



plexus®

# BRAND AMBASSADOR POLICIES AND PROCEDURES



**CANADA**

Effective Date: June 22, 2022

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## **Policies and Procedures**

These Policies & Procedures are effective as of the date first displayed below and govern the way a Plexus Brand Ambassador conducts business with Plexus Canada Limited Partnership (“the Company” or “Plexus”), other Brand Ambassadors and Customers. They replace all previous versions. The governing definitions are capitalized and found in Appendix A. Brand Ambassador jewel ranks referenced in these Policies and Procedures are defined in the Compensation Plan. Any interpretation, clarification, exclusion, or exception to these Policies and Procedures, in order to be effective, must be in writing and published on the Company’s website or emailed to the Brand Ambassadors. The Company endeavors to enforce the Policies and Procedures on a uniform and nondiscriminatory basis. However, any failure to enforce any of the provisions of the Policies and Procedures with one Brand Ambassador does not waive the Company’s right to enforce any such provision(s) with that same Brand Ambassador or any other Brand Ambassador.

These Policies and Procedures, the Compensation Plan, the Corporate and Business Entities Application Form (if any), Privacy Policy, Terms of Use, the Brand Ambassador Agreement and any country or situation-specific addendum(s) thereto, and any other written agreement between the Brand Ambassador and the Company in their present forms and as amended from time to time at the sole discretion of the Company, are by this reference incorporated into, and form an integral part of, what is collectively referred to as the “Agreement.” Each Brand Ambassador has the responsibility to read, understand, adhere to the Agreement and ensure that he or she is aware of and operating under the most current version of the Agreement. When sponsoring a new Brand Ambassador, the Sponsoring Brand Ambassador shall provide the most current version of the Agreement to the applicant or direct them where to find this document prior to his or her execution of the Brand Ambassador Agreement. By signing a Brand Ambassador Agreement, agreeing to the terms of the Brand Ambassador Agreement online or accepting Commissions from the Company, a Brand Ambassador demonstrates that he or she has read and understands and consents to abide and be bound by the Agreement and any amendments thereto.

Subject to the terms of the Brand Ambassador Agreement, the Company may amend any part of the Agreement from time to time as laws and business circumstances change. Notice of any amendment will be published by the Company on its website or by email notification. It is the responsibility of all Brand Ambassadors to regularly review the most recently published Agreement, located in the Brand Ambassador virtual office at [www.plexusworldwide.ca](http://www.plexusworldwide.ca) or other Company websites. The Company will also provide a copy of its most current Agreement upon the Brand Ambassador’s request.

## Code of Ethics

Plexus has made a commitment to provide products and services of the finest quality backed with impeccable service. In turn, the Company expects its Brand Ambassadors to reflect that image in their relationships with Consumers and other Brand Ambassadors. As a Brand Ambassador for Plexus, you are generally free to operate your business as you see fit; however, you are required to act in compliance with laws, regulations and governmental guidance to our mutual, long-term advantage and hold yourself to the highest standards of integrity and fair practice and abide by this Code of Ethics, which provides that:

Plexus is proud to be a member of the Direct Sellers Association of Canada (“DSA”) and complies with its Code of Ethics. Plexus requires that Brand Ambassadors are familiar with, and comply with, the DSA Code, which can be found by clicking on the link on the Plexus Website.

The Code of Ethics, therefore, states:

As a Plexus Brand Ambassador I will:

- Continually help improve the health, wellbeing and prosperity of my Plexus family to the best of my ability.
- Conduct my business in an honest, ethical manner at all times.  
Make no representations (claims) regarding benefits associated with Company products, services or business opportunity, other than those contained in officially approved corporate literature and videos.
- Provide support, training and encouragement to all Brand Ambassadors (within my group or not) to ensure that they have the best opportunity to experience success with Plexus
- Refrain from making false, misleading or unsubstantiated income or profit claims.
- Refrain from making any health or income claims related Plexus products or my Plexus business and the impact of coronavirus.
- Not abuse the goodwill of my association with the Company to further or promote other business interests (particularly those which may be competitive to the Company).
- Not make disparaging remarks about the Company, its products, business opportunity, officers, members, employees and Brand Ambassadors or denigrate fellow Independent Brand Ambassadors.
- Abide by all of the Company’s Policies and Procedures as included herein, or as may be mended from time to time.

**Any violation of the above Code of Ethics may be subject to disciplinary action up to and including termination of the Brand Ambassadorship.**

## Section 1: Becoming a Brand Ambassador

- A. Age of Majority.** All Applicants must have reached the age of majority, usually 18 years of age, in the jurisdiction in which they reside. Any Brand Ambassador found to be in violation at present or at the Date of Sign up will be terminated.
- B. Residence.** All Applicants must be resident in a country where Plexus operates and sells its Products at the time of application. and at all times while a Brand Ambassador.
- C. Application.** An Applicant is authorized by the Company to exercise Brand Ambassador Rights and operate a Brand Ambassadorship when he or she (i) pays the Sign Up Fee; (ii) returns to the Company a completed and signed original or electronic (scanned) Brand Ambassador Agreement or agrees to the terms of the Agreement as part of the company's on-line application process; and (iii) the Company accepts the Agreement. (The Brand Ambassador Agreement and other necessary forms are available in the Help Center on the Company's website.)
1. In order to be accepted by the Company, a Brand Ambassador Agreement for the country in which the Applicant resides and any other required document of the Agreement must be complete and correct in every respect and submitted by the Brand Ambassador.
  2. Failure of the Brand Ambassador to submit a complete and correct Agreement or to provide appropriate documentation, when requested, may result in the Brand Ambassador Agreement being rejected by the Company. The right to accept or renew any Brand Ambassador Agreement remains solely with the Company.
  3. A Brand Ambassador may be required to provide the Company with proof of residency, work authorizations, and ability to legally conduct business in the country stated as his or her country of residence on the Brand Ambassador Agreement.
- D. Required Purchase.** Unless otherwise prohibited by law, the only purchases required to obtain and maintain a Brand Ambassadorship is the Sign Up Fee and annual PAM Renewal Fee. Product purchases are optional.
- E. Business Entities.** If the Applicant wishes to use a Business Entity as their Brand Ambassadorship, the Brand Ambassador Agreement must be signed or agreed to online by a Person authorized to bind the Business Entity. The Applicant must also submit with the Brand Ambassador Agreement: (i) a Business Number for the Business Entity, and (ii) a Corporate and Business Entities Application Form, which must include the signature and Identification Number or other personal identification

number of every Person having a Beneficial Interest in the Business Entity. To verify the form of the Business Entity, Beneficial Interest holders and authorized signatories, the Company may require, at any time, the Applicant to submit a copy of its articles of organization, articles of incorporation, partnership agreement, operating agreement or other charter documentation.

- F. Identification Number.** For commission payments tax reporting (where required) and identification purposes (where permitted by law), the Company requires Brand Ambassadors to provide their Social Insurance Number or other personal identification number. Failure to provide this number may result in non-payment of commissions and/ or cancellation of the Brand Ambassadorship.
- G. Inaccurate Information.** If the Company determines that the Brand Ambassador Agreement or the Statement of Beneficial Interest contains inaccurate or false information, it may immediately terminate a Brand Ambassador or declare the Brand Ambassador Agreement null and void from its beginning. Further, it is the obligation of the Brand Ambassador to report to the Company on an ongoing basis any changes, which affect the accuracy of the Contract.
- H. Term.** The Contract is valid for the period of 1 year from the Date of Sign-Up by Plexus. Each year after that, after acceptance by the company, the Contract may be renewed by payment of Annual Renewal Fee.
  - 1. The Brand Ambassador expressly authorizes the Company to collect the annual PAM Renewal Fee using the Payment Method on file and saved to their Brand Ambassador profile in their virtual office.
  - 2. A Brand Ambassador will forfeit Brand Ambassador Rights and agrees that his or her position may lose its Downline Organization and may forfeit the right to participate in the Compensation Plan, if the annual PAM Renewal Fee is not paid by the renewal date.
- I. Non-Exclusive Territory.** The authorization of a Brand Ambassador to exercise Brand Ambassador Rights and operate a Brand Ambassadorship hereunder does not include a grant of an exclusive franchise or territory to a Brand Ambassador, nor is a Brand Ambassador allowed to make such claims.

## **Section 2: Obligations of a Brand Ambassador and Managing a Brand Ambassadorship**

- A. Compliance.** A Brand Ambassador shall comply at all times with each of the terms and conditions of the Agreement, as well as local, state, and country laws.
- B.** For residents of Manitoba: Brand Ambassadors resident in Manitoba are required to hold a direct seller's license. As a service to Brand Ambassadors Plexus may elect to submit the license application on behalf of the Brand Ambassador after enrollment and annually thereafter. Plexus may either charge the payment method on file or deduct from commissions earned by the Brand Ambassador for the applicable license fee. The Brand Ambassador authorizes Plexus to submit the license application on his or her behalf and agrees to the charge to the payment method on file or deduction of the fee from commissions earned by the Brand Ambassador for the initial application and each annual

renewal thereafter.

**C. Independent Contractor.** A Brand Ambassador is an independent contractor and is responsible for his or her own business expenses, decisions, taxes and actions.

1. A Brand Ambassador shall not represent himself or herself as an agent, employee, partner, or joint venturer with the Company. A Brand Ambassador shall not make purchases or enter into any transactions or contracts in the Company's name.
2. A Brand Ambassador's work hours, business expenditures, and business plans are not dictated by the Company. A Brand Ambassador shall make no written or verbal representations, which state or imply otherwise.
3. A Brand Ambassador is fully responsible for all of his or her verbal and/or written statements including in email and on the Internet regarding the Products, services, business opportunity and the Compensation Plan, which are not expressly contained in official Company materials and the Brand Ambassador agrees to indemnify the Company against any claims, damages, or other expenses, including attorneys' fees, arising from any representations or actions made by the Brand Ambassador that are outside the scope of the Agreement. The provisions of this Section survive the termination of the Agreement.

**D. Compliance with Laws.** In conducting its Brand Ambassador Business, a Brand Ambassador must comply with all applicable local, provincial, territorial and federal laws, regulations, and ordinances. A Brand Ambassador shall not violate any laws which apply to unfair competition or business practice, including any law that prohibits the advertising, offer to sell, or sale of Products at less than the Wholesale price of the Products.

**E. Competing Product and Business Opportunities.** A Brand Ambassador may not offer or promote any non-Company plans, incentives, opportunities, non-approved Sales Tools, or non-Plexus Products in conjunction with the promotion of Plexus Products, except as explicitly authorized by Plexus.

Emerald Brand Ambassadors and above are considered high-profile, leadership positions in Plexus. As such, Emerald Brand Ambassadors and above may be provided with Plexus information including, but not limited to proprietary business development, product development and financial information ("Proprietary Information").

To protect the Proprietary Information and recognize the impact that the conduct of those Brand Ambassadors in high-profile, leadership positions can have on the businesses of Plexus Brand Ambassadors and the goodwill and integrity of Plexus, Brand Ambassadors at the rank of Emerald or above, may not participate or promote, directly or indirectly, the products, services or earning opportunity associated with any other multilevel or network marketing venture (collectively "Network Marketing Business").

Emerald and above Brand Ambassadors may be a customer or recurring customer of a Network Marketing Business but cannot receive any form of compensation from that Network Marketing Business, including, but not limited to payments, free Products, prizes, trips, gifts, or similar benefits.

- F. Promotion of Competing Products.** A Brand Ambassador is prohibited during the term of the Agreement from promoting or selling in any Authorized Country any non-Company products in conjunction with promotion of Plexus Products in any media.
- G. Retail Sales.** Achieving success as a Brand Ambassador requires time, effort and commitment. There are no guarantees of Commissions, only rewards based upon productivity. A successful Brand Ambassador Business requires regular and repeated Retail Sales of Products by a Brand Ambassador. Retail Sales by a Brand Ambassador's Downline Organization also contributes to the success of a Brand Ambassador Business. If Retail Sales take place other than through a Brand Ambassador's Replicated Website, a Brand Ambassador is required to keep records of all Retail Sales for a period of two years. The Company may randomly monitor compliance with Retail Sales requirements of the Company. Each Product purchased by non- Brand Ambassador or Customers through a Brand Ambassador's Replicated Website is automatically counted on a monthly basis towards qualification requirements.
- H. Negative Statements.** A Brand Ambassador will make no disparaging, misleading, inaccurate, unsubstantiated, or unfair statements, representations, claims, or comparisons with regard to:
1. The Company, its Products, its business opportunity, its commercial activities, or its Brand Ambassadors; or
  2. Other companies, including competitors, their services, products or commercial activities.
- I. Unethical Activity.** A Brand Ambassador must be ethical and professional at all times when conducting Ambassador Business. A Brand Ambassador will not, nor will the Brand Ambassador permit Brand Ambassadors in his or her Downline Organization to engage in unethical activity. Examples of unethical activities include, but are not limited to, the following:
1. Causing Product sales in Retail Establishments or on Unauthorized Websites;
  2. Use of another Brand Ambassador or Customer's credit card or other payment method without express written permission;
  3. Unauthorized use of any Company Confidential Information;
  4. Cross-Company Recruiting (including aiding and abetting another to Cross-Company



Recruit);

5. Cross-line Recruiting (including aiding and abetting another to Cross-line Recruit);
6. Writing checks without sufficient funds;
7. Making unapproved claims about the Product;
8. Making income claims about the Brand Ambassador Business, which is not compliant with the provisions of the Policies and Procedures;
9. 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 Products;
10. Personal conduct that discredits the Company and/or its Brand Ambassador, including making or posting obscene, pornographic or discriminatory statements or images or using such materials in their Brand Ambassador Business;
11. Violating the laws and regulations pertaining to the Brand Ambassador Business;
12. Commit an indictable offense;
13. Fail to meet Sponsor responsibilities;
14. Violating the Brand Ambassador Code of Ethics; or
15. Violating the Agreement.

**J. Cross-line Recruiting.** The Brand Ambassador is prohibited from engaging in Cross-line Recruiting.

**K. Cross-Company Recruiting.**

1. A Brand Ambassador is prohibited during the term of the Agreement and for a period one (1) year following the date of termination of the Agreement, from Recruiting a Brand Ambassador to sell or purchase products or services other than those offered by Plexus or recruiting a Brand Ambassador to join another direct selling organization. The Brand Ambassador stipulates and agrees that Recruiting constitutes an unreasonable and unwarranted interference with the contractual relationship between the Company and its Brand Ambassadors, conversion of the Company's property, and misappropriation of the Company's trade secrets. The Brand Ambassador further stipulates and agrees that any violation of this rule will inflict immediate and irreparable harm on the Company, and that the Company shall be entitled, in addition to any other remedies that may be available, to

immediate, temporary, preliminary, and permanent injunctive relief without bond; and that such injunctive relief may extend the post-termination period of this restriction for up to 1 year from the date of the last violation of this provision. The provisions of this Section survive the termination of the Agreement. Nothing herein waives any other rights and remedies the Company may have in relation to the use of its Confidential Information or any other violations of the Agreement.

2. The Brand Ambassador agrees that appearing in, being referenced in, or allowing the Brand Ambassador's name or likeness to be featured or referenced in any promotional, recruiting or solicitation materials, including posts on Social Media Sites, in any form, conference calls, webinars or Internet enabled conference calls for another direct selling company constitutes Cross-Company Recruiting.
3. **Resolving Disputes.** A Brand Ambassador must conduct all activity in the best interests of the Company. Sponsors shall use their best efforts to resolve disputes in their Downline Organizations. Any personal disputes between Brand Ambassadors must be resolved quickly, privately, and in the best interests of the Company.
4. **No Claims of Unique Relationship.** A Brand Ambassador may not allege or imply that he or she has a unique relationship with, advantage with, or access to the Company executives or employees.
5. **Detrimental Conduct.** If any conduct by a Brand Ambassador or any participant in the Brand Ambassadorship is determined by the Company to be injurious, disruptive, or harmful to the Company or to other Brand Ambassadors, the Company may take appropriate action against a Brand Ambassador and the Brand Ambassadorship as set forth in Section 10.
6. **No Reliance.** A Brand Ambassador may not rely on the Company to provide legal, tax, financial, or other professional advice, nor may it rely on any such advice if given.
7. **Service Charges.** The Company provides numerous services to its Brand Ambassadors without charge. However, Brand Ambassadors occasionally make requests that require special time and effort to fulfill. Requests in this category would include copies of receipts, paperwork, in-depth Commission information that must be calculated or extracted, research, banking instructions, stop-payment requests, etc. These and other special requests are available to the Brand Ambassador for a cost of fifty dollars (\$50 USD or equivalent local currency) per hour, plus actual costs, with a minimum charge of fifty dollars (\$50 USD or equivalent local currency) per request. Costs would include banking fees, photocopy expenses, professional fees, etc. A monthly service and processing fee will be charged for commission payments.
8. **Insurance.** Since laws differ according to jurisdiction, the Company encourages its Brand Ambassadors to consult with an attorney regarding the extent of their personal legal liability with respect to their independent businesses and the need to obtain insurance.

**L. Confidentiality.** To assist you in building a Plexus business, and in reliance on your agreement to the terms of this Section, Plexus may supply you with, or grant you access to, certain reports and other confidential and/or proprietary information that belongs to Plexus. This information includes, but is not limited to, marketing plans and strategies, products, purchases, pricing, relationships with vendors and suppliers, and the identities of and contact information for all Brand Ambassadors and Customers provided to you in any document or report, and the identities of and contact information for all Brand Ambassadors and Customers with whom you first became acquainted as a result of your relationship with Plexus, whether or not they are in your marketing organization (collectively, “Confidential Information”). To protect your business and the businesses of all Brand Ambassadors, you acknowledge and agree that the Confidential Information belongs to Plexus and must be kept completely confidential for as long as such information is deemed by Plexus to be confidential. You agree that you will not, directly or indirectly through a third party, use or disclose any Confidential Information for any purpose unrelated to your Plexus business, whether during the term of your association with Plexus or thereafter. You acknowledge that the Confidential Information is of such character as to render it unique and that disclosure or use thereof in breach of this policy will result in irreparable damage to Plexus and its Brand Ambassadors. You recognize and agree that misuse of the Confidential Information cannot be fully compensated through monetary damages. Accordingly, you acknowledge and agree that Plexus and its Brand Ambassadors will be entitled to injunctive relief to prevent breach of this Section. If litigation or arbitration is required to obtain injunctive relief or to recover damages, the prevailing party shall be entitled to an award of attorneys’ fees and expenses. You understand and agree that the confidentiality obligations and the related remedies included in this Section will survive the termination of your relationship with Plexus. The above obligation commences upon your signing a Brand Ambassador Agreement, or upon initial receipt of Plexus Confidential Information, whichever occurs sooner.

**M. Privacy of Brand Ambassador Information.** All information provided by an Applicant on a Brand Ambassador application will be used solely for the purposes of evaluating the Application, and for related activities of the Brand Ambassador. A Brand Ambassador authorizes the Company to disclose its contact information to the Brand Ambassador’s Upline, and to the Brand Ambassador’s Downline Organization twelve (12) levels below or to those Brand Ambassadors for whom the Brand Ambassador is the closest Upline “Emerald” (as defined in the Compensation Plan). The contact information may be used only for the Brand Ambassador Business.

**N. Use of Confidential Information.** The Brand Ambassador may acquire Confidential Information during the term hereof, for example, from the sale of Brand Ambassador Tools or merchandise to the Company’s Ambassador, including those who are crossline to the Brand Ambassador. Accordingly, regardless of the source of the Confidential Information, the Ambassador understands and agrees:

1. The Confidential Information is for the exclusive and limited use of the Brand Ambassador to facilitate the training, support and servicing of the Brand Ambassador’s Downline Organization for furtherance of the Brand Ambassador Business only;

2. He or she will not disclose the Confidential Information to a third party directly or indirectly (including other Brand Ambassadors) and that doing so constitutes misuse, misappropriation, and a violation of the Agreement;
3. The information is of such character as to render it unique and that disclosure of it will cause irreparable damage to the Company. The Company is therefore entitled to immediate, temporary, preliminary, and permanent injunctive relief, in addition to all other remedies available in law or equity, to prevent or compensate for any violation of this policy;
4. He or she will not use or exploit the Confidential Information to compete with the Company directly or indirectly and improper use will result in termination of the Agreement.
5. He or she may be required to sign a non-disclosure agreement before receiving Confidential Information from the Company, or prior to engaging in activities that would allow the Brand Ambassador to acquire Confidential Information; and
6. Upon expiration, non-renewal or termination of the Agreement, he or she will discontinue the use of such Confidential Information and destroy or promptly return to the Company all Confidential Information under his or her control or in his or her possession.

**O. Notification of Adverse Action.** A Brand Ambassador shall immediately notify the Company's Legal department in writing of any potential or actual legal claims from third parties against the Brand Ambassador arising from, or associated with, the Brand Ambassador Business or the Downline Organization that may adversely affect the Company. After notifying the Brand Ambassador, the Company may take any action necessary to protect itself, including controlling any litigation or settlement of the legal claims. If the Company takes action in the matter, the Brand Ambassador shall not interfere in the matter.

**P. Release for Use of Photo, Audio, or Video Image, and/or Testimonial Endorsement.**

1. The Company may take photos, audio or video recordings, or written or verbal statements of a Brand Ambassador at Company events or may request the same directly from a Brand Ambassador. The Brand Ambassador agrees to and hereby grants the Company 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 the Brand Ambassador may have with any other entity, the Brand Ambassador agrees that any use by the Company as set forth in this Section shall be royalty free, is a work made for hire, and is not subject to any other claim. The Brand Ambassador agrees to defend and indemnify the Company against

any claims by any other party arising out of the Company's use of the rights granted herein. The Brand Ambassador confirms that the information he or she may give as a testimonial endorsement, or as represented in a photograph, video or audio is true and accurate to the best of his or her knowledge. The Brand Ambassador waives any right he or she 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.

2. The Brand Ambassador agrees that photos, audio or video recordings taken by the Brand Ambassador or any third party at the Company's events or activities may not be used by the Brand Ambassador or any third parties to promote the business unless it has first been approved by the Company.

**Q. Conducting the Brand Ambassador Business Internationally.** A Brand Ambassador has the right to operate in any Authorized Country where the Brand Ambassador may lawfully conduct the Brand Ambassador Business. It is a Brand Ambassador's responsibility to comply with all national and local laws, ordinances, and regulations when conducting Brand Ambassador Business in any Authorized Country.

1. The Company may specify certain countries subject to a Pre-Launch Period in which Brand Ambassadors may contact potential Brand Ambassadors and Customers.
2. A Brand Ambassador has no authority to and shall not conduct the Brand Ambassador Business (except as permitted herein), nor introduce or establish the Company's business or Product in a non-Authorized Country or any country that is not the subject of a Pre-Launch Period announcement from the Company. This includes, but is not limited to: any attempts to secure approval for 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.
3. Prior to an announced Pre-Launch Period, Brand Ambassador activities in an unopened country is limited strictly to the following: A Brand Ambassador may only hand out business cards and participate in small in-person meetings not exceeding eight (8) total persons personally acquainted with the Brand Ambassador or the Brand Ambassador's contacts.

### **Section 3: Sponsorship**

**A. Sponsoring.** To act as a Sponsor, a Brand Ambassador must meet all requirements and accept all responsibilities as outlined in the Agreement. A Sponsor may refer persons wishing to become Brand Ambassadors as Applicants to the Company. Only Applicants residing in Authorized Countries or in those countries subject to a Pre-Launch Period may be sponsored.

**B. Placement.** Once the Company accepts an Applicant's Brand Ambassador Agreement, the new Brand Ambassador is placed in the Sponsor's Downline Organization. A Sponsor's new Brand Ambassador will be placed on his or her Frontline. Once placement has occurred a Brand

Ambassador will remain in that position for the duration of this Agreement.

**C. Training and Support.** A Sponsor shall:

1. Make reasonable efforts to ensure that all Brand Ambassadors in his or her Downline Organization understand the terms and conditions of the Agreement and all applicable national and local laws.
2. Provide regular training and support in the development of his or her Downline Organization's business and the sale of Products.
3. Provide education and instruction so that Product sales and opportunity meetings conducted by Brand Ambassadors in his or her Downline Organization are conducted in accordance with the Agreement, and with any applicable national and local laws.
4. Give guidance and encouragement to Brand Ambassadors in his or her Downline Organization.
5. Make commercially reasonable efforts to privately settle any disputes arising in his or her Downline Organization.
6. Failure to provide or make an effort to provide training to your first level Downline Organization may result in that Brand Ambassador being moved to a supportive Brand Ambassador, at the Company's sole discretion.

**Section 4: Sponsor and/or Placement Changes; Transfers Beneficial Interests**

**A. Sponsor and/or Placement Changes.** Because of the need to maintain the integrity of Downline Organizations, a Sponsor and/or Placement change may not be feasible and generally will not be allowed; therefore, the Company has complete discretion to allow or disallow any proposed change.

**B. Sale or Transfer of a Brand Ambassadorship.** A Brand Ambassadorship sale, assignment or transfer occurs when a Brand Ambassador sells, assigns or transfers ownership or control of a Brand Ambassadorship to another Person. (If a member, director, manager, shareholder, partner, executive or similar position or title sells, assigns, or transfers a controlling or majority interest in a Business Entity Brand Ambassadorship, which has a Beneficial Interest in a Brand Ambassadorship, such sale, assignment or transfer, is subject to these provisions herein). The Company reserves the right, in its sole discretion, to approve or disapprove any proposed sale, assignment or transfer of a Brand Ambassadorship. The Company also reserves the right to impose special qualification and/or volume requirements on the new owner, including that if they do not meet the requirements, Plexus may, in its sole discretion, purchase the Brand Ambassadorship at the original purchase price less an amount to compensate for the devaluation of the business based upon total organization volume. The sale, assignment or transfer of a Brand Ambassadorship may only occur if, at the time of the sale, assignment or transfer, the Brand Ambassadorship is in good standing pursuant to the

terms of Section 10 herein. In any sale, assignment or transfer, the transferee Brand Ambassador will retain the same Downline Organization and the same Rank/Title held before the approved transfer. A Brand Ambassadorship may be assigned or transferred without consideration (e.g., as a gift) subject to the Company's prior written approval. First consideration of any transfer or sale will be the effect on Brand Ambassadors and the Company. Any sale, assignment or transfer of a Brand Ambassadorship is subject to the conditions of this Section.

**C. Right of First Refusal.** Brand Ambassadorship transfers are subject to a Right of First Refusal ("RFR") to the Company, followed by a RFR to the Qualified Direct Upline.

1. If a Brand Ambassador receives a *Bona Fide* Offer to purchase his or her Brand Ambassadorship, the Brand Ambassador shall first offer to sell such Brand Ambassadorship to the Company on the same terms and conditions contained in the Offer. The Brand Ambassador shall deliver the Offer in writing to the Company, and the Company shall have fifteen (15) business days in which to accept the 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 Brand Ambassadorship.
2. If the Company fails to exercise its RFR within the fifteen (15-day) time period, the Brand Ambassador shall extend the same offer to its Qualified Direct Upline on the same terms and conditions as those contained in the Offer. The Company shall convey the Offer by providing written notice of the same to the Brand Ambassador's Qualified Direct Upline. The Qualified Direct Upline shall have 10 business days in which to accept or reject such offer. If the Qualified Direct Upline accepts the offer, he or she must provide written notice to the Company upon acceptance.
3. If the Qualified Direct Upline fails to exercise his or her RFR within the time allotted, the Brand Ambassador may transfer the Brand Ambassadorship to the third party according to the same terms and conditions contained in the Offer, provided, however, that the Brand Ambassador complies with all other transferring procedures contained in this Section and any qualification and/or volume for the new owner, and as may be established from time to time by the Company.
4. The RFR shall apply to each new Offer received by the Brand Ambassador.
5. The following circumstances are not subject to the RFR requirements in Section 4; however, each instance requires that an amended Brand Ambassador Agreement and Statement of Beneficial Interest be filed with the Company.
  - a. When the name of a Person who has a Beneficial Interest in the Brand Ambassadorship is added to the Brand Ambassador Agreement (e.g., a wife adding her husband).
  - b. When the name of a Person who no longer has a Beneficial Interest in the Ambassadorship is removed from the Brand Ambassador Agreement (e.g., a minority

member who is removed from a company; or a shareholder, not holding a controlling interest, sells his or her interest in a company.)

- c. When the Brand Ambassador is an individual and is transferring his or her ownership rights to a legal entity in which only that Brand Ambassador has a Beneficial Interest (e.g., a husband and wife form a limited liability company to operate their Brand Ambassadorship and are the only members/ managers).

**D. Limitations on Sales and Transfers.**

1. An existing Brand Ambassador may not purchase another Brand Ambassador's position.
2. A Brand Ambassador who sells or transfers his or her Brand Ambassadorship may not reapply to become a Brand Ambassador under another Sponsor for a period of not less than six (6) months after the Company has approved the sale.
3. Should a Brand Ambassador transfer his or her Brand Ambassadorship to the Qualified Direct Upline, the Qualified Direct Upline may merge the Brand Ambassadorship into his or her existing Brand Ambassadorship or hold the Brand Ambassadorship for up to six (6) months to find and transfer the Brand Ambassadorship to a new buyer. Failure to transfer the Brand Ambassadorship within the time limit will result in the Brand Ambassadorship being merged into the Qualified Direct Upline's Brand Ambassadorship in accordance with the Brand Ambassadorship transfer procedures.
4. If a Brand Ambassador sells or transfers his or her Brand Ambassadorship and, within one year of the date of sale, he or she signs-up, joins or begins work for another direct selling, network marketing or multi- level marketing company, such action shall be considered a breach of the Agreement and the Company reserves the right to terminate such transferred Brand Ambassadorship pursuant to the termination provisions under the Agreement. This provision shall survive the termination of the Agreement.
5. All sales or transfers of Brand Ambassadorships below the Ruby Rank may, at the Company's sole discretion, be subject to a non-competition obligation between the selling or transferring Brand Ambassador and the Company, of up to six (6) months, pursuant to the terms of sale or transfer documentation provided by the Company. All sales or transfers of Brand Ambassador Ruby Rank or higher shall be subject to a non-competition obligation between the selling or transferring Brand Ambassador, the purchasing Brand Ambassador, and the Company, of not less than one (1) year, pursuant to the terms of sale or transfer documentation provided by the Company at that time.

**E. Process.** Additional processing requirements include:

1. The selling/transferring Brand Ambassador must either provide or have on file a current and accurate Brand Ambassador Agreement and Corporate and Business Entities Application Form for all Business Entities requesting the transfer.



2. Specific documentation available by request from the Company must be submitted in order to process a sale or transfer of Brand Ambassadorship.
3. An application for a sale or transfer must be received by the Compliance Department at the Company by the 15<sup>th</sup> day of a month in order for the change to be effective for the given month.
4. Any requests received after the 15<sup>th</sup> will be processed for the following month.
5. A one hundred-dollar (\$100 USD or equivalent local currency fee will be assessed per each request.

**F. Interpretation.** The interpretation of these Policies and Procedures pertaining to the sale, assignment or transfer of a Brand Ambassadorship will be made in a manner that considers and serves the best interests of the Company and its Brand Ambassadors. The Company reserves the right to reject any transferee or buyer or impose additional terms and/or obligations on the buyer or transferee.

**G. Restrictions Against Multiple Beneficial Interests.**

1. A Brand Ambassador is prohibited from having a Beneficial Interest in more than one Ambassadorship.
2. If a Person with a Beneficial Interest in an existing Brand Ambassadorship wishes to become a Brand Ambassador under another Sponsor, the Person must first terminate the Beneficial Interest in the existing Brand Ambassadorship and wait six (6) months before applying to be a Brand Ambassador.
3. The Company's restrictions against multiple Beneficial Interests ensures that (i) all efforts by a Brand Ambassador to build his or her Brand Ambassador Business are focused on a single Brand Ambassadorship and not diluted through the demands of multiple Brand Ambassadorships; and (ii) the Upline receives the full benefit of the Brand Ambassador's efforts. In determining whether or not a Brand Ambassador has a Beneficial Interest, the Company considers the meaning of the term as set forth in the definition in Appendix A as well as the intent of such restriction.

**H. Effects of Marriage, Household Member and/or Affiliated Individuals, Divorce and Death on the Brand Ambassadorship.**

1. Marriage. Husbands and wives, common-law couples or domestic partners (collectively, "spouses") can each have a Brand Ambassadorship as long as one spouse is the sponsor of the other. Once exception is if two Brand Ambassadors, with two different sponsors, marry during their term of the Brand Ambassadorship, they may keep their original Brand Ambassadorships separate. However, all other conditions of the Beneficial Interest rules of the Contract apply to both

## Brand Ambassadorships.

2. **Household Member and/or Affiliated Individuals.** In the event that a member of a Brand Ambassador's immediate household engages in any activity which, if performed by the Brand Ambassador, would violate any provision of these policies, such activity will be deemed a violation by the Brand Ambassador and Plexus may take disciplinary action pursuant to the policies against the Brand Ambassador. A Brand Ambassador's "immediate household" is defined as spouses and dependents living at home or doing business at the same address. Similarly, if any individual associated in any way with a corporation, partnership, or other entity (collectively, "affiliated individual") violates the policies, such action(s) will be deemed a violation by the entity, and Plexus may take disciplinary action against the entity. A Brand Ambassador terminated for failure to follow Company policies may not reapply to become a Brand Ambassador or Customer of Plexus as well as the household member and/or affiliated individual(s) whose actions were the basis for termination.
3. **Divorce.** In the event of a divorce or legal separation, the Brand Ambassador should contact Plexus' Compliance Department. Plexus may require court documents relating to such action or a settlement agreement signed by both parties as to the Beneficial Interests of the Brand Ambassadorship.
4. **Death and Inheritance.** In the case of a Brand Ambassador's death, the Agreement will be assigned to the legal successor to the Brand Ambassador (who can properly qualify according to the Agreement) in accordance with applicable laws. The Company requires certified copies of the death certificate (or a doctor's statement) and a certified will, court order, or other appropriate legal documentation. Successors in interest must submit a completed Brand Ambassador Agreement. Upon notice of the death of a Brand Ambassador, the Company reserves the right to make payments to the estate of the deceased Brand Ambassador. If the legal successor wishes to terminate the account, a written, signed statement of request to terminate must be submitted along with appropriate legal proof of death. If the legal successor to the Brand Ambassadorship is already an existing Brand Ambassador, the Agreement will be assigned to the existing Brand Ambassador and the Company will allow the multiple Beneficial Interest through inheritance; provided, however, that the existing Brand Ambassador does not already own another Brand Ambassadorship through inheritance. If the existing Brand Ambassador already owns another Brand Ambassadorship through inheritance, the Company will allow the multiple Beneficial Interest through inheritance for up to six (6) months, by which time the existing Brand Ambassador must have sold or otherwise transferred the existing or one of the inherited Brand Ambassadorships.

## **Section 5: Compensation**

- A. Earnings Through Sales.** Commissions are paid to Brand Ambassadors who qualify pursuant to the Compensation Plan and who are in compliance with the Agreement. As the success of any Brand Ambassador depends largely on the personal efforts of that Brand Ambassador, the Company does not guarantee any level of profit or success, nor does it guarantee a Brand Ambassador a specific

income. A Brand Ambassador does not receive compensation for sponsoring or recruiting other Brand Ambassadors. The only way to earn Commissions is through the sale of Products, rewards are based on these sales.

- B. Payment Method.** Payment of commission is only by deposit into an e wallet account provided by a third-party provider selected by the Company. If the Brand Ambassador does not activate an e wallet account the Company is not obliged to pay commissions earned using any alternative payment method.

In order to receive commissions the Brand Ambassador must activate an e wallet account with the nominated Company e wallet provider. When the Brand Ambassador earns their first commission the Brand Ambassador agrees that the Company may set up an e wallet account in the name of the Brand Ambassador. The Company will provide an account activation link to the Brand Ambassador. Commissions will be subject to an administrative fee of \$2.95 per calendar month that a commissions payment is made. Additionally commissions will be subject to a dormancy fee of \$6.00 per calendar month if the account is not activated within ninety (90) days of set up or if there are usage of the funds on the account for a period of ninety (90) days after activation. The Company may change its e wallet provider from time to time in its sole discretion and following such change may require the Brand Ambassador to activate a new account with the substitute provider to continue to receive commissions and to access any accrued balance of commission in their e wallet.

- C. Payment Requirements.** The Company will pay Commissions to Qualified Brand Ambassadors on Product orders that have been received before the end of the Commission period; (ii) fully paid; and (iii) the sale is completed.

1. Commissions are paid in the name of the Business Entity listed on the Corporate and Business Entities Application Form. When no Business Entity is listed, Commissions are due to and paid to the e wallet account held in the personal name of the first Person listed on the Brand Ambassador Agreement.
2. Commissions are paid monthly on or before the 20th day of each month. All non-online Product orders must be received by the Company before 11:59 p.m. Eastern Standard Time on the last business day of the month to be included in that month's Commission calculation. Online Product orders must be received by the Company before 11:59 p.m. Eastern Standard Time on the last day of the month to be included in that month's Commission calculation.
3. Unless prohibited by law, Business Building Bonuses are paid on the Friday following the end of the weekly qualifying period. For an order to be included in a weekly qualifying period, it must be placed between midnight (12:00 a.m.) Sunday morning and 11:59 p.m. Eastern Standard Time the following Saturday evening.
4. If a Brand Ambassador believes that there is an error in the computation of Commissions and/or program qualifications, the error must promptly be brought to the attention of the Company. If such problems are not presented to the Company in writing within Thirty (30)

days after the end of the relevant Commission period, the Brand Ambassador waives all recourse with respect to such alleged error.

- D. Minimum Payment Amount.** The minimum amount for payment of commission and bonus is one dollar (\$1 USD or equivalent local currency net of administrative fees). Commissions and/or bonuses in an amount less than one dollar (\$1 USD or equivalent local currency) for a pay period will accumulate until they equal or exceed one dollar (\$1 USD or equivalent local currency).
- E. Returned or Unpaid Payments.** The Company makes every effort to ensure that a Brand Ambassador receives its Commission payments. However, if a Commission payment is unpaid due to insufficient information or other reasons beyond the control of the Company, the payment will be held for the benefit of the Brand Ambassador for 180 days; however, the Brand Ambassador account will be debited a reasonable monthly administration fee while the funds are being held.
- F. No Manipulation.** Manipulation of the Compensation Plan is not permitted and may result in disciplinary action. Manipulation of the Compensation Plan includes, but is not limited to, a Brand Ambassador purchasing to qualify for various Ranks or Commissions, large quantities of Product that are not sold through the direct marketing channel, placing orders in his/her Downline Organization, and any other actions that may violate provincial, territorial, federal or foreign anti-pyramid scheme laws. Creating Brand Ambassador positions for the sole intent of qualification or manipulation of the compensation plan is prohibited. Such manipulations may, in the discretion of the Company, result in the suspension of Commissions and termination of the Brand Ambassadorship.
- G. Deductions and Offsets.** The Brand Ambassador authorizes the Company to deduct fees from its Commissions as deemed appropriate in accordance with Section 6 herein or any other term or condition of the Agreement or to deduct from his or her Commissions any other amounts due from the Brand Ambassador to the Company at any time for any reason. Any fees will be assessed at the sole discretion of the Company.

## **Section 6: Ordering Company Products**

- A. Inventory.** As the Company imposes no minimum inventory requirement on its Brand Ambassadors. A Brand Ambassador must use its own judgment to determine the amount of inventory it will need to sustain its projected Retail Sales and personal use.
- B. Ordering.** Products can be ordered by telephone, by mail, and through [www.plexusworldwide.ca](http://www.plexusworldwide.ca).
  1. Mailed, orders must be submitted using a current Brand Ambassador price list and a fully completed order form. The prices of the Company's Products are subject to change at the discretion of the Company.
  2. Payment must be the exact amount of the order and may be made by those methods presently available (credit card, direct debit, PayPal).
  3. Orders must be paid in full prior to shipping. All shipping and handling costs are based on

delivery location and the amount of Products ordered.

4. Unauthorized use of another Person's credit card is prohibited.
5. An order placed over the phone is not deemed made to the Company until the Company customer service agent provides the Brand Ambassador or Customer an order number.
6. The Company reserves the right to reject any order for any reason.
7. If The Brand Ambassador does not have a valid Payment Method on file, Plexus may deduct the PAM Renewal Fee from any Commissions due to him or her or credited to his or her account

**C. Back Orders.** If the Company is temporarily out of stock on ordered Product, a Brand Ambassador will receive a "back order" notice with his or her shipment. Back orders are filled first as new inventory arrives. Volume on back orders is credited to the month in which the Company received payment for the original order.

**D. Payment Method on File.** This method of payment may be an option for the purchase of Products in certain Authorized Countries. When a Brand Ambassador sets up a Payment Method on file to purchase Products or receive Commissions, he or she is authorizing the Company to electronically debit or credit his or her Payment Method on a recurring basis for the amount of any designated purchase or payment, subject to the laws of the Authorized Country where the Brand Ambassador resides.

1. In order to establish Payment Method on file as a purchase or Payment Method, an eligible Brand Ambassador must add the preferred Payment Method to their Brand Ambassador virtual office.
2. A Brand Ambassador's use of a Payment Method belonging to another person for Plexus purchases requires written, notarized authorization by the owner of the Payment Method account. Failure to obtain proper authorization constitutes a breach of the Agreement.

**E. Payment Default.** Any payment that is not supported by sufficient funds or that is returned uncollected constitutes a breach of the Agreement. The Company will assess a handling fee of twenty-five dollars (\$25 USD) or equivalent local currency for all payments lacking sufficient funds. The Company reserves the right to restrict a Brand Ambassador's Payment Method.

1. When there are not sufficient funds, the Brand Ambassador is responsible for all bank charges plus the Company's handling fee. Where the Payment Method on file is used, the Brand Ambassador understands that when the Company's first attempt to receive payment is unsuccessful, a second attempt to take payment may be made within three (3) days. The Brand Ambassador's bank or card issuer may decline the charge or may charge an insufficient funds fee for each unsuccessful attempt. If there are insufficient funds, the Company will put a hold on the Product or cancel the shipment. If the Product has already been shipped, the Brand Ambassador will be expected to use an alternate means of payment for the

Product. If payment is not received within a reasonable amount of time, the Company may proceed with collection measures, stop the future shipment of orders, and take any other recovery steps available to it under the Agreement, including withholding Commissions.

2. Any uncollected amount may be deducted from the Brand Ambassador's present or future Commissions.
3. The Brand Ambassador understands that all Persons listed on the Brand Ambassador Agreement, or any Person having a Beneficial Interest in the Brand Ambassadorship, will be held jointly and severally liable for the outstanding amount for unpaid Product and fees. It is expressly understood by the Brand Ambassador that this joint and several liabilities supersedes any limitations of liability otherwise available to the Brand Ambassadorship or its Beneficial Interest holders.

**F. Seventy Percent (70%) Rule.** A Brand Ambassador certifies with each new Product order that he or she has sold or consumed at least 70% of all Product purchased in prior orders. Each Brand Ambassador that receives Commissions and orders additional Product agrees to retain documentation that demonstrates compliance with this policy, including evidence of Retail Sales. A Brand Ambassador agrees to make this documentation available to the Company at the Company's request. Failure to comply with this requirement or falsely representing the amount of product sold or consumed in order to advance in the Compensation Plan constitute a breach of the Agreement and is grounds for termination. Furthermore, a breach of this requirement entitles the Company to recover any Commissions paid to the Brand Ambassador for any period of time during which such documentation is not maintained or for which this provision has been breached.

**G. GST, PST HST.**

Plexus collects and remits Provincial Sales Tax, Goods and Services Tax ("GST"), and Harmonized Sales Tax, at the time of purchase of Plexus Products, as applicable. Plexus uses the Network Sellers Method ("NSM") to calculate and remit GST on sale of Plexus products. The GST is calculated by Plexus on retail price of the product and remitted to Revenue Canada. GST is not applicable to zero rated products or sales aids. Because Plexus uses the NSM, GST does not apply to the services for which a Brand Ambassador receives commissions.

PST and HST. Some provinces and territories apply a Provincial Sales Tax ("PST") to certain products. In those situations, Plexus charges the PST at the time of purchase by the Brand Ambassador and remits it to Revenue Canada. Some provinces have harmonized their provincial sales tax with the federal GST. In those cases, the combined taxes may be referred to as Harmonized Sales Tax ("HST"). The amount of these harmonized taxes varies from province to province.

**H. Product Inspection and Acceptance.** Brand Ambassadors must inspect Product upon delivery. If the Product is damaged in shipment, incorrectly sent due to a Company error, or otherwise of substandard quality, the Company will exchange the Product, provided the Brand Ambassador notifies the Company within five (5) business days of receipt of the order. The Company will issue a return label for the Product and immediately send a replacement order. The Company will inspect the Product upon receipt. If an exchange is not feasible, the Company will refund the amount of the returned Product. Failure to notify the Company within five (5) business days of nonconforming

Product will be deemed acceptance of the Product delivered.

#### **I. Order Cancellation and Satisfaction Guarantee.**

1. Provincial and Territorial laws require that Brand Ambassadors notify their Customers that they have specific cancellation rights. Such cancellation rights are published on official Plexus customer agreements, which may vary by Province or Territory and may be updated from time to time. While consumer protection laws in Canada's various provinces generally all require a mandatory ten (10) day cooling off/cancellation period for sales of products or services undertaken by way of a direct sales model, and effectively requiring that every purchaser be given the unqualified right to cancel the direct sale contract, within ten (10) days of purchase. Brand Ambassadors must use the correct customer agreement for the applicable Province or Territory and shall verbally inform their customers of this right, shall provide them with two (2) copies of a customer agreement at the time of the sale, and shall point out this cancellation right stated on the customer agreement.
2. **Plexus 60-Day Money Back Guarantee.** If a purchaser is unsatisfied with a Product purchased directly from Plexus, he or she, may return the Product for a full refund of the purchase price within sixty (60) days of the date of purchase. To obtain a refund, the purchaser must contact Customer Service for authorization and additional instructions on the refund procedure. Because this return policy was created, in part, to allow purchasers to try Plexus Products, Plexus will only honor one refund request per Product from any product from any purchaser, except where a Product is received in a damaged or defective condition.
3. **Direct Customer Transaction Return Policy:** Brand Ambassadors are required to make the Plexus 60-Day Money Back Guarantee available to all Customers who purchase the Product at issue other than through the Brand Ambassador's Company Licensed Website. If a Customer is unsatisfied with a Product purchased directly from a Brand Ambassador, the Customer may return the Product to the Brand Ambassador within sixty (60) days of purchase for a replacement or refund. To process a Customer return, the Brand Ambassador must collect the unused Product and/or original packaging, Customer's full name, phone number, and email address (the "Customer Contact Information"), and contact Plexus Customer Service at [cs@plexusworldwide.com](mailto:cs@plexusworldwide.com) or (480) 998-3490 for authorization and further instructions on the refund/replacement procedures. Plexus will issue replacement Product for the Product returned. All shipping or courier costs for the return of Product will be borne solely by the Brand Ambassador unless otherwise prohibited by law.
4. **Effect of Returns and Refunds on Brand Ambassador Commissions:** Any Commissions paid to the Brand Ambassador and his or her Upline for the Product returned by a Brand Ambassador or Customer may be debited from the respective Upline Brand Ambassador's account or withheld from present or future Commission payments. If a Brand Ambassador has a credit balance on their e wall account, the Company may deduct from that account any Commissions already paid on returned or refunded Product. A Brand Ambassador agrees that he or she will not rely on existing Downline Organization Volume at the close of a Commissions period, as returns may cause changes to his or her Title, Rank and/or Commissions payout.

## Section 7: Marketing the Product and Opportunity

- A. Use of Sales Tools.** A Brand Ambassador may use only Sales Tools approved by the Company for an Authorized Country or a country subject to an announced Pre-Launch Period.
- B. Approval of Sales Tools.** A Brand Ambassador must submit all Sales Tools to the Company Compliance Department for approval prior to use. The Company has complete discretion whether to approve or reject a proposed Sales Tool. The approval process generally requires a minimum of 3 weeks to complete. To comply with changing laws and regulations, the Company may rescind its prior approval of a Sales Tool, and may require the Brand Ambassador to remove from the market at its own cost and obligation a previously approved Sales Tool. If approved, the Company will issue to the Brand Ambassador
1. A unique Sales Tool approval number and logo, and
  2. A written authorization from the Company specifically stating that the Sales Tool may be distributed.
- C. Product Claims.** The only claims and representations (including testimonials) Brand Ambassadors may make regarding Products are those found in the literature distributed by the Company, or claims found on Official Company Websites. Any third-party material used for Brand Ambassador Business must comply with all provincial, territorial, federal and local laws and regulations and must be approved by the Company's Compliance department prior to use. A Brand Ambassador may not make any express or implied medical claims of any kind relating to any Product except for those claims, if any, that are published in Company literature approved for the country in which the claims are presented. Under no circumstances may a Brand Ambassador prescribe any Product as suitable for a particular ailment or disease. No claims may be made as to therapeutic or curative properties of any Product offered by the Company. Under no circumstances shall any Brand Ambassador state or imply that any Plexus product is useful in the diagnosis, treatment, cure, or prevention of any disease, illness, injury, or other medical condition including coronavirus.
- D. No Endorsement Claims.** No Brand Ambassador may imply that the promotion, operation, or organization of the Company has been approved, sanctioned, or endorsed by any governmental regulatory authority. No Brand Ambassador should claim or imply that any Product is approved by any governmental agency.
- E. Income Claims Prohibition.** A Brand Ambassador is prohibited from making false, misleading, or unsubstantiated claims regarding earning potential including but not limited to claims related to replacing income due to the impact of coronavirus. If a Brand Ambassador does make an income claim, it must be based on actual earnings, and must contain the required disclaimer as follows: "Plexus makes no guarantees on income, as such representations may be misleading. Your success depends on your effort, commitment, skill and leadership abilities, and how effectively you exercise those qualities. Please see the Plexus Annual Income Disclosure



Statement.” A Brand Ambassador must read the Income Disclosure Statement guide found in the help center in the Brand Ambassador virtual office and use the Statement in accordance with the guide at all times. A Brand Ambassador must maintain documentation that substantiates any sales or income claims.

- It’s a turnkey system;
- The system will do the work for you;
- Just get in and your downline will build through spillover;
- Just join and I’ll build your downline for you;
- The company does all the work for you;
- You don’t have to sell anything;
- All you need to do is buy your products every month;
- You can quit your job; and
- Your spouse can quit their job.

The above are just examples of improper representations about the compensation plan. It is important that you do not make these, or any other representations, that could lead a prospect to believe that they can be successful as an Agent without commitment, effort, and sales skill.

**F. Income and Lifestyle Claims.** Because Plexus Brand Ambassadors do not have the data necessary to comply with the legal requirements for making income claims, a Brand Ambassador, when presenting or discussing the Plexus opportunity or Compensation Plan to a prospective Brand Ambassador may not make income projections, income claims, or disclose his or her Plexus income (including, but not limited to, the showing of cheques, copies of cheques, bank statements, or tax records) or lifestyle claims including, but not limited to images of luxury cars, exotic vacations and dream homes.

**G. Use of Trademarks and Copyrights.** Once a Brand Ambassador’s application is accepted by Plexus, they will be granted a limited, revocable, non-transferrable license to use Plexus intellectual property in approved advertising. Such license shall terminate immediately upon termination of this Agreement, for any reason.

1. Brand Ambassadors may not use any of the Company’s current or after acquired trademarks or any confusingly similar variations of its marks, in a manner that is likely to cause confusion, mistake, or deception as to the source of the Products or services advertised.
2. Except as indicated herein, a Brand Ambassador may not use the Company’s trademarks or any confusingly similar variation of its trademark, in a business name, e-mail address, Internet domain name or sub-domain name, URL, social media site name, telephone number, or in any other address or title.
3. The Brand Ambassador agrees to immediately assign to the Company any registration of the Company names, trade 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.

4. Brand Ambassadors may not use the Company's trademarks on non-approved Sales Tools.
5. The Company, in its sole discretion, will determine whether a variation of its trademark is confusingly similar.
6. Brand Ambassadors shall not use the Company's marks in countries where the use of such marks is prohibited.
7. A Brand Ambassador must not use the name, logos, trademarks or other references to the Company's Business or Manufacturing Partners in any Sales Tool, correspondence, or any form of advertising.
8. The Company's literature and media are copyrighted by the Company and may not be duplicated.

**H. Use of "Independent Brand Ambassador" in Advertising.** If a Brand Ambassador selects a business title, the title must clearly state that the Brand Ambassador is a "Plexus Independent Brand Ambassador." A Brand Ambassador's title may not imply that the Brand Ambassador is an employee or agent of the Company. Each time the Company's logo or name is used in writing and in relation to the Brand Ambassador, the Brand Ambassador must identify itself as a "Plexus Independent Brand Ambassador." Any advertisement may not include pricing other than the suggested retail price.

**I. Methods of Advertising.** Brand Ambassadors may advertise using the following means:

1. Newspaper: A Brand Ambassador may place a generic business opportunity advertisement in the classified section of a local newspaper, provided the advertisement conforms to all applicable laws and regulations.
2. Phone Directory: Any Brand Ambassador may place a text listing of its name in the white or yellow pages of a telephone directory followed by "Plexus Independent Brand Ambassador." Graphical and display ads in telephone directories are prohibited.
3. Electronic Mail, Telephone, and Facsimile Advertisements: All advertisements sent via e-mail, telephone, or facsimile must comply with all anti-spamming and related laws for the state, province, territory or country where the intended recipient resides. The Brand Ambassador is under obligation to research and comply with all laws concerning unsolicited commercial electronic messages.
4. Television and Radio: Television and radio advertising requires prior written approval from the Company's Marketing, Public Relations, and Compliance departments. Requests should be submitted through the Compliance department.

5. Celebrity Endorsement: A Brand Ambassador may use a celebrity endorsement with written approval from the Company and the specific, prior, written approval of the endorsing celebrity for each use of the celebrity's name.
6. Fairs, Swap Meets, Etc.: A Brand Ambassador may sell or promote Products at bazaars, flea markets, fairs, swap meets, tradeshow or other similar gatherings. You may only attend the same or similarly located event four times in a twelve-month period. A product discount of 10% may be applied at such events, but it must be declared a "Show Special."
7. Help Wanted Ads: A Brand Ambassador may not advertise about the Plexus business opportunity using terms that imply an employment or investment opportunity including, but not limited to "help wanted" "trainee wanted" "investor trainee" "career opportunity."
8. Internet Advertising:
  - a. *Company Replicated Websites*: Subject to the provisions herein, Brand Ambassadors may use only a Company Licensed Website to promote Products or the business opportunity over the Internet. If a Brand Ambassador desires to utilize an Internet web page to promote his or her business, he or she may do so through the Company's replicated website program, using official Company templates. These websites seamlessly link directly to the official Company website giving the Brand Ambassador a professional and Company- approved presence on the Internet. No Brand Ambassador may independently design a web site that uses the name, logos, or Product descriptions of the Company or otherwise promotes (directly or indirectly) Plexus Products or the Plexus opportunity, without the express written consent of the Company, approval number and logo. Due to the alteration available with a website, any changes will result in negation of previous approval.
  - b. *Social Media Sites*: Brand Ambassadors may promote the business opportunity and Products on social networking sites such as "Facebook" and "Twitter;" video sites such as "YouTube" and "Google Video;" and blogging sites such as "WordPress" and "Blogger" (collectively, "Social Media Sites"), provided the following conditions are met:
    - i. All text, audio and video postings do not contain Product or income claims. For Product information, Brand Ambassadors may refer viewers to their Plexus Replicated Website, the Company website, or a Company Licensed Website. All postings must adhere to the Company's Code of Ethics, the Social Media Sites rules and are subject to this entire Agreement.
    - ii. Videos posted to Social Media Sites show the text "Plexus Brand Ambassador" for the entirety of the video.
    - iii. Brand Ambassadors may not advertise their own Company Licensed Websites or links to their own Plexus or other business-related websites on any official Company social networking website, profile, blog, etc.

- iv. The Company monitors the Social Media Sites for compliance with the Agreement and Brand Ambassador agrees to immediately remove or modify the Social Media Sites upon the Company's request to comply with the Agreement.
- v. Upon termination of the Agreement, any Social Media Site pages created with the sole intent of networking the Plexus business must be removed or signed over to Plexus for proper dissemination of the group or page.

**J. Advertising at Company Sponsored Events.** At Company-sponsored events, Brand Ambassador's may not, unless specifically authorized in writing by the Company, advertise, sell, or promote non-Company Products or services, including, but not limited to: (i) the promotion of non-Company events, systems or materials, (ii) organized person to person solicitations, (iii) distribution of flyers, DVDs or other materials, or (iv) the use of any other form of promotion deemed inappropriate by the Company.

**K. Advertising and Selling Price of Products on the Internet.** The Brand Ambassador acknowledges and agrees that the advertising and selling of all Products on the Internet may only be done on a Company Licensed Website. and the advertising and selling price of all Products on such website (i) if advertising is to an Applicant, must not be advertised at lower than the purchase price of the Products plus reasonable shipping and the amount the Company charges for taxes, handling and the Applicant must also be charged the Brand Ambassador Sign up; and (ii) if advertised to a Customer, must not be advertised at lower than the Company's Suggested Retail price plus reasonable shipping and the amount the Company charges for, taxes and handling of the Products. In connection with this Section, the Brand Ambassador also agrees that discounts associated with shipping Plexus Products or any other special incentives or promotions associated with the sale of Plexus Products or services or the Sign Up Fee or PAM Renewal Fee may be not advertised, except as explicitly authorized by Plexus. Brand Ambassador acknowledges and agrees that he or she shall not advertise or sell any Products on the Internet other than on the Company provided Replicated Website. Any violation of this Section by a Brand Ambassador shall constitute a breach of the Agreement and will be subject to the breach of Agreement procedures set forth herein.

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

**M. Lead Generation/Tools/Marketing and Website Programs.** Brand Ambassadors may not create, sell, promote, sponsor or utilize lead generation, sales tools, marketing, internet sales programs that target any Plexus Brand Ambassador.

**N. Public Relations Matters.** Media inquiries must be referred immediately to Plexus at [media@plexusworldwide.com](mailto:media@plexusworldwide.com). The purpose of this policy is to ensure accurate and consistent

information is provided to the public at all times.

## **Section 8: Restrictions on Sales**

- A. Prohibition on Sale for Purposes of Resale.** A Brand Ambassador is prohibited from selling Products to any non- Brand Ambassador who the Brand Ambassador knows, or has reason to suspect, will resell those Products. This provision survives the termination of the Agreement.
- B. Internet Sales.** The Brand Ambassador acknowledges and agrees that the advertising and selling of Products on the Internet may only be done on a Company Licensed Website. A Brand Ambassador may not, directly or indirectly, sell or offer for sale Products on any Unauthorized Website, including, but not limited to, Amazon, eBay, Facebook Marketplace, Craigslist and other websites and online auction sites. The provisions of this Section survive the termination of the Agreement.
- C. Retail Establishments.** Except as described herein, a Brand Ambassador may not sell Products or promote the business opportunity through Retail Establishments. The display of Brand Ambassador information within the premises of a Retail Establishment is acceptable if it complies with all the relevant advertising requirements of this Section and with the following:
1. The display may incorporate one of each Product per Retail Establishment, and/or several images of such Products, into a display for the sole purpose of advertising.
  2. No Products, including the display, may be sold on the premises of the Retail Establishment.
  3. No Retail Establishment shall display or advertise Company Product(s) or opportunities in a manner that is visible from outside the store.
  4. The Company-designated disclaimer must be prominently posted near the displayed Products. The disclaimer may not be altered in size, color, content, etc. The disclaimer may be downloaded from the Company website and should state the following:  
  
“Thank you for your interest. As a direct selling company, Plexus products are distributed and sold by Brand Ambassadors and not in retail stores. Please contact (Brand Ambassador’s Name) at (Brand Ambassador’s Contact Information) in order to purchase your Plexus products.”
  5. If the Retail Establishment is a restaurant, café, juice bar, or the like, Products may be sold in trial amounts, and the Brand Ambassador must provide ongoing support to the establishment.
- D. Service Establishments.** A Brand Ambassador may conduct Brand Ambassador Business through Service-Related Establishments, except that no Product banners or other Sales Tools may be displayed to the general public in a manner that would attract the public into the Service-Related Establishment. The Company has sole discretion in determining whether an establishment is a Service-Related Establishment and a proper place for the sale of Products.

## Section 9: Customer Service and Product Quality

- A. Customer Service.** Brand Ambassadors shall provide current contact information to their Customers and make it known to their Customers that they are available to answer questions, provide advice, and respond to customer concerns. Brand Ambassadors shall consult Company-provided training materials and Customer Services for assistance in responding to Customers.
- B. Product Inspection, Storage, and Handling Requirements.** Brand Ambassadors are responsible for following storage instructions provided on Plexus Product labels and for the proper storing and handling of Products. Proper storage and handling of Products includes: (i) inspecting Products upon receipt to ensure that they are not damaged or tampered with; (ii) periodically inspecting Products to ensure that they are not expired or soon to be expired and removing expired Products from your inventory; (iii) ensuring that Product seals have not been broken; (iv) keeping Products properly sealed; and (v) storing Products in a cool, dry place and out of direct sunlight.
- C. No Altering.** A Brand Ambassador shall not re-label, alter, modify, tamper with or repackage any Products or Product labels, packaging, or literature.

## Section 10: Breach of Agreement Procedures

- A. Conditional Obligations.** The Company's obligations to a Brand Ambassador are conditioned upon the Brand Ambassador's faithful performance of the terms and conditions of the Agreement. The Company, in its sole discretion, will determine if a Brand Ambassador is in breach of the Agreement and may elect any or all-available remedies.
- B. Progressive Discipline.** The Plexus Progressive Discipline Policy ("Discipline Policy") is designed to provide a structured corrective action process to improve and prevent a recurrence of Brand Ambassador Policies and Procedure violations. It has been designed consistent with the Plexus core values, the direct selling industry best practices, and food, drug and cosmetic laws. Plexus reserves the right, in its sole discretion, to combine or omit steps depending on the facts of each situation and the nature of the violation. The level of disciplinary intervention may also vary. Some of the factors that will be considered are whether the violation is repeated despite counseling or training and the impact the violation may have on Plexus. Notwithstanding the above, a violation of Paragraph 2.J of these Policies and Procedures will result in immediate suspension and may result in the Brand Ambassador being subject to liquidated damages as set forth in Paragraph D of this Section.
  - a. First Violation: Counseling and initial warning letter.

A first violation usually occurs because the Brand Ambassador is not familiar with the Plexus Policies and Procedures or the law. Counseling and the initial warning provide an opportunity for the Compliance Department to bring to the attention of the Brand Ambassador the Policies and Procedures and the specific violation, and to provide

counseling on complying with the Policies and Procedures and applicable laws. The Compliance Department will also describe expectations and steps the Brand Ambassador must take to resolve the violation including, but not limited to, either removing or revising the non-compliant claim or how to remedy other policy violations.

The Compliance Department will monitor the file to determine if the non-compliant material or other policy violation has been remediated. If so, the Compliance Department will close the file. If not, the Compliance Department will proceed to Second Violation notice.

b. Second Violation: Escalated warning letter and temporary Back Office hold.

Although it is hoped that the Brand Ambassador will promptly correct the violation(s), Plexus recognizes that this may not always occur. The second written warning indicates the seriousness of repeated violations or lack of response and indicate that the Brand Ambassador may be subject to a temporary hold of their virtual office if no response is received or if the Policies and Procedures are violated again.

Within three (3) days of this notice, the Compliance Department will monitor the file and determine if the non-compliant materials or other policy violations have been remediated. If so, the Compliance Department will close the file. If not, a three-day temporary hold is placed on the Brand Ambassadors virtual office. A written letter will be sent notifying the Brand Ambassador that a temporary hold has been placed on their virtual office, explains that Brand Ambassador may be subject to additional discipline up to and including termination if the violation is not remedied or further violations occur.

c. Third Violation: Suspension and final written warning.

Repeated violations of the Policies and Procedures is very problematic and potentially harmful. Therefore, the most effective and prudent action is suspension of the Brand Ambassador and forfeiture of Commissions for at least a month. The final written warning letter will include notification of such suspension, the extent of the Commission forfeiture, requires the Brand Ambassador to sign a reinstatement letter, and an indication that if the Brand Ambassador violates the Policies and Procedures again, the Brand Ambassador will be terminated immediately.

d. Fourth Violation: Termination.

As described above, Plexus will try to exercise the progressive nature of the Discipline Policy by first providing warnings, a final written warning and suspension and commissions forfeiture before proceeding to termination; however, Plexus reserves the right to combine and omit steps depending on the circumstances of each situation and the nature of the violation. Furthermore, the Brand Ambassador may be terminated without prior notice or disciplinary action, as authorized by the Policies and Procedures.

e. Appeal Process

Brand Ambassadors who are terminated for Policies and Procedures violations will have the opportunity to submit a written appeal to the Compliance Appeal Board with ten (10) days of the effective date of termination. The purpose of this process is to allow the Brand Ambassador to provide insight to Plexus regarding any extenuating circumstances that may have contributed to the Brand Ambassador's violations, or other information the Brand Ambassador may deem as material to the decision.

f. Compliance Appeal Board

The Compliance Appeal Board (Brand Ambassador – Sr. Ruby) consists of:

- i. Two Managers (non-Compliance Department Managers);
- ii. Director of Legal and Corporate Affairs (non-lawyer); and
- iii. Compliance Manager (non-voting member).

The Appeal, which will only be in writing (no in-person, telephonic presentations or Zoom or other online video conference presentations), will be reviewed internally within ten (10) days of receipt of the written appeal. Neither Plexus nor the person appealing will be represented by legal counsel during the proceedings. The Compliance Appeal Board will notify the terminated Brand Ambassador of its decision within ten (10) days of hearing the appeal. Appeal Board members may contact the Compliance Manager and/or the terminated Brand Ambassador during the ten (10) days after the review if they need more information or explanation to help them make their decision.

The Compliance Appeal Board (Sapphire – Diamond) consists of:

- i. Two Executive Officers of Plexus;
- ii. Compliance Manager; and
- iii. One Diamond Ambassador (the terminated Brand Ambassador must not be in the appointed Diamond Brand Ambassador's downline)

The appeal hearing will be held within ten (10) days of receipt of the written appeal and can be held in person, via telephone or Zoom or other online video conference service. Neither Plexus nor the person appealing will be represented by legal counsel during the proceedings. The Appeal hearing may not be recorded. The Compliance Appeal Board will notify the terminated Brand Ambassador of its decision within ten (10) days of hearing the appeal. If the terminated Brand Ambassador wishes to make a presentation to the Appeal Board in addition to the written materials submitted, he/she will be limited to a maximum of ten (10) minutes for such presentation.

Important note: Nothing in this Progressive Discipline Policy provides any contractual rights regarding Brand Ambassador discipline or counselling, nor should anything in this



Policy be read or construed as creating an employer/employee relationship between the Brand Ambassador and Plexus.

**B. Remedies.** In the event of breach, the Company may elect to take no action or to exercise some or all contractual remedies and remedies at law or in equity, including, but not limited to:

1. Notify the Brand Ambassador either in writing or verbally of the breach and providing a notice to cure the breach;
2. Require from the Brand Ambassador additional assurances of future compliance;
3. Withhold or deny recognition and attendant benefits;
4. Assess damages and withhold them from commission payments;
5. Suspend Brand Ambassador Rights temporarily or permanently;
6. Seek injunctive relief;
7. Terminate the Agreement; and/or
8. Seek damages and associated costs.

**C. Availability of Injunctive Relief.** The Brand Ambassador acknowledges that Company will suffer irreparable harm if the Brand Ambassador fails to strictly adhere to, breach, or threaten to breach any of the Terms set forth herein, such that damages at law would be an inadequate remedy. Therefore, in such event, Company will be entitled, in addition to all other available rights and remedies, to the entry of an injunction immediately restraining such activity, without being required to show any actual damage or to post an injunction bond, or to a decree mandating specific performance of the provision(s) at issue.

**D. Choice of Forum and Consent to Jurisdiction.** Any action or proceeding for injunctive relief pursuant to paragraph 11.1 will be brought in the courts of British Columbia. The Brand Ambassador consents to the exclusive jurisdiction of such court and waives any objection to the laying of venue of any such action or proceeding in such court. Company may serve any court paper on the Brand Ambassador by mail or in such other manner as may be provided under applicable laws, regulations, rules of procedure or local rules. Any party who unsuccessfully challenges the enforceability of this forum selection clause shall reimburse the prevailing party for its attorney's fees.

**E. Liquidated Damages.** In the event that the Brand Ambassador sells or offers for sale any Product through any Unauthorized Website, in violation of paragraph 8.B of these Terms, and in addition to any other remedies available to Company, the Brand Ambassador shall pay Company one thousand United States dollars (\$1,000.00) for each unit of Product sold or offered for sale in such manner and hereby waives any defense to the right of the Company to obtain liquidated damages on the basis that actual damages are calculable or that the liquidated damages do not represent a reasonable

determination of the Company's damages or otherwise constitute a penalty.

- F. Court Proceedings Relating to Seller Identification.** Nothing in this agreement is intended to or shall preclude the Company's ability to commence an action in a court of law for purposes of ascertaining the identity of any unauthorized seller of Plexus Products.
- G. Reporting Agreement Breaches.** If a Brand Ambassador observes or is aware of another Brand Ambassador's violation of any term or condition of the Agreement, the observing Brand Ambassador shall submit a written complaint to the Company's Compliance Department. Because of the difficulties of investigating and asserting appropriate remedies for stale claims, any complaint for breach of the terms and conditions of the Agreement other than Cross-Company Recruiting must be brought to the Company's attention for review within eighteen (18) months of the start of the alleged violation; Cross-Company Recruiting violations must be brought to the Company's attention within six (6) months of the alleged violation. Failure to report a violation within that time period may result in the Company not pursuing the allegations in order to prevent the Brand Ambassador Business from being disrupted due to stale claims. However, this policy does not waive the Company's right to investigate and discipline Brand Ambassadors found guilty of the stale claims.
- H. Circumvention of the Agreement.** The Agreement is designed to protect Brand Ambassadors and the Company from the adverse consequences of their violation. Brand Ambassadors who intentionally circumvent the Agreement to accomplish indirectly what is prohibited directly will be disciplined as if the applicable policy or rule had been broken directly. In such circumstances, all of the available remedies as stated above will be available to the Company. The Agreement is not intended to give a Brand Ambassador the right to enforce the Agreement against another Brand Ambassador directly, or to take any legal action against another Brand Ambassador.

## **Section 11: Termination**

### **A. Termination.**

1. A Brand Ambassador may terminate the Agreement by failing to renew on the annual anniversary of the acceptance of his or her Brand Ambassador Agreement or by submitting to the Company in writing a request to terminate, subject to Section 10 herein.
2. The Company may terminate the Agreement if the Brand Ambassador violates the terms of the Agreement and any amendments thereto.
3. Upon termination, the Company may in its sole discretion retain the Brand Ambassadorship or dissolve and remove it from the Sponsor.
4. Upon termination the Brand Ambassador's e wallet account shall remain active unless or until terminated by the third-party e wallet provider in accordance with its terms of service.

- B. Return of Confidential Information.** A Brand Ambassador must return all Confidential Information,

including any information derived there from, over which he or she has direct or indirect control to the Company upon termination or upon demand of the Company. If any such Confidential Information cannot be returned because it is in electronic format, the Brand Ambassador shall permanently delete and erase the Confidential Information upon termination or upon demand.

**C. Brand Ambassador Buyback.** If the Brand Ambassador terminates the Agreement within thirty (30) days of the Date of Sign up he or she will be entitled to a full refund of the sign up-fee and any other fees paid in connection with the Agreement. If the Agreement is terminated by Plexus or the Brand Ambassador, Plexus will repurchase on reasonable commercial terms currently marketable inventory, in the possession of and purchased by the Brand Ambassador for resale prior to termination date of the Brand Ambassador's business relationship with Plexus. For purposes of this Policy, "reasonable commercial terms" shall include the repurchase of currently marketable inventory purchased within 12 months from the Brand Ambassador's date of termination less appropriate set offs, legal claims and a \$15.00 USD restocking fee. 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 Plexus clearly discloses to Brand Ambassadors prior to purchase that the products are seasonal, discontinued, or special promotion products and are not subject to the repurchase obligation. If a Brand Ambassador is in breach of contract, the Company reserves the right to stop or delay the buyback process.

**D. Effects of Termination for Breach of Agreement.**

1. A Brand Ambassador whose Agreement is terminated by the Company must wait one (1) year before applying for a new Brand Ambassadorship. During that time, the Brand Ambassador can have no Beneficial Interest in any other Brand Ambassadorship. Prior to applying for a new Brand Ambassadorship, he or she must first petition the Company through the Compliance Department. The petition will include an affidavit that must be signed under penalty of perjury and notarized in which the Brand Ambassador confirms that he or she has had no Beneficial Interest in any Brand Ambassadorship during the prior one (1) year.
2. Upon termination of the Agreement, all of the Brand Ambassador's rights in and to the Brand Ambassadorship and the Brand Ambassador Business are revoked and terminated. In acknowledgement of the damages the Company has likely suffered and/or will suffer as a result of Brand Ambassador's breach, including but not limited to, all or any of the following: (i) loss of good will and loss in the value of the Company's confidential and proprietary information and trade secrets; (ii) loss of a portion of the value of the Company's business; and (iii) loss of future profits; Brand Ambassador consents that any unpaid Commissions may be forfeited to the Company to offset a portion of the damages.
3. The Company may elect to reorganize the Downline Organization of a Brand Ambassadorship terminated for breach in a manner that serves the best interests of the Company, Downline Organization and Upline.

4. Where the Company elects to terminate a Brand Ambassadorship in which there is more than one Beneficial Interest holder, the following may apply:
  - a. The departing Beneficial Interest holder(s) must relinquish all rights to, and interests in, the Brand Ambassadorship;
  - b. The Company may not divide or reassign any of the Downline Organization; and
  - c. The Company may not split Commissions between the prior or current Beneficial Interest holders of the Brand Ambassadorship.
5. In the event of the above, the Post Termination Obligations and Covenants contained in Section 11F shall apply.

**E. Effects of Voluntary Termination by the Brand Ambassador.**

1. The Agreement can be voluntarily terminated by a Brand Ambassador who is not in breach of the Agreement for any reason, at any time, by providing written notice to the Company signed by all Person(s) listed on the Brand Ambassador Agreement. The termination is effective on the date the Company receives the written notice, although processing of the termination request may be delayed until the following month if there is current Volume in the Brand Ambassadorship. If a Brand Ambassador is in breach of the Agreement, he or she cannot voluntarily or unilaterally terminate the Agreement until the longer of: (i) the last day of the renewal period of the Agreement, or (ii) the last day of the period equal to the amount of time such Brand Ambassador had been in violation of the Agreement prior to the Company's discovery of the breach, but not to exceed one (1) year. In such a case, the Company may elect any and all available remedies for breach of the Agreement pursuant to Section 6, and the Brand Ambassador shall not be entitled to receive any Commissions during such period, as determined by the Company in its sole discretion.
2. Upon termination of the Agreement, all of the Brand Ambassador's rights in and to the Brand Ambassadorship and the Brand Ambassador Business are revoked and terminated.

A Brand Ambassador who voluntarily terminates may re-apply for a new Brand Ambassadorship under a new Sponsor no earlier than six (6) months from the date the Company receives written notice of the termination. During this six (6) -month period, the voluntarily terminated Brand Ambassador is not permitted to participate in any Brand Ambassador Business or have a Beneficial Interest in any Brand Ambassadorship.

3. A Brand Ambassador may not terminate voluntarily if the Brand Ambassadorship is not in good standing with the Company, as may be evidenced by, but not limited to, any of the following conditions: (i) a temporary Brand Ambassadorship; (ii) a Brand Ambassadorship is on hold, suspension or probation; (iii) the Brand Ambassadorship is under investigation, but no formal discipline has taken place; or (iv) notice of intent to terminate has been sent.
4. In the event of the above, the Post Termination Obligations and Covenants contained in Section 11F shall apply.

**F. Ambassador Post Termination Obligations and Covenants.**

Upon termination of the Brand Ambassadors relationship with Plexus, for whatever reason, Brand Ambassador shall still be obligated to adhere to the following sections of this document Section 2: F, G, I, J, L, P, R, S, T; Sections 4: C, G; Sections: 10,12,13, 16.

**Section 12: Miscellaneous**

**Governing Law.**

**A.** *The Contract shall be governed and construed in accordance with the laws of the province of British Colombia excluding that province's choice-of-law principles, and all claims relating to or arising out of the Contract, or the breach thereof, whether sounding in contract, tort or otherwise, shall likewise be governed by the laws of British Colombia, excluding that province's choice-of-law principles.*

**B. Entire Agreement.** The Agreement including these Policies and Procedures contains the entire understanding concerning the subject matter hereof between the Company and the Brand Ambassador, and is intended as a final, complete, and exclusive expression of the terms of the parties. The Agreement supersedes and replaces all prior negotiations and proposed, but unexecuted agreements, either written or oral. Any prior agreements, promises, negotiations, or representations, either written or oral, relating to the subject matter of the Agreement, are of no force or effect. If there is any discrepancy between verbal representations made to the Brand Ambassador by any employee or agent of the Company and the terms of the Agreement, the express written terms and requirements of the Agreement will prevail.

**C. Headings.** The section and subsection headings in the Agreement are inserted solely as a matter of convenience and for reference, and will not be considered in the construction or interpretation of any provision hereof. Unless the context otherwise specifically requires, all references to sections of the Agreement will refer to all subsections thereof.

**D. Ambiguities.** Ambiguities, if any, in the Agreement shall not be construed against any party, regardless of which party may be deemed to have authored the ambiguous provision.

**E. Warranties.** The Company extends no Product warranties, either expressed or implied, beyond those specifically articulated in the Agreement. The Company disclaims and excludes all warranties regarding possible infringement of any United States or foreign patent, trademark, trade name, copyright, or trade secret arising from the Brand Ambassador's operations. THE COMPANY HEREBY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ALL IMPLIED WARRANTIES OF MERCHANTABILITY, AND FITNESS FOR A PARTICULAR PURPOSE, ACCURACY AND NON-INFRINGEMENT. THIS DISCLAIMER OF WARRANTY CONSTITUTES AN ESSENTIAL PART OF THIS AGREEMENT.

**F. Waiver.** Any waiver by the Company of a Brand Ambassador's breach of a provision of the Agreement must be in writing and will not be construed as a waiver of any subsequent or additional

breach by the Brand Ambassador. The failure by the Company to exercise any right or privilege under the Agreement will not constitute a waiver of that right or privilege.

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

**H. Force Majeure.** Brand Ambassador acknowledges that the Company is not liable for any damages or losses caused by the delay or inability to manufacture, sell, or deliver its Products due to labor strikes, accidents, fire, flood, acts of civil authority, acts of God, acts of terrorists, epidemic, pandemic or from any other causes that are beyond the control of the Company.

**I. Successors and Assigns.** The Agreement will be legal and binding upon and inure to the benefit of the heirs, devisees, executors, administrators, personal representatives, successors, and assigns (as applicable) of the respective parties hereto.

**J. Limitation of Liability.** To the extent permitted by law, the Company, its directors, officers, members, partners, managers, shareholders, employees, assigns and agents (collectively referred to as “Responsible Parties”) shall not be liable for, and the Brand Ambassador releases Company and its Responsible Parties from and waives all claims, for any loss of profits, indirect, direct, special or consequential damages, and for any other losses incurred or suffered by Brand Ambassador’s as a result of: (i) Brand Ambassador’s breach of the Agreement, (ii) the promotion or operation of the Brand Ambassadorship and the Brand Ambassadorship Business; (iii) Brand Ambassador’s incorrect or wrong data or information provided to the Company or its Responsible Parties; (iv) the Brand Ambassador’s failure to provide any information or data necessary for the Company to operate its business or (v) the operation of a motor vehicle, watercraft or aircraft. EACH BRAND AMBASSADOR AGREES THAT THE ENTIRE LIABILITY OF THE COMPANY AND ITS RESPONSIBLE PARTIES FOR ANY CLAIM WHATSOEVER RELATED TO THE AGREEMENT, BUT NOT LIMITED TO, ANY CAUSE OF ACTION SOUNDING IN AGREEMENT, TORT, OR EQUITY, SHALL NOT EXCEED, AND SHALL BE LIMITED TO, THE AMOUNT OF PRODUCTS THE BRAND AMBASSADOR HAS PURCHASED FROM THE COMPANY THAT ARE IN RESALABLE CONDITION.

### **Section 13: Dispute Resolution.**

- a. If a dispute arises relating to any relationship, contractual or otherwise, between or among Plexus, its officers, employees, members, partners, Brand Ambassadors, VIP or Retail Customers, or vendors or arising out of any products sold by Plexus, the parties agree to attempt in good faith to resolve any such dispute in an amicable and mutually satisfactory manner.
- b. In the event such efforts are unsuccessful for any reason, either Party may serve a notice of arbitration (“Notice of Arbitration”) on the other Party. Notice of Arbitration shall be personally delivered or sent by prepaid registered mail, courier, facsimile transmission, email or by such other means of telecommunication that provides a record of sending the Notice of Arbitration and shall

be effective on receipt thereof by the Party to whom it is addressed. The Notice of Arbitration shall be dated, and, without prejudice to any right under the Rules permitting subsequent modifications, shall specify the claims or issues which are to be arbitrated. The Parties shall schedule an arbitration to occur in Vancouver, Canada within forty-five (45) days of receipt of the Notice of Arbitration.

- c. THE PARTIES SPECIFICALLY AGREE THAT IN ORDER TO PROMOTE TO THE FULLEST EXTENT REASONABLY POSSIBLE A MUTUALLY AMICABLE RESOLUTION OF THE DISPUTE IN A TIMELY, EFFICIENT AND COST- EFFECTIVE MANNER, THEY WAIVE THEIR RESPECTIVE RIGHTS TO A TRIAL BY JURY AND SHALL SETTLE THEIR DISPUTE SOLELY BY SUBMITTING THE CONTROVERSY TO BINDING ARBITRATION IN ACCORDANCE WITH ADR INSTITUTE OF BRITISH COLOMBIA (“ADR”) ARBITRATION RULES (“RULES.”) THEN IN EFFECT, EXCEPT THAT ALL PARTIES SHALL BE ENTITLED TO ALL DISCOVERY RIGHTS ALLOWED UNDER THE BRITISH COLOMBIA RULES OF CIVIL PROCEDURE. THE RULES ARE AVAILABLE AT [https://adrbc.com/wp-content/uploads/2020/01/2016\\_ARBITRATION\\_RULES\\_Booklet\\_2016\\_Aug2017.pdf](https://adrbc.com/wp-content/uploads/2020/01/2016_ARBITRATION_RULES_Booklet_2016_Aug2017.pdf) OR WILL BE MAILED TO BRAND AMBASSADORS UPON REQUEST TO PLEXUS CUSTOMER SERVICE.
- d. The Parties shall attempt to select a mutually agreeable arbitrator. If the Parties cannot agree on an arbitrator or an arbitrator is not selected by agreement within five (5) business days of receipt of the Notice of Arbitration and paying of the filing fees, an arbitrator shall be selected by the ADR Appointing Committee in accordance with the Rules.
- e. The judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction to enter the judgement. Either Party may elect to participate in the arbitration telephonically. Any substantive or procedural rights other than the enforceability of this Dispute Resolution Policy shall be governed by the laws of British Columbia, without regards to British Columbia’s conflict of laws principles.
- f. The Parties agree that any arbitration proceeding will be conducted on an individual, not a class-wide, basis, and that any proceeding between the Parties may not be consolidated with another proceeding between one of the Parties and any other entity or person. **THE PARTIES SPECIFICALLY WAIVE ANY RIGHT TO CLASS-WIDE TREATMENT OF ANY CLAIM COVERED BY THIS AGREEMENT AND DISPUTE RESOLUTION POLICY.**
- g. The Parties further expressly agree that: (i) the arbitrator shall only reach his/her decision by applying strict rules of law to the facts, (ii) the arbitration shall be conducted in the English language, in the province of British Columbia, (iii) the Party in whose favour the arbitration award is rendered shall be entitled to recover all costs and expenses of the arbitration including, but not limited to, legal fees, expert or other professional fees, and the cost and expense of administration of the arbitration proceedings, and any costs and legal fees incurred in executing on or enforcing the arbitration award, and (iv) the arbitral award shall be issued in the province of British Columbia, Canada.
- h. The Parties, ADR, and the arbitrator shall maintain the confidentiality of the entire arbitration process and may not disclose to any other person not directly involved in the arbitration process: (i) the substance of, or basis for, the controversy, dispute, or claim; (ii) the content of any testimony or other evidence presented at an arbitration hearing or obtained through discovery in the arbitration; or (iii) the terms or amount of any arbitration award. ADR and the arbitrator shall have

the authority to make appropriate rulings to safeguard confidentiality unless the law provides to the contrary.

- i. Except as provided in the following sentences, no party shall be entitled to commence or maintain any action in a court of law upon any matter in dispute until such matter shall have been submitted and determined as provided herein and then only for the enforcement of such arbitration award. Provided that, notwithstanding this Dispute Resolution Policy, either party may apply to a court of competent jurisdiction in the province of British Columbia, to seek injunctive relief before or after the pendency of any arbitration proceeding. The institution of any action for injunctive relief shall not constitute a waiver of the right or obligation of any party to submit any claim seeking relief other than injunctive relief to arbitration. Judgment upon the award may be entered by the courts of the province of British Columbia or application may be made to such court for the judicial acceptance of the award and order of enforcement, as the case may be, if the Arbitrator's award or decision is not complied with within seven (7) days of the Arbitrator's decision.
- j. Arbitration in accordance with the terms of this Dispute Resolution Policy shall be the sole and exclusive procedure for resolution of disputes between the parties, including any disputes that might arise after termination of this Agreement.
- k. Notwithstanding the foregoing, any revision, modification, amendment to, or termination of the Dispute Resolution contained in the Agreement shall not apply to a dispute of which Plexus has actual notice of prior to the effective date of such revision, modification, amendment or termination. The effective date of any such revision, modification, amendment or termination shall be thirty (30) days after the revision, modification, amendment or termination is posted on the Company website at [www.plexusworldwide.ca](http://www.plexusworldwide.ca).
- l. Legal Fees. If any suit, action, or proceeding is brought to enforce any term or provision of this Contract, the prevailing party shall be entitled to recover reasonable legal fees, costs, and expenses incurred, in addition to any other relief to which such party may be legally entitled.

#### **Section 14. Unsolicited Emails**

Plexus does not permit Brand Ambassadors to send unsolicited commercial emails unless such emails strictly comply with applicable laws and regulations including, without limitation, Canada's Anti-Spam Legislation, ("CASL"). All penalties for failing to comply with CASL or any other applicable law will be at the Plexus Brand Ambassador's sole expense and liability, including but not limited to if they are assessed directly against Plexus due to any Brand Ambassador's noncompliance. Potential penalties under CASL are extremely high, and may include an administrative monetary penalty of up to \$10,000,000.

Any email sent by a Brand Ambassador that promotes Plexus, the Plexus opportunity or Plexus's products and services must comply with the following:

- a) Message Content
  - There must be a functioning return email address to the sender.
  - 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" no-notice).



- The email must indicate the name under which the Brand Ambassador carries on business, the name of Plexus and a clear indication that the email is sent by the Brand Ambassador.
- The email must clearly and conspicuously disclose that the message is an advertisement or solicitation.
- The use of deceptive subject lines and/or false header information is prohibited.
- All opt-out requests, whether received by email or regular mail, must be honoured. If an Agent receives an opt-out request from a recipient of an email, the Brand Ambassador must forward the opt-out request to the Company. The Brand Ambassador must give effect to an opt-out request within ten (10) business days.

Plexus may periodically send commercial electronic messages (“CEM”) on behalf of Brand Ambassadors. By entering into the Brand Ambassador Agreement, Brand Ambassador agrees that the Company may send such CEM’s and that the Brand Ambassador’s email addresses will be included in such CEM’s as outlined above. Brand Ambassadors shall honor opt-out requests generated as a result of such CEM’s sent by the Company.

- b) Obtaining Consent to Send Messages. Under CASL, a person who sends an unsolicited CEM, including an email, must have the express or implied consent of the recipient of the message.

To obtain express consent to send a CEM, you must:

- State the purpose for which you are seeking consent. (e.g., to send commercial email).
- State the name under which you carry on business.
- State that you are seeking consent on your own behalf, and seeking consent for Plexus.
- Provide at least one of your telephone number, email address, or web address.
- State that consent may be withdrawn.
- Obtain the individual’s consent in a manner that allows you to retain evidence of such consent. For example, provide a consent box they may click, or physically check. Do not create an assumed consent (e.g., a pre-checked box) or opt-out mechanism.

Implied consent to send a CEM will exist only where the recipient of the message:

- Has an “Existing Business Relationship” with the Brand Ambassador as the CEM recipient:
  - made a purchase, or accepted a business opportunity, from the Brand Ambassador within the two-year period immediately prior to the day on which the CEM is sent, or
  - made an inquiry or application to the Brand Ambassador within the six-month period immediately prior to the day on which the CEM is sent.
- Has a “Family Relationship” with the Brand Ambassador through:
  - a legal parent/child relationship
  - marriage;
  - common-law partnership; and
  - the Brand Ambassador and their relation have had voluntary, direct two-way communication.
- Has a “Personal Relationship” with the Brand Ambassador, based on direct voluntary two-way contact and it would be reasonable to conclude that the relationship is “personal”

taking into consideration all relevant factors such as the sharing of interests, experiences, opinions and information evidenced in the communications, the frequency of communication, the length of time since the communication and if the parties have met in person.

- In all cases, there is no implied consent if the individual has indicated they do not wish to receive messages.
- c) Referrals. CASL allows individuals to refer their friends and family to trusted companies and business people, and allows the company or business person who receives a referral to send one CEM to the referred person. However, to make a referral, a person must have a relationship with both the Brand Ambassador, and the person referred. The acceptable relationships are:
- Existing Business Relationships
  - Family Relationships
  - Personal Relationships

If a Brand Ambassador wishes to solicit referrals, the solicitation must state that the referrer must have one of these relationships with the Brand Ambassador, and with the person referred, and that the person referred has agreed to receive a CEM from the Brand Ambassador. The solicitation must state that the Brand Ambassador's CEM will identify the person who makes the referral. An example of an acceptable referral would be an existing customer of the Brand Ambassador referring their friend to the Brand Ambassador.

Once the Brand Ambassador receives a valid referral, they may send a single CEM to the person referred. The referral message must include the full name of the person who made the referral, and must state that the message was sent as a result of the referral. The Brand Ambassador must then delete the referred email address, and not use it for other purposes or send further CEM's to it, unless they receive consent to do so from the individual.

- d) Unsolicited Faxes. Except as provided per the Agreement Brand Ambassadors may not use or transmit unsolicited faxes in connection with their Plexus business.

## **Section 15: Governmental Approval or Endorsement**

While certain Provinces and Territories license network marketing companies for direct sales activities, federal, provincial, or territorial regulatory agencies or officials do not approve or endorse any direct selling or network marketing companies or programs. Therefore, Brand Ambassadors shall not represent or imply that Plexus or its Compensation Plan have been "approved," "endorsed" or otherwise sanctioned by any government agency.

## **Section 16: Income Taxes**

Each Brand Ambassador is responsible for reporting and paying provincial, territorial, and federal income taxes on all income generated as a Brand Ambassador including sales income, bonuses and commissions.

## Section 17: Telemarketing Techniques

- a) Canada has laws that restrict telemarketing practices, which is regulated through the Canadian Radio-television Telecommunications Commission (CRTC). The CRTC has “do not call” rules. Although Plexus does not consider Brand Ambassadors to be “telemarketers” in the traditional sense of the word, these government regulations broadly define the terms “telemarketer” and “telemarketing” so that your inadvertent action of calling someone whose telephone number is listed on the national “do not call” registry could cause you to violate the law. Moreover, these regulations must not be taken lightly, as they carry significant penalties. All penalties will be at the Plexus Brand Ambassador’s sole expense and liability, including but not limited to if they are assessed directly against Plexus due to any Brand Ambassador’s noncompliance. Therefore, Brand Ambassadors must not engage in prohibited telemarketing in the operation of their Plexus businesses and must not make repeat or harassing phone calls to Prospective Plexus Brand Ambassadors or Customers.

The term “telemarketing” means the placing of one or more unsolicited “telecommunications” to an individual or entity to induce the purchase of a Plexus product or service, or to recruit them to become a Plexus Brand Ambassador. “Telecommunications” include both telephone calls and fax communications. Both “Cold calls” and unsolicited fax messages made to prospective Customers or Brand Ambassadors to promote either Plexus’s products or services or to become a Plexus Brand Ambassador constitute telemarketing and are prohibited, unless made in compliance with these Policies and Procedures and the applicable law.

You may not initiate a “telemarketing telecommunication” unless you and your telemarketing telecommunications comply with requirements set out in the CRTC’s Unsolicited Telecommunications Rules, including all requirements regarding the content and timing of such communications, as well as record keeping obligations, and registration with and payment of fees to the national “Do-Not-Call” operator.

A “telemarketing telecommunication” includes sending a fax communication or making a telephone call, with or without the use of a predictive dialing device or an automatic dialing-announcing device (ADAD) for the purposes of telemarketing.

Sequential Dialing, Random Dialing and ADADs: You may not use sequential dialing for initiating a telemarketing telecommunication. However, you may use random dialing for this purpose, including a non-published or a non-listed number, except to telecommunications numbers that: (a) are registered on the National Do Not Call List; (b) are emergency lines; (c) are associated with healthcare facilities; and (d) are on your own do not call list.

You may not initiate a telemarketing telecommunication via an ADAD (defined below) unless express consent has been provided by the consumer to receive a telemarketing telecommunication via an ADAD from you, and to what number you may make that telemarketing telecommunication.

You will follow the rules regarding times telemarketing calls can be made as specified in the Telemarketing Rules of Canada.

An “ADAD” means any automatic equipment incorporating the capability of storing or producing telecommunication numbers used alone or in conjunction with other equipment to convey a pre-recorded or synthesized voice message to a telecommunications number

- b) Telemarketing Through Fax. Unsolicited telecommunications sent to fax numbers are governed by the CRTC’s Unsolicited Telecommunications Rules as set out above. You may not initiate a “telemarketing telecommunication” via fax, unless you and your telemarketing telecommunications comply with requirements set out in the CRTC’s Unsolicited Telecommunications Rules, these Policies and Procedures, and the first page of the fax message must state in 12-point font or larger:
- the name of the Brand Ambassador,
  - the name of Plexus,
  - the originating date and time of the fax,
  - the physical mailing address and a local or toll-free telephone number and a fax telecommunications number that allows access to the Brand Ambassador.

### **Section 18: Amendments.**

You understand and agree that, upon proper notification, Plexus may, at its sole discretion, amend the Policies and Procedures, the Compensation Plan, or any other guidance document, or any other agreements entered into between Plexus and its Brand Ambassadors. You understand and agree that you will be bound by the most current versions of the Policies and Procedures, the Compensation Plan, and any guidance documents, including any updates or revisions since the date of your enrollment, upon each of the following: (a) completing the sign up process to become a Brand Ambassador; (b) renewal of your annual membership; (c) each time you personally sign up a new Brand Ambassador or Customer; and (d) each time you accept commissions or other payments under the Compensation Plan. You will be bound by any amendments upon notification of the amendments through any Plexus official channels of communication effective three (3) days after the posting of such notice (except where a longer notice period is required by law, in which case such notice period applies). Those channels of communication include, but are not limited to, posting of information to the Plexus website, notice to the email address on file, announcements in any official Plexus newsletter or other publication, or mailed to you at the address on file.

Notwithstanding the forgoing, any revision, modification, amendment, or termination of the Dispute Resolution provision, in Section 13, shall not apply to a dispute of which Plexus has actual notice prior to the effective date of such revision, modification, amendment or termination. The effective date of any such revision, modification, amendment or termination shall be thirty (30) days after the revision, modification, amendment or termination as posted on the Canadian website [www.plexusworldwide.ca](http://www.plexusworldwide.ca).

## APPENDIX A

The following defined terms apply throughout the Agreement:

**Agreement:** The documents describing the specific relationship between a Brand Ambassador and the Company, comprising the [Brand Ambassador Agreement](#), the [Corporations and Business Entities Application Form](#), (if any), the [Compensation Plan](#), the [Policies and Procedures](#), [Privacy Policy](#), [Terms of Use](#), any country or situation-specific addendum(s) thereto, any amendments thereto, and any other written agreement between the Brand Ambassador and the Company, which documents are incorporated herein by reference.

**Authorized Country:** A country that the Company has officially sanctioned to be available to all Brand Ambassadors for conducting the Brand Ambassador Business.

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

**Bona Fide Offer:** An arm's length written offer to purchase the Brand Ambassadorship by a Person that is not a Brand Ambassador, which the Company, in its sole discretion, determines to be a legitimate offer.

**Brand Ambassador:** A Person currently authorized by the Company to operate a Brand Ambassadorship. If more than one Person is named on the Brand Ambassador Agreement, then "Brand Ambassador" may refer to all Persons collectively and from time to time referred to in the Agreement as "you" "your" and "I."

**Brand Ambassador Agreement:** The agreement submitted by an Applicant to become a Brand Ambassador. In signing the Brand Ambassador Agreement, an Applicant certifies that he or she has read and will abide by the terms and conditions of the Agreement.

**Brand Ambassador Business:** Activities determined at the sole discretion of the Company to be a promotion of the Company's Products or business opportunity. Some of these activities include, but are not restricted to: signing a Brand Ambassador Agreement; advertising, selling or exhibiting Product; hosting, conducting, or speaking at meetings or events (whether hosted by the Company or by a Brand Ambassador); purchasing Products at Brand Ambassador pricing, exchanging, or returning Products; participating in the Compensation Plan, receiving periodic Company literature and other

communications, participation in Company-sponsored support service training, motivational and recognition events; and sponsoring new Brand Ambassadors

**Brand Ambassador Rights:** The rights of the Brand Ambassador under the Agreement to conduct the Brand Ambassador Business.

**Brand Ambassadorship:** A defined position within the Company's network of Brand Ambassadors that is the subject of the Agreement.

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

**Business or Manufacturing Partner:** A third party who is directly involved with the creation and/or management of the Company's business operations and/or Products.

**Co-habitant:** An individual who is 18 years of age or older who shares with another person a common residency and marriage-like relationship.

**Commissions:** Compensation paid to a Brand Ambassador based on the Volume of Products sold by the Brand Ambassador and purchased and/or sold by its Downline Organization. Eligibility to receive Commissions is determined by the monthly sales requirements currently in effect, as outlined in the Compensation Plan.

**Company:** Plexus Canada Limited Partnership, a British Columbia limited partnership, or any lawful assignee, successor, subsidiary, or affiliate regardless of geographic location.

**Company Licensed Website:** An Internet website approved by the Company in accordance with the provisions of the Policies and Procedures and used by the Brand Ambassador for the conduct of his or her Brand Ambassador Business.

**Company Website/Plexus Website:** the official website of the Company located at [www.plexusworldwide.com](http://www.plexusworldwide.com).

**Compensation Plan:** The specific plan used by the Company that details the requirements and benefits of the compensation structure for Brand Ambassadors. The Compensation Plan can be found on <http://www.plexusworldwide.ca>

**Confidential Information:** Information disclosed to the Brand Ambassador pursuant to the Agreement or information gathered by a Brand Ambassador about other Brand Ambassadors in connection with their promotion of Products or sales materials, including, but not limited to, information regarding (i) Downline Organizations or Upline Brand Ambassadors, including Brand Ambassador names and contact information, Customer information developed by the Company or developed for and on behalf of the

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

**Corporate and Business Entities Application form** : A document required as part of the Agreement if an Applicant is applying to be a Brand Ambassador through a Business Entity, the Corporate and Business Entities Application form must list all persons who are partners, shareholders, or owners, or who otherwise have any direct or indirect Beneficial Interest in or control over the Business Entity.

**Cross-Company Recruiting**: A violation of the Agreement as set forth in Section 2 of the Policies and Procedures.

**Cross-line Recruiting**: Sponsoring, or a solicitation to Sponsor, indirectly or otherwise, an existing Brand Ambassador (or anyone with a Beneficial Interest in that Brand Ambassador's Brand Ambassadorship). The Cross-line Recruiting policy applies only to the recruiting of existing Brand Ambassadors and does not apply to Persons who are not Ambassadors of the Company. The Company cannot punish a Brand Ambassador who solicits or entices a Person who has not previously been a Brand Ambassador, but who has been contacted by another Brand Ambassador. As with any commercial enterprise, Brand Ambassadors who invest time and money into a Person are taking a risk that the Person may choose to be sponsored under someone else.

**Corporations and Business Entities Application Form**: A document required as part of the Agreement if an Applicant is applying as a Business Entity. The **Corporations and Business Entities Application Form** must list all persons who are partners, shareholders, principals, members, managers, officers, directors, trustees, beneficiaries, or who otherwise have any direct or indirect Beneficial Interest in or control over the Business Entity.

**Customer**: A person other than a Brand -Ambassador who purchases Products including Retail Customers and VIP Customers.

**Date of Sign-Up**: The date the Company receives and accepts an Applicant's Brand Ambassador Agreement bearing an original signature, electronic copy of an original signature or acceptance of the terms of the Brand Ambassador Agreement online.

**Downline Organization:** A genealogically structured organization comprised of Ambassadors and their Customers who are below a Brand Ambassador in his or her Sponsor Tree or Placement Tree. The Brand Ambassadors will have been personally Sponsored (i) by a Brand Ambassador and be downline of that Brand Ambassador through Placement or Sponsorship, or (ii) by those who the Brand Ambassador has Sponsored or placed through Placement, and their respective Customers, all in a direct chain of Brand Ambassadorships below the Brand Ambassador.

**Payment Method:** The credit card, debit card, bank account debit, Pay Pal or Venmo account that the Brand Ambassador selects in his or her virtual office as the default method for paying for Plexus Product purchases and applicable fees.

**Frontline:** The Brand Ambassadors who appear on the first level of the Sponsor of the immediate Downline Organization of any particular Brand Ambassador. They may appear through Sponsorship Compression. The Commissionable Volume of Customers is treated as if it were Frontline for purposes of calculating Commissions.

**Identification Number:** The number issued specifically to an individual or company by the government. Examples include: social insurance number (Canadian individuals), and Business Number (Canadian companies).

**PAM Renewal Fee:** the Plexus annual membership fee paid on the anniversary or the Date of Sign up of the Brand Ambassador.

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

**Placement:** As a noun: A Brand Ambassador who has directly recruited another Brand Ambassador into his or her Organization (as defined in the Compensation Plan) as a verb: the positioning by a Sponsor of a Brand Ambassador in his or her Downline Organization.

**Plexus:** Plexus Canada Limited Partnership, a British Columbia limited partnership, or any lawful assignee, successor, subsidiary, or affiliate regardless of geographic location.

**Policies and Procedures:** The policies and procedures of the Company contained herein, including attachments and addenda, which are incorporated herein by this reference, as the Company may amend the same from time to time.

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

**Product:** Any good or service that has Volume assigned to it and that is offered by the Company. Sales



tools and promotional material are not included in this definition.

**Qualified Direct Upline:** Regarding the Right of First Refusal, a Brand Ambassador's direct Sponsor who is not in violation of the Agreement and who the previous month qualified for earnings under the Compensation Plan.

**Rank:** The current payout qualification level of the Brand Ambassadorship according to the Compensation Plan. The Rank of a Brand Ambassador, which will affect the Brand Ambassador's Commissions and may fluctuate monthly and depends on the Brand Ambassador meeting various qualifications outlined in the Compensation Plan.

**Recruiting:** Actual or attempted solicitation, sign up , encouragement, or effort to convince, persuade, or influence in any way, directly, indirectly, or through a third-party (including, but not limited to, the use of a website), another Brand Ambassador to sell or purchase Products or services and/or to sign up or act as an Brand Ambassador, employee, executive, or consultant to or on behalf of another direct selling, network marketing, or multi-level marketing company that operates in any way, conducts business, or has Brand Ambassadors in any Authorized Country. This conduct constitutes Recruiting even if the Brand Ambassador's actions are in response to an inquiry or communication made or initiated by another Brand Ambassador.

**Retail Customer:** A person other than a- Brand Ambassador or VIP Customer who purchases Products in individual orders or on subscription.

**Replicated Website:** The website provided to Brand Ambassadors when their application is accepted and they have paid the Sign up Fee

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

**Retail Sales:** Sales by a Brand Ambassador of the Product to his or her Customers.

**Right of First Refusal "RFR":** The rights as set forth in Section 4 of the Policies and Procedures.

**Sales Tool:** Any information, material or Product created by the Brand Ambassador for Brand Ambassador Business including websites, brochures, training materials and social media pages or accounts.

**Sign Up Fee:** the fee paid on the Date of Sign up and submitted with the application to be a Plexus Brand Ambassador.

**Social Media Sites:** Sites such as Facebook, Twitter, LinkedIn, etc. Web-based and mobile based technologies which are used to turn communication into interactive dialogue among organizations, communities, and individuals.

**Suggested Retail:** The price at which the Company suggests Brand Ambassadors sells Products to Customers. The Suggested Retail prices are posted on the Company's Website.

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

**Sponsor:** As a noun: A Brand Ambassador who has directly recruited another Brand Ambassador into his or her Downline Organization; as a verb: the act of directly recruiting another Brand Ambassador into his or her Downline Organization.

**Title:** The highest Rank ever achieved by a Brand Ambassador that is used for recognition purposes.

**Unauthorized Website:** Any website other than a Company Licensed Website.

**Upline:** The single-line hierarchy of Sponsors and/or Brand Ambassadors extending upward from a Brand Ambassadorship.

**VIP Customer:** A person other than a- Brand Ambassador or Retail Customer who has agreed to participate in the Plexus VIP Customer Program and has signed a Plexus VIP Customer Agreement.

**VIP Customer Program:** the program through which Persons can purchase Plexus Products at preferential pricing and earn program benefits.

**Volume:** A value assigned to a Product for commission purposes.

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