 30 days of their payment being processed.

THERE ARE NO PARTIAL REFUNDS! If the member wished to request a refund within the time frame allowed, they must email support@extremesavingstravelclub.net and request the refund. Once the member returns the membership card, Extreme Savings Travel Club will issue the refund.

B.11 **PROSPECTING SYSTEM.** If the customer accesses any of the digital prospecting tools, they cannot be refunded.