

# AGELLUM

## POLICIES AND PROCEDURES

*Effective July, 2020*

### TABLE OF CONTENTS

SECTION 1 - WELCOME .....	5
1.1 - Contractual Relationship, Code of Honor and Confidentiality .....	5
1.2 - Policies and Procedure and Agellum Compensation Plan Included in REP Agreement .....	6
1.3 - Modifications to the Agreement .....	7
1.4 - Independent Contractor Status.....	7
SECTION 2 - REP ENROLLMENT .....	8
2.1 - Rep Application Requirements.....	8
2.2 - Rep Fee (Online Biz-Kit) and Product Purchases .....	8
2.3 - Rep Benefits .....	8
2.4 - Enrolling Other Rep's .....	9
2.5 - Position Restrictions .....	9
2.6 - Applying as a Business Entity .....	9
2.7 - Multiple Applications .....	9
2.8 - Holding Applications or Orders .....	9
2.9 - Annual Renewal Fee.....	10
2.10 - No Additional Agreements or Contracts Required.....	10
2.11 - Income Taxes.....	10
2.12 - Compliance with Federal, State, and Local Laws .....	10
SECTION 3 - SALES .....	11
3.1 - Product Sales .....	11
3.2 - Direct Rep Purchases.....	11
3.3 - No Inventory Loading .....	11
SECTION 4 - PAYMENT, SALES TAXES AND SHIPPING .....	12
4.1 - Payments.....	12
4.2 - Restrictions on Third Party Use of Payment Mechanisms.....	12

4.3 - Sales Taxes .....	12
4.4 - No Shipping Address Changes .....	12
4.5 - Delays .....	12
4.6 - Back Orders .....	12
SECTION 5 - COMMISSIONS AND BONUSES.....	13
5.1 - Commission Eligibility.....	13
5.2 - Commission Payments .....	13
5.3 - Payment Policy .....	13
5.4 - Bonus and Commission Qualifications .....	13
5.5 - Reports.....	14
5.6 - Bonus Buying Prohibited.....	14
SECTION 6 - PRODUCT GUARANTEES, RETURNS, AND INVENTORY REPURCHASE	16
6.1 - Customer Order Cancellation .....	16
6.2 - First Order Cancellation Policy .....	16
6.3 - Return of Inventory and Sales Aids by Reps Upon Cancellation.....	16
6.4 - Cancellations and Bonuses .....	16
6.5 - Warranty; Defective Products .....	16
6.6 - Damaged Products .....	17
6.7 - Refused Orders or Shipments .....	17
6.8 - Incomplete Orders .....	17
6.9 - Incorrect Orders .....	17
6.10 - Auto Reserve Orders .....	17
6.11 - Summary of Procedures for All Returns .....	17
SECTION 7 - MARKETING YOUR AGELLUM BUSINESS.....	19
7.1 - General Advertising.....	19
7.2 - Indemnification.....	19
7.3 - Trademarks and Copyrights.....	19
7.4 - Use of Agellum Sales Materials .....	20
7.5 - Creation of REP Sales Materials .....	20
7.6 - Inappropriate Corporate Likeness .....	21
7.7 - Rep Websites and Domain Names .....	21
7.8 - Website Plagiarism .....	21
7.9 - Social Networks.....	22
7.10 - Search Engine Marketing .....	22

7.11 - Media Inquiries .....	22
7.12 - Press Releases .....	22
7.13 - Unsolicited Communication .....	23
7.14 - Agellum Corporate Communication .....	23
7.15 - Unauthorized Product Claims .....	23
7.16 - Unauthorized Income Claims .....	23
7.17 - International Marketing .....	24
SECTION 8 - REP RESPONSIBILITIES AND RESTRICTIONS .....	25
8.1 - Downline Activity (Genealogy) Reports .....	25
8.2 - Change of Address, Telephone, and E-Mail Addresses .....	25
8.3 - Changes to a Business Entity .....	25
8.4 - Sale, Transfer, or Assignment of Agellum Business .....	25
8.5 - Acquisitions .....	26
8.6 - Succession .....	26
8.7 - Transfer of Enroller .....	26
8.8 - Misplacement .....	27
8.9 - Cancellation and Reapplication .....	27
8.10 - Actions of Household Members or Individuals .....	27
8.11 - Marriage .....	27
8.12 - Separation of an Agellum Business .....	277
8.13 - Non-solicitation .....	288
8.14 - Reporting Policy Violations .....	28
8.15 - Targeting Other Direct Sellers .....	29
8.16 - Pirating .....	29
8.17 - Non-disparagement of Agellum .....	29
8.18 - Expenses .....	30
8.19 - Shipping .....	30
8.20 - Effect of Termination .....	31
8.21 - Voluntary Termination .....	31
8.22 - Involuntary Termination .....	31
8.23 - Appeal .....	32
8.24 - Effect of Suspension .....	32
SECTION 9 - DISPUTE RESOLUTION; DISCIPLINARY PROCEEDINGS .....	33
9.1 - Disciplinary Sanctions .....	33

9.2 - Grievances and Complaints .....	33
9.3 - Mediation.....	33
9.4 - Arbitration .....	34
9.5 - Limitation of Damages .....	34
SECTION 10 - GENERAL PROVISIONS .....	35
10.1 - Entire Agreement.....	35
10.2 - Governing Law, Jurisdiction, and Venue .....	35
10.3 - Infringement .....	35
10.4 - Severability.....	35
10.5 - Waiver .....	35
10.6 - Amendments .....	36
10.7 - Interpretation .....	36
10.8 - No Government Endorsements.....	36

## **SECTION 1 - WELCOME**

Welcome to Agellum!

We created this company following the F.A.I.R. Philosophy (Fun, Anyone, Important and Real). Our goal is that the company and all Reps run their business following the F.A.I.R. Philosophy. Everything from our products, to how we share our products, to how we share our opportunity and how we treat each other at events.

- **FUN** – Having a business opportunity and products that are exciting, interesting, enjoyable, and rewarding.
- **ANYONE** – Be equally available for anyone regardless of experience, be affordable for the masses, and require little time because it is just part of one’s lifestyle.
- **IMPORTANT** – What we do is important and provides results that are significant to people’s quality of life.
- **REAL** – To Share results from real customers and Reps who are using our products and program with just facts, without hype. To share results that majority of people can experience, not just the outliers and the exceptions.

At Agellum, you are in business for yourself, but never by yourself. You, our corporate team, and our strategic partnerships together form a community of individuals working toward a common goal. This document identifies those Policies and Procedures that keep us all moving in a positive direction. When you become an Independent Representative (hereafter, “Rep”), you become the CEO of your own home-based business. Each CEO conducts their business differently though we depend on one another for support. Therefore, we all agree to live by a code of ethics, policies, and procedures that will keep us agreeing with one another and working in win-win relationships.

These Policies and Procedures apply to all Reps that have joined Agellum. Please read through this information carefully so that you can refer to it when you enroll new Reps and Customers into Agellum.

Agellum Management Team

### **1.1 - Contractual Relationship, Code of Honor and Confidentiality**

Agellum (hereafter, “Agellum”), is a Texas corporation, independently owned and operated.

These Policies and Procedures, along with the Agellum Compensation Plan, combine to form a contract which is legally binding on each Rep and Agellum. A Rep enters this contract with Agellum with confidence in Agellum’s integrity and its expressed intention of dealing fairly with its Reps. Agellum enters this contract with full awareness that its success depends upon responsible, efficient, vigorous, and successful Reps who conduct their business free of false, deceptive, or misleading advertising and marketing practices. Agellum enters this contract with each Rep believing in the Rep’s integrity and ability, and that the Rep will meet its obligations and responsibilities. Given these expectations, Agellum wants all Reps to have confidence in Agellum and with us mutually commit to the following:

1. We will strive to treat others as we would like to be treated.
2. We will strive to be fair, honest, ethical, and courteous with our customers, our suppliers, and our Reps.
3. We will always be professional whenever we act in an official Agellum capacity.
4. We will make every effort to help others achieve their goals as we strive to accomplish our own.

Agellum may terminate its distributor agreement with a Rep if the Rep has engaged in any unethical or criminal conduct which may be detrimental to the consumer, Agellum, or any other Rep. Such decision is at the sole discretion of Agellum. To remain in good standing, each Rep agrees to:

1. Conduct their business in a commercially reasonable manner.
2. Enroll, train, manage, and lead any downline Reps in accordance with the guidelines established by Agellum.
3. Truthfully and fairly describe any products or programs marketed by Agellum in all discussions with customers, other Reps, or potential Reps.
4. Neither misstate nor omit any significant material fact about the Agellum program.
5. Never represent that the Agellum Compensation Plan is based upon sponsoring other Reps.
6. Only represent that the Agellum Compensation Plan and the compensation provided are based upon the sales of Agellum products to Customers.
7. Never recruit for or promote any other business at any Agellum function.
8. Acknowledge that online reports are proprietary and confidential to Agellum and are transmitted to the Rep in confidence.
9. Acknowledge that for your agreement to keep confidential and not disclose Agellum's confidential information, Agellum would not provide confidential information to you.
10. Never disclose confidential information to any third party directly or indirectly, nor use the information to compete with Agellum directly or indirectly.

## **1.2 - Policies and Procedure and Agellum Compensation Plan Included in Rep Agreement**

These Policies and Procedures, and the Agellum Compensation Plan (both in their present form and as may be amended), are incorporated into, and constitute an integral part of, the Agellum Rep Agreement. Collectively, these documents set forth the respective duties, obligations, and responsibilities of Agellum and each Rep.

In these Policies and Procedures, if the term "Agreement" is used, it collectively refers to the Agellum Rep Agreement, these Policies and Procedures, the Agellum Compensation Plan, and the Agellum Business Entity Registration form (if applicable). These documents are incorporated by reference into the Agellum Rep Agreement.

It is each Reps responsibility to read, understand, adhere to, and ensure that he/she is aware of and operating under the most current version of these Policies and Procedures. If you have any questions regarding any policy, procedure, or rule, do not hesitate to seek an answer from Agellum at [compliance@agellumlife.com](mailto:compliance@agellumlife.com) or to contact your independent tax and business advisors, accountants, and attorneys.

### **1.3 - Modifications to the Agreement**

To maintain a viable business and to comply with governing federal, state, and local laws, and economic conditions, Agellum reserves the right to amend this Agreement, and its prices, in Agellum's sole and absolute discretion. Such modifications shall be immediately binding upon publication of notice of any such modifications. Notification of amendments shall be published by one or more of the following methods: (1) posting on Agellum's official web site (the Back Office); (2) by e-mail; (3) published in an Agellum periodical; (4) printed in documentation with product orders; or (5) special mailings.

By accepting the Rep Agreement, each Rep agrees to abide by all amendments or modifications that Agellum elects to make. A Rep's continuation of the Reps Agellum distributorship business, or acceptance of bonuses or commissions also constitutes acceptance of all amendments. If any Rep does not agree with any amendment to the Agreement, the Rep may so notify Agellum at [compliance@agellumlife.com](mailto:compliance@agellumlife.com) and shall withdraw from being an Rep and distributor of Agellum products.

### **1.4 - Independent Contractor Status**

Each Rep is an independent contractor of Agellum, and each is granted a non-exclusive authorization to sell Agellum's products in accordance with the terms and conditions set forth by Agellum, including this Agreement. No Rep is purchasing a franchise or a "business opportunity" under any state or federal law. The Rep Agreement between Agellum and its Reps does not create an employment or agency relationship, nor a partnership or joint venture between Agellum and any Rep. Therefore, the Rep has no authority (expressed or implied), to bind Agellum to any obligation. No Rep is a representative of Agellum, but only a representative of its products.

Each Rep shall establish his/her own goals, hours, and methods of sale, so long as they comply with the terms of this Agreement, and applicable laws.

## **SECTION 2 - REP ENROLLMENT**

### **2.1 - Rep Application Requirements**

To become an Agellum Rep, each applicant must:

- Be at least 18 years of age (19 if resident in Alabama and Nebraska, and 21 if in Mississippi);
- Reside in the United States or U.S. Territories;
- Provide a valid Social Security or Federal Tax ID number, required by federal law for income reporting purposes (there is a \$100 fee for providing incorrect tax identification information);
- Submit a copy of your tax identification number, and any tax-exempt documentation if you claim to be tax exempt (*exemption is not retroactive*);
- Agellum “Rep Fee” (Rep-Kit) is (optional in North Dakota and where prohibited);
- Accurately complete and submit a Rep Agreement to Agellum either in hard copy or online format.

By submitting a Rep Application to Agellum, you affirm that you have read and understand these Policies and Procedures as they now exist. Agellum reserves the right to reject any application or order for any reason.

Additionally, under its right of contract, Agellum retains the right to reject any application that does not include a valid Social Security Number or Federal Tax Identification Number.

### **2.2 - Rep Fee (Rep Kit) and Product Purchases**

To familiarize new Reps with Agellum product and service portfolio, sales aids, and marketing techniques, Agellum requires a \$50 “Rep Fee” (also referred as Rep Kit) for becoming a Rep (optional in North Dakota). A “Rep Kit” includes a personal marketing website, a complete virtual Back Office, 12 Sample Packs (Brochure and Product Sample), Getting Started Manual, placement in the “Team Structure” (binary tree), training, Agellum Corporate Backup Support and ecommerce administration, and eligibility for personal bonuses.

No person is required to purchase Agellum products to become a Rep.

### **2.3 - Rep Benefits**

Once a Rep Application and Agreement has been accepted by Agellum, the benefits of the Agellum Compensation Plan and the Agreement are available to the Rep. These benefits include the right to:

- Sell Agellum products within approved sales and advertising mediums;
- Participate in the Agellum Compensation Plan (receive bonuses and commissions, if eligible);
- Enroll others as product Customers or Reps into the Agellum business;
- Receive periodic Agellum literature and other Agellum communications;
- Participate in Agellum enrollment, support, training, motivational and recognition functions, upon payment of appropriate charges, if applicable; and
- Participate in promotional and incentive contests and programs developed by Agellum for its Reps.



## **2.4 - Enrolling Other Reps**

Reps are entitled to enroll other Reps into the Agellum program. However, Reps are compensated for Customer sales and not for the introduction of new Reps into the program.

When enrolling a new Rep, it is the responsibility of the enrolling Rep to ensure that the applicant is provided with, or has online access to, the most current version of these Policies and Procedures and the Agellum Compensation Plan prior to his/her execution of the Rep Application and Agreement.

## **2.5 - Position Restrictions**

A Rep may have beneficial interest or participation in only one Agellum business. A beneficial interest includes, but is not limited to, any ownership, interest, equitable interest, any rights to present or future benefits, financial or otherwise.

Husbands and wives and common-law couples (collectively “spouses”), who wish to maintain separate Agellum businesses may do so. Any second Agellum business or Customer account using the same address must be enrolled by the same Rep that enrolled the first Rep or Customer at the same address. Notwithstanding the separate Rep business of spouses, the actions of one spouse will be attributed to both spouses and may result in disciplinary action against both spouses merely because they are spouses. Once enrolled a spouse may not be moved to a different downline.

## **2.6 - Applying as a Business Entity**

A corporation, limited liability company (LLC), limited partnership, partnership, or trust (collectively referred to in this section as a “Business Entity”) may apply to be an Agellum Rep. The Business Entity registration form must be signed by all the shareholders, members, partners, trustees, or other owners. Owners, managers, and trustees of the entity are jointly and severally liable for any indebtedness or other obligation to Agellum.

A Reps distributorship may be transferred into a Business Entity. To maintain the integrity of the Agellum Marketing Program, an individual wishing to continue their Rep business as a Business Entity may do so but may not maintain a separate Agellum distributorship business under his/her personal name.

## **2.7 - Multiple Applications**

Each prospective Rep has the ultimate right to choose his/her own enroller. If two Reps claim to be the enroller of the same new Rep, Agellum will recognize the enroller as the name shown on the first Rep Agreement that is completed, dated, and received or processed at Agellum’s corporate office.

## **2.8 - Holding Applications or Orders**

Reps must not manipulate enrollments of new applicants, or product orders.

Any Rep Application and Agreement submitted to Agellum via its website is auto-placed in the “Team (Binary) Structure” and the placement cannot be changed. Also, once commissions have been generated by any Customer Purchase made that is tied to a new Rep, the placement cannot

be changed without Upline approval of all Reps financially affected by the change.

## **2.9 - Annual Renewal Fee**

Agellum does not have an Annual Renewal Fee.

## **2.10 - No Additional Agreements or Contracts Required**

Reps shall not require or encourage anyone to execute any agreement or contract other than official Agellum agreements and contracts to become an Agellum Rep.

Similarly, Reps shall not require current or prospective Customers to make any other purchase or payment before purchasing Agellum product. No Rep shall either *encourage* or *require* any enrolling Rep to make any purchase from, or payment to, any individual or other entity to enroll as a Rep, or participate in the Agellum Compensation Plan, other than those purchases or payments identified as required in Rep Application and Agreement and any optional purchases identified in official Agellum literature.

## **2.11 - Income Taxes**

Reps shall not be treated as employees of Agellum, or of any enrolling or other Rep, for Federal or State tax purposes. All Reps are responsible for paying local, state, and federal taxes due from all compensation earned and all other expenses that arise from running their Agellum Business. As required by law, Agellum reports to the tax authorities any Earning paid to Reps.

Every year, Agellum will provide an IRS Form 1099 MISC (Non-employee Earning) earnings statement to each U.S. resident who had earnings more than the annual minimum as established by the Internal Revenue Service in the previous calendar year. The gross sales income figure on your IRS Form 1099 is compiled from tax invoices, commission statements, and other reports generated by Agellum for each Rep.

## **2.12 - Compliance with Federal, State, and Local Laws**

Reps must comply with all federal, state, and local laws in the conduct of their business. Agellum recommends that you seek guidance from your local officials, and tax and legal advisers in determining and complying with applicable laws.

## **SECTION 3 - SALES**

### **3.1 - Product Sales**

Agellum Reps are authorized to enroll Customers to purchase product directly via the Reps Agellum marketing website.

### **3.2 - Direct Rep Purchases**

If a Rep obtains product from any Reps personal inventory, no bonuses will be paid by Agellum on such transactions. Additionally, for all products purchased from a Rep, any defective product claims must be made to that Rep and claims for defects to Agellum are the responsibility of that Rep.

Agellum maintains all receipt records documenting customer purchases through its websites. These receipts set forth the Customer Satisfaction Guarantee as well as consumer protection rights afforded by federal or state law, including order cancellation rights.

### **3.3 - No Inventory Loading**

Reps must not influence or attempt to influence any other Rep to buy more product than they can reasonably use within a 30-day period. Personal consumption should be the only reason for product purchases.

## **SECTION 4 - PAYMENT, SALES TAXES AND SHIPPING**

### **4.1 - Payments**

Agellum accepts payments using Visa, MasterCard, American Express, and Discover Card. Agellum will not process orders that are not accompanied by full and proper payment.

Agellum will not be responsible for the loss of any commission and bonus or other payment because of declined payments, delays or errors in orders, processing or shipping, charges, delayed shipments, or acts outside the reasonable control of Agellum.

### **4.2 - Restrictions on Third Party Use of Payment Mechanisms**

When a Rep grants other Reps or customers access to their credit and or checking accounts, the Rep is solely responsible for fraudulent use of their credit or debit card(s). When such permissions are granted by a Rep, the Rep agrees to protect Agellum from all related chargebacks from alleged fraudulent use of their accounts to purchase Agellum products or services. To exercise due care, Agellum will accept no more than three transactions per day per Internet Protocol (IP) address. Under unusual circumstances, exceptions to this rule may be made by contacting Agellum Corporate Backup Support directly (support@agellumlife.com).

### **4.3 - Sales Taxes**

By its business operations, Agellum is required to charge applicable sales taxes on all purchases made by Reps, customers including Internet customers, and to remit the sales taxes charged to the respective state taxing authority. If a Rep has submitted, and Agellum has accepted, a current sales tax exemption certificate, and sales tax registration license, sales taxes will not be added to the invoice and it will be the responsibility of the Rep to collect and remit sales taxes to the appropriate tax authorities. No sales tax exemption accepted by Agellum can be retroactive to any date before its acceptance date by Agellum.

### **4.4 - No Shipping Address Changes**

Shipping address changes will not be accepted after the order has been submitted.

### **4.5 - Delays**

Agellum shall not be responsible for processing or shipping delays, or failures in performance of its obligations when performance is made commercially impracticable or unreasonable due to circumstances beyond its reasonable control, including the volume of orders to process and product availability. This also includes, without limitation, pandemics, quarantines, travel restrictions, strikes, labor difficulties, riot, war, fire, death or disability of personnel, curtailment of supply sources, government decrees, or criminal or terrorist acts.

### **4.6 - Back Orders**

Agellum has the goal of retaining enough product inventories to never need to worry about back orders. If an item goes on back order, Agellum may stop accepting orders for the back ordered item until further notice. If a back ordered item is part of a monthly subscription, Agellum may substitute another item in place of the back ordered item until it becomes available.

## **SECTION 5 - COMMISSIONS AND BONUSES**

### **5.1 - Commission Eligibility**

The Agellum Compensation Plan is based on the sale of Agellum products to end consumers. Reps must meet personal and downline organizational sales milestones (as well as meet other responsibilities set forth in the Agreement) to be eligible for bonuses, commissions, and advancement to higher levels of achievement.

To be eligible for commissions or bonuses, a Rep must generate, before the end of the specified period for which compensation is to be paid, the required minimum sales volumes specified in Agellum's official Compensation Plan. Commission are paid on a weekly basis. Agellum's Compensation Plan operates on the principle of "full compression," as illustrated in the Agellum Compensation Plan overview (available online). Any monies not paid to a Rep because of ineligibility will be passed to the first eligible upline Rep.

### **5.2 - Commission Payments**

A Rep is paid commissions and/or bonuses by Agellum for sale of products only after Agellum has received payment for the total product purchase. When a product order is in dispute, commission payments will be withheld the week the order was made and shall be withheld every commission and bonus pay period thereafter, until the dispute is resolved. Agellum may also deduct from bonuses any amount the Rep owes Agellum, specifically including, without limitation, commission claw backs, underpayments, postage due, shipping charges, and debits accrued from any other transactions that generated a payment to the Rep or the Reps upline. Commission payments are based on unencumbered sales volume during the period, and commissions are always paid in full for that period.

### **5.3 - Payment Policy**

Weekly bonuses are issued each Thursday (except holidays) for the prior week's pay period. (Actual days of the week in a weekly pay period are specified in the Agellum Compensation Plan.) If Thursday is a holiday, weekly bonuses are issued on the next regular business day.

The Company's preferred method of payment is direct deposit into an account you may establish with our preferred provider, Pay Quicker. Once a Rep application is accepted, a Pay Quicker account may be established. Instructions are available in the administrative back office provided for each Rep. The Rep may sweep payments (as earned) from their Pay Quicker account into any bank account of choice. Each Pay Quicker account holder will also be issued a Visa™ debit card associated with their Pay Quicker account and the account holder may use that account just like any debit account. As with any debit card, there are nominal fees associated with use and these fees are posted in the Rep back office.

It is each Reps responsibility to review his/her bonus check and report any potential discrepancies to Agellum Corporate Backup Support [support@agellumlife.com](mailto:support@agellumlife.com) within 20 days of receipt of the bonus.

### **5.4 - Bonus and Commission Qualifications**

A Rep must meet all qualifications in the Agellum Compensation Plan and the Rep must be in

good standing with the Agellum Policies and Procedures Plan to qualify for compensation. Agellum shall pay commissions to each such Rep in accordance with the current Agellum Compensation Plan.

## **5.5 - Reports**

All information provided by Agellum online including but not limited to Personal Qualification Volume (PQV), Enrollment Tree Volume (ETV), Team Commission Tree (TCT) (or any part thereof), and downline enrolling activity, is believed to be accurate, complete, and reliable. Nevertheless, due to various factors including but not limited to the inherent possibility of human and mechanical error; the accuracy, completeness, and timeliness of orders; denial or charge-back of credit card or electronic check payments; returned products. For those or other reasons, PQV, ETV and TCT information in reports is not guaranteed by Agellum or any persons creating or transmitting the information.

ALL INFORMATION IS PROVIDED "AS IS" WITHOUT WARRANTIES, EXPRESS OR IMPLIED, OR REPRESENTATIONS OF ANY KIND WHATSOEVER. IN PARTICULAR, BUT WITHOUT LIMITATION, THERE CAN BE NO WARRANTY OR IMPLIED WARRANTY FROM AGELLUM REGARDING EARNINGS OR QUALIFICATIONS.

TO THE FULLEST EXTENT PERMISSIBLE UNDER APPLICABLE LAW, AGELLUM AND/OR OTHER PERSONS CREATING OR TRANSMITTING INFORMATION WILL IN NO EVENT BE LIABLE TO ANY REP OR ANYONE ELSE FOR ANY DIRECT, INDIRECT, CONSEQUENTIAL, INCIDENTAL, SPECIAL, OR PUNITIVE DAMAGES ARISING OUT OF THE USE OF OR ACCESS TO OR RELIANCE ON PQV, ETV, TCT OR OTHER VOLUME INFORMATION (INCLUDING BUT NOT LIMITED TO LOST PROFITS, BONUSES, OR COMMISSIONS, LOSS OF OPPORTUNITY, ACTIVE STATUS, QUALIFICATION, AND DAMAGES THAT MAY RESULT FROM INACCURACY, INCOMPLETENESS, INCONVENIENCE, DELAY, OR LOSS, INCLUDING LOSS OF THE USE OF THE INFORMATION), EVEN IF AGELLUM OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. TO THE FULLEST EXTENT PERMITTED BY LAW, AGELLUM AND OTHER PERSONS CREATING OR TRANSMITTING SUCH INFORMATION, SHALL HAVE NO LIABILITY TO ANYONE UNDER ANY TORT, CONTRACT, NEGLIGENCE, STRICT LIABILITY, PRODUCTS LIABILITY, OR ANY OTHER THEORY, FOR ERRORS, INACCURACY, OR DELAY APPLICABLE TO SUCH INFORMATION.

## **5.6 - Bonus Buying Prohibited**

Agellum strictly and absolutely prohibits bonus buying. "Bonus buying" includes: (a) the enrollment of individuals or entities without the knowledge of and/or execution of a Rep Agreement by such individual(s) or entities; (b) fraudulent enrollment of an individual or entity as a Rep or customer; (c) enrollment or attempted enrollment of non-existent individuals or entities as Reps or customers ("phantoms"); (d) purchasing Agellum products on behalf of another Rep or customer, or under another Rep or customer's I.D. number, to seek to qualify for commission(s) or bonus(es) unless approved by the owner of the credit card; (e) purchasing excessive amounts of

product that cannot not be used for the stated purpose of the product (Personal consumption and occasional tasting for potential Customers) and/or (f) any other mechanism or artifice to qualify for a rank advancement, incentive, prize, commission, or bonus that is not driven by bona fide product purchases by end user consumers. Some bonus buying activity may also carry criminal penalties under applicable law.

## **SECTION 6 - PRODUCT GUARANTEES, RETURNS, AND INVENTORY REPURCHASE**

### **6.1 - Customer Order Cancellation**

A customer who makes a purchase of \$25.00 or more has three business days (72 hours) after the sale, or execution of a purchase contract, to cancel the order and will receive a full refund.

### **6.2 - First Order Cancellation Policy**

Upon resignation from Agellum, a former Rep may cancel their first order for a complete refund within 3 days from the date of purchase. If product has already been shipped, the refund will be held pending return to Agellum of the unopened product packages. Packages that have been opened or tampered with cannot be returned or refunded. Agellum cannot refund shipping costs when shipment has occurred.

### **6.3 - Return of Inventory and Sales Aids by Reps Upon Cancellation**

Upon resignation of a Rep and cancellation of the Reps Agreement, the Rep may return to Agellum any products that have been unopened or tampered with that are in substantially as good as new condition, and any sales aids that: (a) the Rep personally purchased from Agellum (purchases from other Reps or third parties are not subject to refund from Agellum); and (b) were purchased within 30 days of the date of cancellation.

Upon receipt of returned re-sellable products and sales aids, the resigning Rep will be reimbursed 90% of the net cost of the original purchase price(s). Furthermore, shipping and processing charges incurred by Reps when the products or sales aids were purchased will not be refunded. If the purchases were made through a credit card, the refund will be credited back to the credit card account. If an Rep was paid a commission based on product(s) that the Rep purchased, and such product(s) is subsequently returned for a refund, then any commission that was paid based on that product purchase will be deducted from the amount of the refund.

If any Rep resigns within their first 15 days, the Rep will receive a 100% refund on the Rep (Rep Kit) Fee (\$50).

### **6.4 - Cancellations and Bonuses**

All Upline Reps affected by returns and cancelled orders are subject to appropriate bonus adjustments and deductions in their subsequent bonus/commission check payments (also known as Claw Backs). Bonus and volume adjustments and deductions may also apply at the time Agellum receives notice of any type of dispute regarding any order.

### **6.5 - Warranty; Defective Products**

Agellum will replace products that are defective in packaging or otherwise up to 15 days after receipt of the order.



## **6.6 - Damaged Products**

Sometimes products purchased from Agellum may be damaged in route. If a package has been damaged in shipping, **DO NOT OPEN THE PACKAGE**. Since the carrier is responsible for the damage, it is the carrier's responsibility to replace product. To make a claim against the carrier, a Rep must act quickly. If there is uncertainty as to the condition of the product, but it is suspected to be damaged, feel free to contact Agellum Corporate Backup Support department for help by email at [support@agellumlife.com](mailto:support@agellumlife.com). **Do not return carrier-damaged merchandise to Agellum! Returning damaged items to Agellum will likely void any claim against the carrier.** If there is no visible damage on the outside of the box, but upon opening the package a Rep finds that the product has been damaged, then contact Agellum Corporate Backup Support immediately at [support@agellumlife.com](mailto:support@agellumlife.com) to obtain a Return Merchandise Authorization (RMA). An RMA must be requested within 15 days of receipt of product. Please allow a minimum of 10 business days processing time for all replacement items from the date the returned products are received by Agellum.

## **6.7 - Refused Orders or Shipments**

There is no refund when a customer or Rep refuses delivery of a package. If an order is refused, the carrier will return the package to Agellum. Agellum will hold the package for five (5) business days and will only re-ship the package to the customer or Rep again after payment of shipping plus a \$25 holding and re-processing fee.

## **6.8 - Incomplete Orders**

If a customer or Rep does not receive all the items ordered, first check the shipping invoice. If after reviewing the invoice part of the order is indeed missing, contact Agellum Corporate Backup Support at [support@agellumlife.com](mailto:support@agellumlife.com) with the details of the missing item(s) within five (5) business days.

## **6.9 - Incorrect Orders**

If any item is received that was not ordered, contact Agellum Corporate Backup Support at [support@agellumlife.com](mailto:support@agellumlife.com) within five (5) business days to resolve the issue.

## **6.10 - Automatic Subscription Orders**

Reps and their customers can sign-up for a Nerium Plus Subscription (NPS). The database system will automatically process these orders on any given day the Rep or customer has selected, and the order will ship the following day (or next business day if the date falls on a holiday). To cancel a Nerium Plus Subscription (NPS), a Rep or customer may do so online or contact Agellum Corporate Backup Support, [support@agellumlife.com](mailto:support@agellumlife.com) by 5:00 p.m. Central Standard Time, at least three business days before the scheduled automatic processing date.

## **6.11 - Summary of Procedures for All Returns**

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

- a) All merchandise purchased directly from Agellum must be returned by the Rep or customer who purchased it, directly to Agellum.
- b) All products to be returned to Agellum must have a Return Merchandise Authorization (RMA)

number, which is obtained by contacting Agellum Corporate Backup Support at [support@agellumlife.com](mailto:support@agellumlife.com). The RMA number must be written on each carton returned.

- c) The return must be accompanied by a copy of the original dated invoice or sales receipt.
- d) Proper shipping carton(s) and packing materials are to be used in packaging the product(s) being returned for replacement, and the best and most economical means of shipping is suggested. All returns must be shipped to Agellum shipping pre-paid. Agellum does not accept shipping-collect packages. Risk of loss in shipping for returned product shall be on the Rep or customer returning the product. Insurance may be purchased through carriers for returned product. If returned product is not received by Agellum, it is the responsibility of the Rep to trace the shipment with the carrier.

No refund or replacement of product will be made if these procedures are not met. Delivery will be refused for any unauthorized product returns. Reps must hold Agellum harmless for any incurred charges. Compliance with these procedures is necessary to provide continued quality service and prompt shipment of products to Reps and customers.

## **SECTION 7 - MARKETING YOUR AGELLUM BUSINESS**

### **7.1 - General Advertising**

Agellum encourages word-of-mouth and social media advertising as the best and most efficient means of advertising and discourages conventional media advertising.

All Reps shall safeguard and promote the good reputation of Agellum and its products. The marketing and promotion of Agellum, the requirements to become an Agellum Rep and represent Agellum's products, the Agellum Compensation Plan, and Agellum products shall be consistent with applicable laws, public policy, and with the public interest, and must avoid all unprofessional, discourteous, deceptive, misleading, unethical, or immoral conduct, practices, and misrepresentations, expressed and implied.

### **7.2 - Indemnification**

Reps are solely responsible for all their verbal or written statements regarding Agellum and its products, services, and the Agellum Compensation Plan that are not expressly contained in and quoted from official Agellum material. As such, Reps agree to indemnify Agellum and its directors, officers, agents, attorneys, and employees, and hold them harmless from any and all claims, damages, liability, or losses, including but not limited to judgments, civil penalties, refunds, legal fees, court costs, damages, or lost business incurred by Agellum as a result of the Reps unauthorized or false or misleading representations or inappropriate actions. This obligation shall survive the termination of the Rep Agreement.

### **7.3 - Trademarks and Copyrights**

Agellum uses trade names and trademarks to identify it, its products, its sales/ marketing programs, and to distinguish it from competing entities, and their products and programs. The name and mark: "Agellum" as well as other names, logos, or trademarks, are proprietary to Agellum and have great commercial value. Whenever Agellum's name and trademarks are misused, the value, distinctiveness, and positive impact of the name and trademark are lessened or tarnished. Consequently, Agellum strives to protect the integrity of its name and trademarks.

You should report suspected unauthorized use of Agellum's name and trademarks by email to [compliance@agellumlife.com](mailto:compliance@agellumlife.com).

Agellum Reps may distribute materials approved by Agellum. However, no Rep is licensed to use the name, or any trademark of Agellum. If a Rep uses without express authorization or misuses the name or trademarks of Agellum, and/or its marketing material, that Rep shall be deemed to have materially and seriously violated these Policies and Procedures and shall be subject to disciplinary action, including but not limited to, immediate termination as a Rep, and any and all other remedies provided under the law, including recovery of legal fees for trademark infringement.

No Rep may use or attempt to register any of Agellum's trade names, trademarks, service names, service marks, product names, Agellum's name, or any derivative thereof, for any Internet domain

name or email address. Examples include myagellum, neriumplus, b.e.s.t.brand, Multi-Level Retail, MLR, etc.

#### **7.4 - Use of Agellum Sales Materials**

Reps may not re-package, copy, modify, or re-create any information, materials, or products provided by Agellum.

Agellum controls the copyright in its printed and audiovisual-recorded materials, such as manuals, brochures, sales aids, audio and videotapes, video training, Internet material, etc. As protected under copyright law, these materials are the exclusive property of Agellum. Any copyright infringement shall result in Agellum seeking all remedies under the law to protect its copyrights with reasonable legal fees awarded to Agellum.

Reps may not directly or indirectly record or produce for sale or distribution any audio or video recording of any Agellum event or speech without the prior express written permission of Agellum, nor may any Rep copy or reproduce (for sale or for personal use) any audio or video recording produced by Agellum.

#### **7.5 - Creation of Rep Sales Materials**

Agellum Reps are allowed to develop their own sales tools and promotional materials but they must be approved by the Agellum Compliance department in writing at [compliance@agellumlife.com](mailto:compliance@agellumlife.com) before the dissemination, broadcast, or distribution of said advertising or promotional material.

Reps are authorized to use published written materials produced by Agellum (both printed and digital) without prior approval when used in context as intended in the original publication. These materials may be used in flyers and websites for promotional purposes of the Rep's Agellum business only.

As used here, "sales tools and promotional materials" includes all independent advertising created by or for any Rep, including but not limited to web sites (not provided by Agellum), flyers, statements made on telephone answering machines, TV, infomercials, banner ads, radio messaging, or any other form of advertising in any medium that can be construed as a means of advertising, or for promotional purposes in which Agellum's name, trademark, or logo (or that of any of its products, services or sales aids).

Any request shall be deemed denied unless the Rep is issued specific written approval to use the specific sales tool or promotional material. Any approval granted for said advertising shall be specifically applicable to the Rep that originated the request and then only exclusively for the same Reps business. *Said approval is not transferable.*

All independently produced material must not display any Agellum trademark without prior express written approval. *No Rep may produce any items that feature the Agellum Corporate logo.*

Agellum reserves the right, upon notice, to rescind approval for any sales tools, promotional materials, advertisements, or other literature, and Reps waive all claims for damages or

remuneration arising from or relating to such rescission.

## **7.6 - Inappropriate Corporate Likeness**

Reps may not purchase, sell, or distribute marketing, informational, promotional or any other material(s) in a manner that suggests or implies that the material originated from Agellum. Such unapproved instances include the following:

1. Not identifying yourself by your name, and as a Rep, on business cards, signs, and stationery—you must always use the title “Independent Business Owner”.
2. Using the Agellum trade name, or its telephone or fax numbers in the white or yellow page sections of a telephone book, on the Internet, or in electronic communications.
3. Using the Agellum trade name or any of its trademarks on any Rep business or personal checking accounts—Reps may imprint their Agellum business checks as being a "Rep and Representative of Agellum Products."
4. Answering the telephone, voice mail, or electronic communications, etc., by saying or stating, "Agellum" or in any other manner that would lead the recipient to believe that he/she has reached the corporate offices of Agellum or reached a representative of Agellum. (Reps are representatives of Agellum *product*, but not representatives of Agellum *corporate*.)
5. Using an unapproved domain/page name on any Internet website (including Internet social media or networks) that uses any trademark of Agellum.

## **7.7 - Rep Websites and Domain Names**

If a Rep desires to utilize an Internet website to promote his/her business, he/she may do so through Agellum’s official website or their personal Agellum website. Alternatively, Reps may develop their own website and banner ads separate from those offered by Agellum. Reps who develop or publish such material must receive written approval from Agellum prior to their public availability, or access through the Internet. Failure to obtain approval constitutes a material and substantial breach of these Policies and Procedures. The exceptions are those web sites that contain only information that comes from official company developed and maintained web sites, brochures and other company produced materials developed for marketing purposes.

Agellum will not allow the use of its trade names or trademarks or designs, or symbols by any person, including Agellum Reps, without its specific prior, written permission. Reps may only use the Independent Agellum Rep logo developed by Agellum and available for license to Reps for their use as an Rep, if they desire.

You are welcome to promote the URL of your personal replicated site ([www.agellumlife.com/yourname](http://www.agellumlife.com/yourname) ), which is provided by Agellum upon your enrollment as part of your Rep Kit.

## **7.8 - Website Plagiarism**

When creating digital marketing materials (including any blog posts, etc.), please adhere to standard copyright policies. Specifically, copying and reproducing any content that was not personally produced by the Rep is considered plagiarism. Agellum requires that appropriate authorship credit must be made. Exceptions are made for information that comes from official company developed and maintained web sites, brochures and other company produced materials

developed for marketing purposes.

## 7.9 - Social Networks

When participating in social media, such as but not limited to online blogs, forums, wikis, Facebook, YouTube, Twitter, LinkedIn, and any other sites, Reps may promote or make claims or promotions about the Agellum product, representative opportunity, or Agellum products **as long as** such claims and promotions are approved in advance as required by these Policies and Procedures. The exceptions are those social networking sites that contain only information that comes from official company developed and maintained web sites, brochures and other company produced materials developed for marketing purposes.

When using social media, Reps cannot set up a social media page, group, username, or any other type of account or site that contains any trade name or trademarks of Agellum. No Rep is authorized as a representative of Agellum, but rather, Reps are a representative of Agellum's products. All independent sites may display the Agellum Rep logo in a prominent position on the page if possible and provide a clear disclaimer that the site is operated independently by a Rep; the Rep logo is located in the resource section of your back office. Additionally, the site may link back to Agellum's page of the same social media type (i.e. Facebook page links to Agellum's Facebook page, etc.) For examples of social media compliance help, please see our marketing downloads section in the Back Office.

If a Rep cancels their Agreement with Agellum, the Rep must remove all association with Agellum from all independent pages within 5 business days.

## 7.10 - Search Engine Marketing

Reps wishing to engage in search engine marketing to drive traffic to their approved Rep websites may do so provided they do not use any of Agellum's trade names or trademarks as search terms, meta tags, or key words. No deceptive or misleading terms, such as "direct site," "official site," "official Agellum website," etc., may appear in any enrollment links or ads of a Rep displayed on any search results page.

## 7.11 - Media Inquiries

All media inquiries regarding Agellum, its business, products, services, and personnel should be immediately referred to Agellum at [marketing@agellumlife.com](mailto:marketing@agellumlife.com) to its internal staff and professional representatives at the corporate level. Misrepresentations to the media, of any nature could harm Agellum as well as the business of all Reps. Consequently, **no Rep is authorized to represent Agellum** before the media, including to news organizations, whether print, broadcast, or Internet-based. Any interview with the media must be approved and supervised by Agellum.

## 7.12 - Press Releases

Since press releases in any form are considered a significant form of media inquiry, no Rep can create or issue their own press releases in any capacity on any website or through any media. A Rep may refer to the official Agellum press releases in their personal blogs, social media sites, or as handouts if they: (1) do not imply authorship of the press release, (2) do not change any information in the original release, and (3) link/cite the Internet location of the press release. Press

releases are the property of Agellum and any unauthorized use of press release content without source attribution is plagiarism.

### **7.13 - Unsolicited Communication**

Except as provided in this section, no Rep may: (1) call someone whose telephone number is listed in the federal “do not call” registry, (2) transmit unsolicited faxes, (3) telemarketing without full compliance with all applicable state telemarketing laws, including script registration, (4) send unsolicited emails (spamming). The terms “unsolicited phone calls,” “unsolicited faxes” and “unsolicited email” mean the communication via telephone, facsimile or electronic mail, respectively, to anyone who has not directly requested information from you or “opted in” to receiving more information about Agellum or more information about a business opportunity in general. Content of these solicitations include any material or information advertising or promoting Agellum, its products, its Compensation Plan, or any other aspect of Agellum. The Federal Trade Commission and the Federal Communications Commission each have laws that govern unsolicited communications that carry significant penalties. State laws also regulate telemarketing.

### **7.14 - Agellum Corporate Communication**

By submitting a Rep Application and Agreement to Agellum, applicants and subsequent Reps, grant permission to Agellum to contact them by telephone, email, and/or fax to promote the sale of Agellum products, to promote the Agellum product representative opportunity, and to communicate with Reps relative to their Rep business.

### **7.15 - Unauthorized Product Claims**

Except for information contained in official Agellum literature, Reps may not make any claims as to any therapeutic, curative, or beneficial properties of any products offered by Agellum. No Rep may make any claim that Agellum products are useful in the cure, treatment, diagnosis, mitigation or prevention of any diseases. Such statements might be perceived as inappropriate medical or drug claims. Not only do such claims violate Agellum policies, but they potentially violate federal and state laws and regulations, including the federal Food, Drug, and Cosmetic Act, and Federal Trade Commission Act.

### **7.16 - Unauthorized Income Claims**

In their enthusiasm to enroll a prospective Rep, some Reps are occasionally tempted to make income claims or earnings representations to demonstrate the inherent power of network marketing. This is counterproductive because new Reps may become disappointed quickly if their results are not as extensive or as rapid as the results represented. Agellum believes the Agellum income potential for Reps is generous enough to be highly attractive, without reporting the actual earnings of others.

The Federal Trade Commission and several states have laws or regulations that regulate or even prohibit certain types of income claims and testimonials made by persons engaged in network marketing. While Reps may believe it to be beneficial to provide copies of checks, or to disclose the earnings of themselves or others, such approaches may have legal consequences that negatively impact Agellum as well as the Rep involved, unless appropriate disclosures required by law are also made contemporaneously with any income claim or earnings representation. Because no Rep

has all the data necessary complete and accurate enough to comply with the legal requirements for making income claims, no Rep may, when presenting or discussing the Agellum opportunity or Agellum Compensation Plan to a prospective Rep, make income projections, income claims, or disclose his/her own Agellum income (including the showing of checks, copies of checks, bank statements, or tax records).

### **7.17 - International Marketing**

Because of critical legal and tax considerations, Agellum must limit the resale of Agellum, products, and the presentation of Agellum to prospective customers and Reps located within the United States and U.S. Territories, and those other countries that Agellum has announced are officially opened for business. Moreover, allowing any Rep to conduct business in a market not yet opened by Agellum would violate the concept of affording every Rep the equal opportunity to expand internationally.

Agellum shall hold each Rep personally liable for losses related to illegal business activities in unauthorized markets, and Reps agree to indemnify Agellum and Agellum's directors, officers, employees, and agents, and hold them harmless from any and all liability including judgments, civil penalties, refunds, damages, attorney fees, court costs, or lost business incurred by Agellum as a result of an Reps unauthorized violation of this policy. This provision shall survive the termination of the Rep Application and Agreement.

Accordingly, Reps are authorized to sell Agellum products and enroll Customers or Reps only in the countries in which Agellum is authorized to conduct business, as announced in official Agellum literature. Agellum products or sales tools and promotional materials cannot be shipped into or sold in any foreign country. Reps may give, transfer, or distribute Agellum products or sales aids only in their approved home country *with approved advertising content, mediums, and means*.



## **SECTION 8 - REP RESPONSIBILITIES AND RESTRICTIONS**

### **8.1 - Downline Activity (Genealogy) Reports**

Downline Activity Reports are available for Rep access and viewing at Agellum's official web site. Each Rep's access to their Downline Activity Reports is password protected. **All Downline Activity Reports and the information contained therein are confidential and constitute proprietary information and business trade secrets belonging to Agellum.** Downline Activity Reports are provided to Reps in strictest confidence and are made available to Reps for the sole purpose of assisting Reps in working with their respective Downline Organizations in the development of their Agellum business. Downline Activity Reports are believed to be complete and accurate, but that is not guaranteed by Agellum. Reps may use their Downline Activity Reports to assist, motivate, and train their downline Reps. But for each Rep's agreement to keep the Downline Activity Report confidential and not disclose it, Agellum would not provide Downline Activity Reports to the Rep. A Rep shall not, on his/her own behalf, or on behalf of any other person, partnership, association, corporation or other entity:

- Directly or indirectly disclose any information contained in any Downline Activity Report to any third party;
- Directly or indirectly disclose the password or other access code to his/her Downline Activity Report;
- Use the information to compete with Agellum or for any purpose other than promoting his/her Agellum business; or

Upon demand by Agellum, any current or former Rep will return the original and all copies of Downline Activity Reports to Agellum.

### **8.2 - Change of Address, Telephone, and E-Mail Addresses**

To ensure timely delivery of products, support materials, and commissions, it is essential that Agellum's contact information for all Reps be current. Reps planning to change their e-mail address or to move must send their new address, and telephone numbers, to Agellum's Corporate Offices to the attention of the Agellum Corporate Backup Support at [support@agellumlife.com](mailto:support@agellumlife.com). To guarantee proper delivery, two weeks' advance notice should be provided to Agellum for all changes.

### **8.3 - Changes to a Business Entity**

Each Rep must immediately notify Agellum of any changes to name, type, ownership or control of the business entity they utilize in operating their Rep business, and the addition or removal of its business associates. Such changes may not be made until approved.

### **8.4 - Sale, Transfer, or Assignment of Agellum Business**

Although an Agellum business is a privately owned and independently operated business, the sale, transfer or assignment of an Agellum business is subject to certain limitations. If a Rep wishes to sell his/her Agellum Rep business, the following criteria must be met:

- a) Protection of the existing line of enrollment must be maintained so that the Rep business continues to be operated in that line of enrollment.
- b) If the buyer is an active Rep, he/she must first terminate his/her Agellum business and wait six calendar months before acquiring any interest in a different Agellum business.
- c) Before the sale, transfer or assignment can be finalized and approved by Agellum, any debt obligations the selling Rep has with Agellum must be satisfied.
- d) The selling Rep must be in good standing and not in violation of any of the terms of the Agreement to be eligible to sell, transfer, or assign an Agellum business.
- e) Agellum must approve any sale or transfer in writing and such approval will not be unreasonably withheld but may be subject to some delay in approval. Plan accordingly.
- f) Sale or transfer of an Agellum business that has not achieved and maintained the level “Trainer” and above for the previous 6 months may not include position in Team (binary) Tree. Sale and Transfer may result in only Sponsor tree and may require a new position to be placed in the Team (binary) Tree. This is to ensure that no one is holding spots for future transfer in the Team (binary) Tree.

Prior to selling an Agellum business, the selling Rep must notify Agellum’s Compliance Department in writing of his/her intent to sell the Agellum business. No changes in line of enrollment can result from the sale or transfer of an Agellum business.

### **8.5 - Acquisitions**

Any Rep desiring to acquire an interest in another independent business must first terminate his/her independent business and wait for six (6) calendar months before becoming eligible for such a purchase or partnership arrangement. All such transactions must be fully disclosed to Agellum and must be approved by Agellum in advance.

### **8.6 - Succession**

Upon the death, disability, or incapacity of a Rep, the Reps business shall pass to successors in interest as provided by law. However, Agellum will not recognize such a transfer unless and until the successor in interest has submitted an approved Rep Application and Agreement, and Succession Agreement form, together with certified copies of the death certificate and will, trust, or other appropriate instrument. The successor shall thereafter be entitled to the rights and be subject to the obligations applicable to a Rep. A successor shall not be required to surrender any pre-existing Agellum business of their own established prior to succession nor shall a pre-existing Agellum business interfere with succession in any way.

### **8.7 - Transfer of Enroller**

Although strongly discouraged and seldom permitted, a Rep may transfer to a different enroller by the following means:

When the transfer is within the same upline and downline organization AND the transfer is requested within 7 days of the application, the following signatures are required: requesting Rep, original enroller, and requested new enroller.

When the transfer is outside the same upline and downline organization, the signatures of all affected upline Reps must also be submitted. These signatures must have statements indicating that each affected party understands and consents to the transfer. Any request for transfer of enroller must be first submitted to Agellum in writing explaining the specific reasons for the requested transfer.

All transfers of enroller require the final approval of Agellum in its discretion, whose decision, if granted, will apply only to the Rep making the request and not to any downline organization. To transfer the organization intact, signatures and the Rep ID numbers of each person in the downline must appear in the document approved by the upline.

### **8.8 - Misplacement**

A request for change of placement must be submitted prior to the first commission run following any product purchase of any kind that prompts a commission payment and must be requested by the current listed Enroller. A Rep can only be moved inside the same Enroller's organization. If approved, a Rep will be placed in the first available open bottom position the date the change is made. A Rep that has earned a commission or achieved rank is not eligible for placement changes. Please note that decisions made for any change request are at the sole discretion of Agellum and rarely approved.

### **8.9 - Cancellation and Reapplication**

A Rep may legitimately change organizations by voluntarily canceling his/her Agellum business, and remaining inactive (*i.e.*, no sales of Agellum products, no enrolling, no attendance at any Agellum functions, participation in any other form of Rep activity, or operation of any other Agellum business) for six (6) months thereafter. Following the six-month period, the former Rep may reapply under a new Enroller, however, the former Reps downline will, of course, remain in its original line of enrollment. Agellum will consider waiving the six-month waiting period only under exceptional circumstances. Such requests for waiver must be submitted to Agellum in writing and are subject to its sole discretion.

### **8.10 - Actions of Household Members or Individuals**

If any member of a Reps immediate household engages in any activity which, if performed by the Rep, violates any provision of the Agreement, such activity will be deemed a violation by the Rep and Agellum may take appropriate disciplinary action, in its discretion, against the Reps and any associated Reps who are members of the same household. Similarly, if any individual associated in any way with a corporation, partnership, LLC, trust or other entity violated the Agreement, such action(s) will be deemed a violation by the entity, and Agellum may take disciplinary action against the entity.

### **8.11 - Marriage**

If two Agellum Reps marry, both husband and wife may continue to operate their existing Independent Business.

### **8.12 - Separation of an Agellum Business**

Agellum Reps sometimes operate their Agellum businesses as husband-wife partnerships, regular partnerships, corporations, LLCs, or trusts. If the marriage ends in divorce or if the entity is

dissolved, then arrangements must be made to assure that any separation or division of the business does not adversely affect the interests and income of other Reps up or down the line of enrollment. If the separating parties fail to provide for the best interests of other Reps and Agellum in a timely fashion, Agellum may transfer the case to an approved mediator for determination.

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

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

Under no circumstances will the downline organization of divorcing spouses, or of a dissolving business entity, be divided. Similarly, under no circumstances will Agellum split commission and bonus checks between divorcing spouses or owners of a dissolving entity. Agellum will recognize only one downline organization and will issue only one commission check per Rep business, per commission cycle. Commission shall always be issued payable to the name of the same individual or entity. If the parties to a divorce or entity dissolution proceeding are unable to resolve a dispute over the disposition of commissions and ownership of the business in a timely fashion as determined by Agellum, the Rep Agreement may be involuntarily canceled by Agellum.

If a former spouse has completely relinquished all rights in the original Agellum business pursuant to a divorce, he/she is thereafter free to enroll under any enroller of his/her choosing without waiting six calendar months. In the case of a business entity’s dissolution, the former partner, shareholder, member, or other owner of the entity who retains no interest in the original business, must still wait the six (6) months from the date of the final dissolution before re-enrolling as an Rep. In either case however, the former spouse or entity associate shall have no rights to any downline in their former organization, or to any former retail customers. They must develop the new business in the same manner as would any other new Rep. Customers, however, are free to do business with any Rep or Reps they choose.

### **8.13 - Non-solicitation**

Agellum Reps are free to participate in other multi-level, network marketing, Home based business ventures or marketing opportunities (collectively “network marketing”). Rep may solicit any Agellum Rep or customer for another network marketing business if they are not using genealogies and information provided to the former Rep from the back-office or others means from Agellum.

### **8.14 - Reporting Policy Violations**

Any Rep becoming aware of a violation of these Policies and Procedures by another Rep should submit a written report of the violation directly to the attention of the Agellum Compliance

Department ([compliance@agellumlife.com](mailto:compliance@agellumlife.com)). Details of the incidents such as dates, number of occurrences, persons involved, and any supporting documentation should be included in the report.

### **8.15 - Targeting Other Direct Sellers**

Agellum does not condone Reps specifically or consciously targeting the sales force of another network marketing organization to sell Agellum products, or to become Reps of Agellum, nor does Agellum condone any Rep soliciting or enticing members of the sales force of another network marketing organization to violate or alter the terms of their contract with such other entity. If any Rep engages in such activity, the Rep may risk being sued by the other network marketing company. If any lawsuit, arbitration or mediation is brought against a Rep alleging that he/she engaged in inappropriate recruiting activity of a network marketing company's sales force or customers, Agellum will not pay any of that Reps defense costs or legal fees, nor will Agellum indemnify the Rep for any judgment, award, or settlement. Rather, the facts may expose the Rep to termination as an Agellum Rep.

### **8.16 - Pirating**

Actual or attempted pirating is strictly prohibited. "Pirating" includes enrolling or attempting to enroll an individual or entity as a Rep who already has a current Rep Agreement with Agellum, or who has had such an agreement within the preceding six (6) months, with a different line of sponsorship. The use of a spouse or relative's name, trade names, DBAs, assumed names, corporations, partnerships, trusts, federal ID numbers, or fictitious ID numbers to circumvent this policy is prohibited, and grounds for termination as a Rep.

No Rep may demean, discredit, disparage, or otherwise speak ill of other Agellum Reps to entice others to become part of their organization. No Rep may solicit or intentionally interfere with another Reps customer(s) to encourage them to join or purchase from their organization. Upon leaving or terminating as a Rep, voluntarily or involuntarily, the Rep may not pirate or solicit other Reps for at least six (6) months, or they may be liable in tort or other laws for such conduct.

If pirating is discovered, it must be promptly brought to Agellum's attention. Agellum may take disciplinary action against the Rep that changed organizations and/or any Rep who encouraged or participated in the Pirating. Agellum may also move all or part of the offending Reps downline to the original downline organization if Agellum deems it appropriate, equitable and feasible to do so. However, Agellum is under no obligation to move the pirated Reps downline organization, and the ultimate disposition of the organization remains within the sole and exclusive discretion of Agellum. Reps waive all claims and causes of action against Agellum arising from or relating to the disposition of pirated downline.

### **8.17 - Non-disparagement of Agellum**

Agellum wants to provide its Reps with the best products, Compensation Plan, and service in the industry. Accordingly, Agellum values constructive criticisms and comments. All such comments should be submitted in writing to the Compliance Department ([compliance@agellumlife.com](mailto:compliance@agellumlife.com)) . Remember, to best serve you, we must hear from you! While Agellum welcomes constructive input, negative comments and remarks made in the field (including social media) by Reps about Agellum, its products, or Agellum Compensation Plan serve no purpose other than to sour the

enthusiasm of other Agellum Reps. For this reason, and to set the proper example for downline, except for private statements directly to Agellum, no Rep may disparage, demean, or make negative remarks about Agellum, other Agellum Reps, Agellum's products, the Agellum Compensation Plan, customers, or Agellum's directors, officers, or employees. Agellum Reps agree that for two years after the cancellation/termination of their distributorship they are bound to this non-disparagement provision.

### **8.18 - Expenses**

All expenses arising from any Reps business operations are the sole responsibility of the Rep, including, but not limited to legal costs, telephone expenses, advertising, travel, event participation, and the like.

### **8.19 - Shipping**

Agellum currently ships product to all 50 U.S. states. Check Back Office shopping cart for current shipping rates.

## RECLASSIFICATION AND TERMINATION

### **8.20 - Effect of Termination**

So long as a Rep remains in good standing and complies with the Rep Agreement and these Policies and Procedures, Agellum shall pay commissions to the Rep as provided in the Agellum Compensation Plan. A Rep's bonuses and commissions constitute the entire consideration for the Rep's efforts in generating sales of product, and all activities related to recruiting Reps (including building a downline organization). Following a Rep's voluntary or involuntary termination of his/her Rep Agreement (all of these methods are collectively referred to as "termination"), the former Rep shall have no right, title, claim or interest to the marketing organization which he/she operated, or to any commission or bonus from the sales generated by the organization.

If a Rep is terminated, effective with such termination, the Rep loses all rights to any bonuses, and all other benefits associated with the activities of the Rep. A Rep who is terminated loses all rights as a Rep (except the right to appeal the termination, as provided in this Agreement). This includes the right to sell Agellum products and services and the right to receive future commissions, bonuses, or other income resulting from the sales and other activities of the Rep's former downline sales organization. **Upon termination, each Rep hereby irrevocably and forever waives any rights they may have, or may have had, including but not limited to property rights, to their former downline organization and to any bonuses, commissions or other remuneration derived from the sales and other activities of his/her former downline organization.**

### **8.21 - Voluntary Termination**

A Rep may voluntarily terminate his/her Rep status by sending a written notice to the Agellum Compliance Department that he/she is terminating his/her Rep Agreement. Voluntary termination is effective upon receipt of such notice by Agellum, or with the approval of Agellum, at a future date specified in the notice of termination. Notification of the voluntary termination may be forwarded to affected parties. A Rep who voluntarily terminates his/her Rep Agreement may reapply after waiting six (6) months.

### **8.22 - Involuntary Termination**

A Rep may be terminated or suspended for materially violating this Rep Agreement, including any material violation of these Policies and Procedures. Agellum may suspend a Rep who is in violation of this Agreement while serving the Rep with notice of cause or citing instance(s) of the violation(s). If a satisfactory explanation, defense, or remedy is not provided in writing by the Rep within 15 days from such notice, termination will become effective with the final decision of Agellum, including with retroactive effect to the date of suspension. Notice of the decision will be sent to the violating Rep's address of record with Agellum. In instances where applicable state law is inconsistent with the foregoing, the procedure shall be automatically adjusted to obtain compliance. An involuntarily terminated Rep may not make application to Agellum for a period of six (6) months following the effective date of termination. In addition to termination, Agellum is entitled to take legal action against any terminated Rep for any damages provided by law.

If it comes to Agellum's attention after accepting and Rep application, that a person did not meet the eligibility criteria to become a Rep, as outlined in this Agreement, they will be terminated immediately, and potentially retroactively.

### **8.23 - Appeal**

An involuntarily terminated Rep may appeal the termination by submitting a letter of appeal to Agellum, stating the grounds of the appeal. Any letter of appeal must be sent CERTIFIED U.S. MAIL RETURN RECEIPT REQUESTED, ACCEPTING SIGNATURE REQUIRED, addressed "Attention Agellum – Appeal" and must be received by Agellum within thirty days of the date of mailing of Agellum's termination notice. If Agellum has not received a letter of appeal by that deadline, the involuntary termination shall automatically become final.

If a Rep files a timely appeal, Agellum may, at its sole discretion, select an appeals committee consisting of Reps who are unrelated to the incident, and they, in conjunction with company management, shall review and reconsider the termination and notify the Rep of their decision. The decision of Agellum shall be final and subject to no further appeal or review. If the appeal is denied, the termination shall remain in effect as of the date of Agellum's original termination notice.

### **8.24 - Effect of Suspension**

If Agellum deems it necessary to suspend a Rep, such suspension could mean that the Rep may not have the right to represent him/herself as a Rep of Agellum and that any bonuses due will be held in abeyance pending resolution. Programs, services, and products may continue to be purchased by a suspended Rep.

A Rep whose business is terminated by Agellum under this provision, may not reapply to be an Rep for a minimum of six months. The new application requires consent of an authorized officer of Agellum.



## **SECTION 9 - DISPUTE RESOLUTION; DISCIPLINARY PROCEEDINGS**

### **9.1 - Disciplinary Sanctions**

Violation of these Policies and Procedures or the Rep Application and Agreement, any common law duty, including but not limited to any applicable duty of loyalty, or any illegal, fraudulent, deceptive, or unethical business conduct, or any act or omission by an Rep that, in the sole discretion of Agellum may damage its reputation or goodwill (such damaging act or omission need not be related to the Reps Agellum business), may result in one or more of the following corrective measures:

- Issuance of a written warning or admonition;
- Requiring the Rep to take immediate corrective measures;
- Imposition of a fine, which may be withheld from bonus or commission checks;
- Loss of rights to one or more bonus and commission checks;
- Withholding from a Rep all or part of the Reps bonuses and commissions during the period that Agellum is investigating any conduct allegedly in violation. If a Reps distributorship is canceled for a disciplinary reason, the Rep will not be entitled to recover any bonus or commissions withheld;
- Reassignment of all or part of the Reps marketing organization.
- Suspension of the Reps distributorship for one or more pay periods.
- Suspension and/or termination of the Reps website.
- Any other measure expressly allowed in these Policies and Procedures or the Rep Agreement, or which Agellum in its discretion deems practicable to implement and appropriate to equitably resolve injuries caused partially or exclusively by the Reps policy violation or contractual breach.
- Involuntary termination of the Rep as a representative of Agellum's products and services (see generally Section 9).
- In situations deemed appropriate by Agellum, Agellum may also institute legal proceedings for monetary damages and/or equitable relief.

Each Reps violation(s) are reviewed on a case-by-case basis, but similar violations by multiple Reps may be considered by Agellum for similar action or sanctions.

### **9.2 - Grievances and Complaints**

Only when a Rep has a grievance or complaint with another Rep regarding their respective Agellum businesses that involves interpretation or violation of any Agellum policy, it must be reported in writing to the Compliance Department at Agellum ([compliance@agellumlife.com](mailto:compliance@agellumlife.com)).

### **9.3 - Mediation**

Prior to instituting arbitration, the parties shall meet in good faith and attempt to resolve any dispute arising from or relating to the Agreement through non-binding mediation. One individual who is mutually acceptable to the parties shall be appointed as mediator. The mediator's fees and costs, as well as the costs of holding and conducting the mediation, shall be divided equally between the parties. Each party shall pay its portion of the anticipated shared fees and costs at least 10 days in advance of the mediation. Each party shall pay its own attorney's fees, costs, and

individual expenses associated with conducting and attending the mediation. Mediation shall be held in the city of San Antonio, Texas and shall last no more than two business days.

#### **9.4 - Arbitration**

If mediation is unsuccessful, any controversy or claim arising out of or relating to these Policies and Procedures, the Agellum Compensation Plan, or the Rep Agreement (collectively, the "Agreement") or any breach thereof, shall be settled by binding arbitration administered by the American Arbitration Association, under its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof.

If a Rep wishes to bring an action against Agellum for any act or omission relating to or arising from the Agreement, such action must be brought within 90 days from the date of the alleged conduct giving rise to the cause of action. Failure to bring such action within 90 days shall bar all claims by the Rep against Agellum for such act or omission. Each Rep waives all claims that might apply under any other statute of limitation.

All arbitration proceedings shall be held in San Antonio, Texas. The parties shall be entitled to all discovery rights allowed under the Federal Rules of Civil Procedure. No other aspects of the Federal Rules of Civil Procedure shall be applicable to the arbitration. There shall be one arbitrator, an attorney at law, who shall have expertise in business law transactions with a strong preference being an attorney knowledgeable in the direct selling industry, selected from the panel which the American Arbitration Panel provides. Each party to the arbitration shall be responsible for its own costs and expenses of the arbitration, including legal and filing fees. The decision of the arbitrator shall be final and binding on the parties and may, if necessary, be reduced to a judgment in any court of competent jurisdiction. The arbitrator may be required by either party to provide written reasons for the decision.

This requirement to arbitrate shall survive any termination or expiration of the Agreement. Nothing in the Agreement shall prevent Agellum from applying to and obtaining from any court having jurisdiction a writ of attachment, a temporary injunction, preliminary injunction, permanent injunction or other relief available to safeguard and protect Agellum's interests and intellectual property prior to, during or following the filing of any arbitration or other proceeding or pending the rendition of a decision or award in connection with any arbitration or other proceeding.

#### **9.5 - Limitation of Damages**

To the extent permitted by law, Agellum and its affiliates, officers, directors, shareholders, agents, attorneys, accountants, employees, and other representatives shall not be liable for, and each Rep hereby releases the foregoing from and waives, any claim for loss of profit, incidental, special consequential or exemplary damages which may arise out of any claim whatsoever relating to Agellum's performance, non-performance, act or omission with respect to the business relationship or other matters between the Rep and Agellum, whether sounding in contract, tort or strict liability. Furthermore, it is agreed that any damage to the Rep shall not exceed, and is hereby expressly limited to, the amount of Agellum products and/or services owned by the Rep, and payment of any commission and bonuses owed to the Rep.

## **SECTION 10 - GENERAL PROVISIONS**

### **10.1 - Entire Agreement**

These Policies and Procedures, Earning Plan, and the Rep Agreement, constitute the entire understanding and Agreement of the parties with respect to that subject matter. The Policies and Procedures, Earning Plan, and Rep Agreement may be amended at any time by any instrument in writing signed by an authorized officer of Agellum.

### **10.2 - Governing Law, Jurisdiction, and Venue**

Jurisdiction and venue of any matter shall reside in San Antonio, Texas. The laws of the State of Texas shall govern all other matters relating to or arising from the Agreement unless the laws of the State in which a Rep resides expressly require the application of the laws of that state.

### **10.3 - Infringement**

Agellum disclaims and excludes all warranties regarding possible infringement of United States, or foreign patent, trademark, trade name, copyright, or the like caused by the Reps actions. No Rep shall have any claim in connection therewith. Upon learning of any claim or suit relating to any of the matters discussed, the Rep shall immediately notify Agellum.

### **10.4 - Severability**

If under any applicable and binding law or rule of any applicable jurisdiction, any provision of the Agreement, including these Policies and Procedures, or any specification, standard or operating procedure which Agellum has prescribed is held to be invalid or unenforceable, Agellum shall have the right to modify the invalid or unenforceable provision, specification, standard or operating procedure, or any portion thereof to the extent required to be valid and enforceable. Each Rep shall be bound by any such modification. The modification will be effective only in the jurisdiction(s) in which it is required.

### **10.5 - Waiver**

Agellum never gives up its right to insist on compliance with these Policies and Procedures, the Rep Agreement, and all applicable laws governing the conduct of a business by its Reps. Failure by Agellum to exercise any right or power under the Agreement or to insist upon strict compliance by a Rep with any obligation or provision of the Agreement, shall not constitute a waiver of Agellum's right to demand exact compliance hereafter, nor shall any custom or practice of the parties that is at variance therewith constitute a waiver. Any waiver by Agellum of these Policies and Procedures or the Rep Agreement is only effective when in writing and signed by an authorized officer of Agellum, specifically waiving the policy or breach. Agellum's waiver of any particular policy or breach by a Rep shall not affect or impair Agellum's rights with respect to any subsequent breach, nor shall it affect in any way the rights or obligations of any other Rep, nor shall any delay or omission by Agellum in exercising any right arising from a breach affect or impair Agellum's rights as to that or any subsequent breach.

## **10.6 - Amendments**

Agellum reserves the right to amend these Policies and Procedures, its prices, product availability, formulation, and Compensation Plan, as it deems appropriate. Amendments will be posted online and any other means that Agellum deems appropriate. Amendments are effective and binding on all Reps as of the date they are issued. In the event of any conflict between these Policies and Procedures, the Rep Agreement, and any such, the amendment shall govern.

## **10.7 - Interpretation**

Whenever the context reasonably permits, the singular shall include the plural, the plural shall include the singular, and the whole shall include any part thereof. Words in any gender shall be deemed to include the other genders. This Agreement is written in, and shall be governed by, the English language. In the event of any conflict between this English language version of the Agreement and any translation of this Agreement, the English language version shall control. Any section, paragraph or other headings are for convenience of reference only and shall not affect the interpretation of this Agreement.

## **10.8 - No Government Endorsements**

International, U.S. Federal and State, and foreign regulatory agencies do not approve or endorse direct selling programs. Therefore, Reps may not represent or imply, directly or indirectly, that Agellum program has been approved or endorsed by any such governmental agency.