



Policies & Procedures Manual

Set forth below in this Policies and Procedures Manual (“Policy Manual”) are the corporate policies and procedures applicable to the Company’s relationship with its distributors (“Associates”).

SECTION ONE: ASSOCIATE

- 1.01 **Becoming an Associate.** An applicant becomes an Associate (“Associate”) of the Company when the applicant completes the online enrollment Application and Agreement (the “Agreement”), pays the one-time setup fee to enroll in myEcon’s Income Shifting Membership (ISM) and has his application accepted by the home office. The Company reserves the right to decline any Application for any reason. The setup fee activates Associate’s website and remains active for 30 days. In order to remain active the Associate understands he must pay a recurring website management and technology fee that can be paid monthly or quarterly. Failure to pay the subscription fee results in termination of Associate’s ISM, rights to bonuses and commissions, his or her associate organization, the ability to purchase products from the Company at wholesale prices and access to services in the myEcon Income Shifting Membership.
- 1.02 **No Other Purchase Required.** Except as set forth above, no purchase is required to become an Associate. Not applicable in North Dakota or other states prohibited by law.
- 1.03 **Associate Obligations and Rights.** Associates are authorized to sell the Company’s products and services and to participate in the Company’s Compensation Plan. Associates may sponsor new Associates.
- 1.04 **Legal Capacity.** Associate shall be of legal age and legal capacity to enter into a binding contract in the state of the Associate’s residence.
- 1.05 **Divorce.** When a couple sharing an Associate entity divorces or separates, the Company will continue to pay commission checks in the same manner as before the divorce or separation until it receives written notice notarized and signed by both parties or a court decree which specifies how future commission checks should be paid and, if applicable, provided the couple has complied with the requirements of Section 5.03.
- 1.06 **Corporations, Partnerships, and Trusts.** Corporations, partnerships, limited liability companies or other forms of business organizations and/or trusts may become Associates of the Company, however, the Company may request the following, to include, but not limited to:
- 1) Statement from the Internal Revenue Service (IRS) showing the business name and tax identification number.
 - 2) A complete list of the names of all owners.

The Company reserves the right, in its sole discretion to decline any Agreement or any renewal thereof for failure to provide the requested information.

- 1.07 **Fictitious and/or Assumed Names.** A person or entity may not apply as an Associate using a fictitious or assumed name.
- 1.08 **Independent Contractor Status.** An Associate is an independent contractor. Associate is not a franchisee, joint venture, partner, owner, employee or agent of the Company, and is prohibited from stating or implying, whether orally or in writing, otherwise. Associate has no authority to bind the Company to any obligation. The Company is not responsible for payment or co-payment of any employee benefits. Associate is responsible for liability, health, disability and worker's compensation insurance. Associate sets Associate's own hours and determines how to conduct Associate's Company business, subject to the Agreement and this Policy Manual.
- 1.09 **Taxation.** As an independent contractor, Associate will not be treated as a franchisee, partner, employee, or agent for federal or state tax purposes including, with respect to the Internal Revenue Code, Social Security Act, federal unemployment act, state unemployment acts, or any other federal, state, or local statute, ordinance, rule, or regulation. At the end of each calendar year, the Company may issue Associate IRS Form 1099 (if minimum commission earned by Associate meets the minimum amount required by law to be reported, as of the date of printing the minimum commission amount earned is \$600.00), or other applicable documentation required by law, for non-employee compensation of an Associate.
- 1.10 **Associate Identification Numbers.** Associate is required by federal law to obtain a Social Security Number or a Federal ID number, which must be included on the completed IRS Form W-9 before a commission will be issued. Upon submission of the online application, the Company immediately assigns a unique identification number referred to as an Econ Number ("E#"). The E # is used to track all business transactions with the company and is cross-referenced to the Associate's Social Security Number or Federal ID number. No person may use a Social Security Number or tax identification number more than one time when applying to become an Associate.
- 1.11 **Legal Compliance.** Associate shall comply with all federal, state and local statutes, regulations and ordinances concerning the operation of their business. Associates are responsible for their own managerial decisions and expenditures including all estimated income and self-employment taxes.
- 1.12 **No Exclusive Territories.** No franchise is granted and there are no exclusive territories for sales or sponsoring purposes. No geographical limitations exist on Associate sponsoring within the United States; provided, however, that the Company reserves the right not to sell product or services or contract with Associates in specified states within the United States.
- 1.13 **Right of Publicity.** Associate authorizes myEcon, Inc to use their name, photograph, personal story and/or likeness in the Company's advertising and/or promotional materials and waive all claims for remuneration for such use.

- 1.14 Limitation on Associate and Household Business.** An Associate may own, operate, control, or have an interest in only one (1) myEcon business.

SECTION TWO: TERM AND RENEWAL

- 2.01 **Term.** The Agreement shall have a term beginning on the date the online application is submitted and remain active for 30 days.
- 2.02 **Renewal.** In order to remain active, the Associate must pay a recurring website management and technology fee that can be paid monthly or quarterly. The fee must be paid via a monthly or quarterly automatic draft using a credit card or bank ATM card. Failure to pay this fee will result in termination of Associate's Income Shifting Membership, rights to personal bonuses and commissions on his or her Associates organization, the ability to purchase products from the Company at wholesale prices and access to services in the myEcon Income Shifting Membership (ISM). The company at its sole discretion may disallow any renewal.

SECTION THREE: SPONSORSHIP

- 3.01 **Sponsoring.** Associate may sponsor other Associates in the United States into the Company's business. A Sponsor shall ensure that each potential Associate has reviewed and has access to the current Policy Manual and Compensation Plan prior to or when signing a prospect to an Agreement. The current Policy and Procedures Manual and Compensation Plan are posted on the Associate's website. Although the Company will make a general announcement when changes occur, it is the Associate's responsibility to regularly check Associate website to ensure that Associate has the most recent revisions of both documents.
- 3.02 **Training Requirement.** A Sponsor shall maintain an ongoing professional leadership association with the sponsored Associate in the organization and shall fulfill the obligation of performing a bona fide supervisory, distributor or sales function in the sale or delivery of products and services.
- 3.03 **Income and Compensation Claims.** Associates shall truthfully and fairly describe the Compensation Plan. No past, potential or actual income claims may be made to prospective Associates. Associates may not make income projections, income claims, income testimonials, or disclose their myEcon income (including, but not limited to, the showing of checks, copies of checks, bank statements, or tax records), or the income of any other myEcon Associate. Nor may Associates make "lifestyle" income claims. A "lifestyle" income claim is a statement or depiction that infers or states that the Associate is able to enjoy a luxurious or successful lifestyle due to the income they earn from their myEcon business. Examples of prohibited lifestyle claims include, but are not limited to, representations (either through audio or visual medium) that an Associate was able to quit his/her job, acquire expensive or luxury material possessions, or travel to exotic or expensive destinations.

When presenting or discussing the myEcon Compensation Plan, you must make it clear to prospects that financial success in myEcon requires commitment, effort, and sales skill. Conversely, you must never represent that one can be successful without diligently applying themselves. Examples of misrepresentations in this area include, but are not limited to:

- a) It's a turnkey system;
- b) The system will do the work for you;
- c) Just get in and your downline will build through spillover;
- d) The Company does all the work for you; and
- e) All you have to do is buy myEcon products/services every month.

The above are just examples of improper representations about the Compensation Plan. It is important that you do not make these, or any other representations, that could lead a prospect to believe that they can be successful as an Associate without commitment, effort, and sales skill. The Company reserves the right to determine what it considers an inappropriate income or Compensation Plan claim and discipline the offender accordingly.

3.04 Tax Incentive or Write-Off Claims. Although owning and operating a home-based business can provide the opportunity for Associates to take legitimate deductions for their business on their income tax return, there are numerous laws regarding the allowable deductions. myEcon Associates must not make any tax write-off or potential tax savings claims related to myEcon to potential prospects but may encourage a prospect or myEcon Associate to seek the advice of a professional tax advisor regarding allowable deductions.

3.05 Transfer of Sponsorship. Transfer of a Sponsorship is prohibited and not allowed.

SECTION FOUR: RESIGNATION/TERMINATION

4.01 Voluntary Resignation.

- a) An Associate may voluntarily terminate Associate's status by completing the "Cancellation Form" in the "My Account" section of the Associate's website. Voluntary resignation is effective immediately upon submitting the online request.
- b) An Associate who voluntarily resigns or terminates Associate's status may reapply as an Associate at an entry-level position six (6) months after resignation.
- c) When an Associate voluntarily terminates the Agreement, Associate's sales network shall not roll up.

4.02 **Suspension.** An Associate may be suspended for violating the terms of the Entire Agreement, which includes the Terms of Application and Agreement, the Policy Manual, the Compensation Plan and any amendment thereto. When a decision is made to suspend an Associate, the Company will inform the Associate in writing that the suspension has occurred effective as of the date of the written notification, the reason for the suspension and the steps necessary to remove such suspension (if any). The suspension notice will be sent to Associate's address on file with the Company pursuant to the notice provisions contained in the Policy Manual. Such suspension may or may not lead to termination of Associate's distributorship as so determined by the Company in its sole discretion. If Associate wishes to appeal, the Company shall receive such appeal in writing within fifteen (15) days from the date of the suspension notice. The Company will review and consider the suspension and notify Associate in writing of its decision within thirty (30) days from the date of the suspension notice. The decision of the Company will be final and subject to no further review. The Company may take certain action during the suspension period, including, but not limited to, the following:

- a) Prohibiting Associate from holding Associate out as an Associate of the Company or using any of the Company's proprietary marks and/or materials;
- b) Withholding commissions and bonuses due Associate during the suspension period;
- c) Prohibiting Associate from accessing his/her myEcon Associate website and Business Management Center.
- d) Prohibiting Associate from sponsoring new Associates, contacting current Associates or attending meetings of Associates.

If the Company, in its sole discretion, determines that the violation which caused the suspension is continuing, that it has not satisfactorily been resolved or a new violation involving the suspended Associate has occurred, the suspended Associate may be terminated.

4.03 **Termination.** An Associate may be terminated for violating the terms of the Agreement, which includes this Policy Manual, the Compensation Plan and other documents produced by the Company. The Company may terminate a violating Associate without placing the Associate on suspension, in the Company's sole discretion. When the decision is made to terminate an Associate, the Company will inform Associate in writing at the address in Associate's file that the termination has occurred effective immediately.

4.04 **Appeal.** If an Associate wishes to appeal the termination, the Company shall receive the appeal in writing within fifteen (15) days from the date of notice of termination. If no appeal is received within the fifteen (15) day period, the termination will automatically be deemed final. If an Associate files a timely notice of appeal, the Company will review the appeal and notify Associate of its decision within ten (10) days after receipt of the appeal. The decision of the Company will be final and subject to no further review. In the event

the termination is not rescinded, the termination will remain effective as of the date stated in the original termination notice.

- 4.05 **Effect of Termination.** Immediately upon termination, the terminated Associate:
- a) Shall remove and permanently discontinue the use of the trademarks, service marks, trade names and any signs, labels, stationary or advertising referring to or relating to any Company product, plan or program;
 - b) Shall cease representing Associate as a distributor of the Company;
 - c) Shall lose all rights to Associate's distributorship and position in the Compensation Plan and to all future commissions and bonuses resulting there from; and
 - d) Shall lose access to Associate's myEcon Associate website;
 - e) Shall take all action reasonably required by the Company relating to protection of its confidential information.

The Company has the right to offset any amounts owed by an Associate to the Company including, without limitation, any indemnity obligation incurred pursuant to Section 11.01 herein, from commissions or other bonuses due to Associate.

- 4.06 **Reapplication.** The acceptance of any reapplication of a terminated Associate or the application of any spouse or dependent child of a terminated Associate shall be in the sole discretion of the Company and may be denied.
- 4.07 **State Laws.** Associates must not engage in any act or omission that constitutes a violation of the law. Associates shall comply with all federal, state, and local laws and regulations in conducting myEcon business. Some cities and counties have laws regulating certain home-based businesses. In most instances, these ordinances do not apply to Associates because of the nature of the myEcon business. However, you should check your local laws and obey any laws that may apply.

SECTION FIVE: TRANSFERABILITY

- 5.01 **Acquisition of Business.** Any Associate desiring to acquire an interest in another Associate's business outside of their current downline, shall first terminate Associate's status and wait three (3) months before becoming eligible for such a purchase. All such transactions shall be fully disclosed to the Company and shall be approved by the Company in advance.
- 5.02 **Transfers to Associates.** Except as expressly set forth herein, Associate may not sell, assign or otherwise transfer distributorship, or rights thereto, to another Associate or to an individual who has an interest in an Associate's entity. Notwithstanding the foregoing, an

Associate may transfer the Associate's entity to Associate's sponsor, subject to the conditions of Sections 5.03 a, b, c, d, and e.

5.03 **Conditions to Transferability.** An Associate may not sell, assign or transfer Associate's distributorship (or rights thereto) without the prior written approval of the Company and any such transfer is subject to the following conditions:

- a) The selling Associate must be in good standing and not in violation of any of the terms of the Agreement in order to be eligible to sell, assign or transfer a myEcon distributorship.
- b) The Company possesses the right of first refusal with the respect to any sale, assignment or transfer of any distributorship. An Associate wishing to sell, assign or transfer the distributorship shall first provide the Company with the right and option to make such a purchase or receive such transfer in writing on the same terms and conditions as any outstanding or intended offer. The Company will advise Associate within ten (10) business days after receipt of such notice of its decision to accept or reject the offer. If the Company fails to respond within the ten (10) day period or declines such offer, Associate may make the same offer or accept any outstanding offer which is on the same terms and conditions as the offer to the Company to any person or entity who is not an Associate or who has any interest in a myEcon distributorship.
- c) The selling Associate shall provide the Company with a copy of all documents which detail the transfer, including, without limitation, the name of the purchaser, the purchase price and terms of purchase and payment;
- d) A transfer fee of \$100.00 shall accompany the notarized Business Transfer Form;
- e) The documents shall contain a covenant made by the selling Associate for the benefit of the proposed purchaser not to compete with the purchaser or attempt to divert or sponsor any existing Associate for a period of one (1) year from the date of the sale or transfer; and
- f) Upon a sale, transfer or assignment being approved in writing by the Company, the buying Associate shall assume the position of the selling Associate and shall execute a current Agreement and all such other documents as may be reasonably required by the Company.

The Company reserves the right, in its sole discretion, to stipulate additional terms and conditions prior to approval of any proposed sale or transfer. The Company reserves the right to disapprove any sale or transfer.

5.04 **Circumvention of Policies.** If it is determined, in the Company's sole discretion, that an Associate entity was transferred in an effort to circumvent compliance with the Agreement, the Policy Manual or the Compensation Plan, the transfer will be declared null and void and the distributorship will revert back to the transferring Associate, who will be treated as

if the transfer had never occurred from the reversions day forward. If necessary, and in the Company's sole discretion, appropriate action, including, without limitation, termination, may be taken against the transferring Associate to ensure compliance with the Agreement and the Policy Manual.

- 5.05 **Succession.** Notwithstanding any other provision of this Section, upon the death of an Associate, Associate's distributorship will pass to his or her successors in interest as provided by law. However, the Company will not recognize such a transfer until the successor in interest has executed a current Agreement, notarized Business Transfer Form and submitted certified copies of the death certificate, will, trust, or other instrument required by the Company. The successor will thereafter be entitled to all rights and be subject to all the obligations of a Company Associate.
- 5.06 **Reentry.** Any Associate who transfers his or her distributorship shall wait three (3) months after the effective date of such transfer before becoming eligible to reapply to become an Associate.

SECTION SIX: PROPRIETARY INFORMATION

- 6.01 **Confidentiality Agreement.** During the term of the Agreement, the Company may supply to Associate confidential information, including, but not limited to genealogical and downline reports, customer lists, customer information developed by the Company or developed for and on behalf of the Company by Associates, (including, but not limited to, credit data, customer and Associate profiles and product purchase information), Associate lists, manufacturer and supplier information, business reports, commission or sales reports and such other financial and business information which the Company may designate as confidential. All such information (including information in written or electronic form, as well as unwritten information simply remembered) is proprietary and confidential to the Company and is transmitted to Associate in strictest confidence on a "need to know" basis for use solely in Associate's business with the Company. Associate shall use Associate's best efforts to keep such information confidential and shall not disclose any such information to any third party, directly or indirectly. Associate shall not use the information to compete with the Company or for any purpose other than promoting the Company's program and its products or services. Upon expiration, non-renewal or termination of the Agreement, Associate shall discontinue the use of such confidential information and promptly return any confidential information in Associate's possession to the Company. This restriction will continue to apply after termination of Associate's distributorship, but, to the extent any information protected as confidential is not recognized as a trade secret under applicable law, this restriction will apply to that part of the confidential information for only two (2) years after such termination. An Associate is forever banned from disclosing trade secrets.
- 6.02 **Copyright Restrictions.** With respect to product purchases from the Company, Associate shall abide by all manufacturers' use restrictions and copyright protections.
- 6.03 **Vendor Confidentiality.** The Company's business relationships with its vendors, manufacturers and suppliers are confidential. Associates shall not contact, directly or

indirectly, or speak to or communicate with any supplier or manufacturer of the Company except at a Company-sponsored event at which the supplier or manufacturer is present at the request of the Company.

- 6.04 **Violation of Section Six.** Any violation of this Section shall cause myEcon irreparable harm for which there is no adequate remedy at law. The parties further agree that the harm to myEcon shall outweigh any harm to Associate if injunctive relief is awarded to the Company. myEcon shall therefore be entitled to immediate and permanent equitable relief to prevent further violations of this Section.

SECTION SEVEN: TRADEMARKS, LITERATURE, AND ADVERTISING

- 7.01 **Trademarks.** The Company's name trademarks, service marks and copyrighted materials are owned by the Company. The use of such marks and materials shall be in strict compliance with this Policy Manual. The use of the company's name in any way (including but not limited to; in a business name, email address, internet domain name, sub-domain name, telephone number or in any other address or title) is strictly prohibited. Associates are prohibited from creating domain names similar to the myEcon name and/or slogans and/or any myEcon products or services names. Associates are prohibited from creating domain names that are similar to and/or include the names of myEcon Affiliate partner domain names or products and services.
- 7.02 **Advertising and Promotional Materials.** Only the promotional and advertising materials produced by the Company or approved in advance in writing by the Company may be used to advertise or promote an Associate's Company business or to sell products and services of the Company. The Company's literature and materials may not be duplicated, reprinted or modified without the prior written permission of the Company. An Associate who develops his/her own sales aids and/or promotional materials, notwithstanding any good intentions, could unintentionally violate any number of statutes or regulations affecting the myEcon business. These violations, although relatively few in number, could jeopardize the myEcon business and the opportunity for other Associates; therefore, Associates must submit all self-created Sales Tools to the Company for prior written approval before use. An Associate who submits Sales Tools to the Company waives all claims to remuneration for such use and grants myEcon an irrevocable license to use the Sales Tools as the Company deems appropriate. Associates shall not sell or attempt to sell unapproved Sales Tools to other Associates. In addition to taking disciplinary action against the offending Associate's myEcon business, any Associate who breaches this policy grants myEcon an irrevocable license to use the Sales Tool and/or to make it available to all other myEcon Associates free of charge. The offending Associate waives all claims to remuneration for the Company's use, or any other Associates' use, of the Sales Tool.
- 7.03 **Social Media.** In addition to meeting all other requirements specified in this Policy Manual, should an Associate utilize any form of social media, including but not limited to blogs, Facebook, Twitter, LinkedIn, YouTube, or Pinterest, the Associate agrees to abide by each of the following stipulations:

- a) No product or service sales or enrollments may occur on any social media site. To generate sales, a social media site must link only to the Associate’s myEcon website, or the official Company website.
- b) It is each Associate’s responsibility to follow the social media site’s terms of use. If the social media site does not allow its site to be used for commercial activity, you must abide by the site’s terms of use as well as all other rules of the site.
- c) Any social media site that is directly or indirectly operated or controlled by an Associate that is used to discuss or promote myEcon products or services, or the myEcon opportunity may not link to any website, social media site, or site of any other nature that discusses the business opportunities and/or recruitment of any direct selling company other than the Associate’s myEcon website.
- d) During the term of this Agreement an Associate may not use any social media site on which they discuss or promote, or have discussed or promoted, the myEcon business or myEcon services or products to directly or indirectly solicit myEcon Associates for another direct selling or network marketing program (collectively, “Direct Selling”). In furtherance of this provision, an Associate shall not take any action that may reasonably be foreseen to result in drawing an inquiry from other Associates relating to the Associate’s other Direct Selling business activities.
- e) If an Associate creates a business profile page on any social media site that promotes or relates to myEcon, its services/products, the myEcon opportunity, the business profile page must relate exclusively to the Associate’s myEcon business and the Company’s services/products. If the Associate’s myEcon business is cancelled for any reason or if the Associate is terminated, the Associate must deactivate the business profile page.

7.04 **Use of the Company’s Name.** Associate may use the name of the Company only in the following format:

Mary Sample
myEcon, Inc. Independent Associate

7.05 **Use of the Company’s Logo.** The use of the company’s logo for any reason is strictly prohibited without prior written approval from the company.

7.06 **Stationery, Business Cards and Flyers.** Associate is not permitted to “create” Associate’s own stationary, business cards, flyers or letterhead graphics if the Company’s trade name, logo and/or trademarks are used. Only the approved Company graphics version and wording are permitted and letterhead shall be ordered either from the Company directly or from Company-licensed independent contractors. The only authorized titles are those set forth in the Compensation Plan. All other titles are strictly prohibited.

- 7.07 **Print and Electronic Advertising.** No materials may be used in the placement of any advertising in any print or electronic media, including Internet web sites, without the prior written approval of the Company, which approval may be withheld in its sole discretion.
- 7.08 **Telephone, Yellow and White Page Listing.** Associate is not permitted to use the Company's trade name in advertising their telephone and fax numbers in the white or yellow page sections of the telephone book. Associate is not permitted to list Associate's telephone numbers under the Company's trade name without first obtaining the Company's prior written approval. If approval is granted for an "800" listing, it shall be stated in the following manner:
- Mary Sample
myEcon, Inc. Independent Associate
- 7.09 **Telephone Answering.** Associate may not answer the telephone by saying "myEcon, Inc." or "myEcon" or in any manner that would lead the caller to believe that the caller has reached the corporate office of the Company.
- 7.10 **Imprinted Checks.** Associate is not permitted to use the Company trade name or any of its trademarks or service marks on their business or personal checking accounts. However, Associate may imprint Associate's business checks as being a Company Associate or independent distributor.
- 7.11 **Media Interviews.** Associate is prohibited from granting radio, television, newspaper, tabloid, or magazine interviews, or using public appearances, public speaking engagements, or making any type of statement to the public media to publicize the Company, its products or Associate's businesses, without the express prior written approval of the Company. All media inquiries should be referred to the Company's corporate office.
- 7.12 **Endorsements.** No endorsements by a Company officer or administrator or third parties may be asserted, except as expressly communicated in Company literature and communications. Federal and state regulatory agencies do not approve or endorse direct selling programs. Therefore, Associate may not represent or imply, directly or indirectly, that the Company's programs, products or services have been approved or endorsed by any governmental agency.
- 7.13 **Recordings.** Associate may not produce or reproduce for sale or personal use products sold by the Company or any Company-produced literature, audio or video material, presentations, events or speeches, including conference calls. Video and/or audio taping of Company meetings and conferences is strictly prohibited without the express written approval of the Company. Still photography is allowable at the discretion of the meeting host.
- 7.14 **Re-Packaging Prohibited.** Associates may not re-package products or materials of the Company.

- 7.15 **Independent Communications.** Subject to the restrictions imposed by this Section Seven, Associate, as an independent contractor, is encouraged to distribute information and direction to Associate's respective down lines. However, Associates shall identify and distinguish between personal communications and the official communications of the Company.
- 7.16 **Product Claims.** Claims (which include personal testimonials) as to therapeutic, curative or beneficial properties of any products offered by myEcon may not be made except those contained in official Company literature. **In particular, no Associate may make any claim that myEcon products are useful in the cure, treatment, diagnosis, mitigation or prevention of any diseases.** Such statements can be perceived as medical or drug claims. Not only do such claims violate these Policies, but also they potentially violate federal and state laws and regulations, including the federal Food, Drug, and Cosmetic Act and Federal Trade Commission Act. **As an Associate, you should only make product claims as the ones found on myEcon product labeling.**

SECTION EIGHT: PAYMENT OF COMMISSIONS

- 8.01 **Commissions.** Commissions are paid ONLY on the sale of the Company services and products. No commissions are paid on the purchase of an Associate Kit or the sales materials or for sponsoring Associates. In order to receive commissions on products and services sold, the Company shall have received and accepted a completed Agreement prior to the sale. Reference the most current Compensation Plan for qualifications for earning commissions. Associate is not guaranteed any income, profits or success. Associate shall make no claims or representations of actual or potential earnings, guaranteed or anticipated profits or sales success.
- 8.02 **Commission Period.** A commission period refers to the time period beginning on Saturday and closing on Friday at midnight ET of the following calendar week.
- 8.03 **Commission and Override Payment Date.** Commissions, Bonuses, and Overrides are all paid on the Friday after the closed commission period in which the sales occurred. Commissions for outsourced products and services (i.e. Travel sales, Rent Reporting sales, etc.) are paid once a month on or about the third Friday of the month. See the document titled "When are commissions paid" in the myEcon Associate Document Center for details. Commissions are calculated, paid and direct deposited in the Associate's bank account every Friday. If Friday is a legal holiday, checks will be processed on the business day prior to the holiday.
- 8.04 **Minimum Check Amount.** The minimum amount for payment of commissions and bonuses shall be \$10.00. If you earn a commission amount of less than \$10.00 for a specific pay period, no payout will be issued at that time. The balance of the earned commissions will be carried forward until your earnings balance amount is equal to or greater than \$10.00, at which time a commission payout will be issued at the next scheduled weekly commission payout. There is a \$1.50 processing fee for all commission payouts issued.

- 8.05 **Commission Payments.** All Associate commissions are paid via direct deposit. No physical checks will be mailed for commissions. All Associates must have a valid checking account, savings account or debit card account, a copy of a Federal or State Approved photo ID and a completed IRS Form W-9 on file with myEcon at the time the commission is paid out. If you earn a commission for a specific pay period and do not have a direct deposit account on file, no payout will be issued at that time. The balance of the earned commissions will be carried forward until you have a direct deposit account on file and your earnings balance amount is equal to or greater than \$10.00 at which time a commission payout will be issued at the next scheduled commission payout (See Section 8.04). Commissions are paid to “qualified” Associates as defined within the Compensation Plan. Associate should consult the Compensation Plan for a detailed explanation of the benefits, commission structure and requirements of the Compensation Plan.
- 8.06 **Offset of Commissions.** Any commissions or bonuses earned and paid on products returned and refunded are the obligation of and shall be repaid to the Company by the Associate earning such commissions. The Company has the right to offset such amounts against future commissions and other bonuses paid or owed to such Associate and Associate’s upline who participated in an override.
- 8.07 **Application for New Associate.** Changes such as Sponsorship and/or placement to an Associate application can only be made prior to the commission being run.

SECTION NINE: PURCHASE AND SALE OF PRODUCTS

- 9.01 **Stockpiling Prohibited.** The success of the Company depends on retail sales to the ultimate retail customer; therefore, all forms of stockpiling are strictly prohibited. The Company recognizes that the Associate may wish to purchase certain products for Associate’s own use, however, the Company strictly prohibits the purchase of products in unreasonable amounts and prohibits the purchase of products only or primarily for purchases of qualifying for commissions or bonuses.
- a) Associates should not purchase more than a 30-day supply of sales aids. Sales aids change frequently and may be used for no more than 60 days after a change. There will not be any exchanges or refunds for outdated sales aids.
 - b) Purchasing product solely for the purpose of collecting bonuses or achieving rank is prohibited. myEcon retains the right to limit the amount of purchases you may make if, in our sole judgment, we believe those purchases are being made solely for qualification purposes instead of for consumption or resale.
- 9.02 **Ordering Methods.** All orders for products and services shall be submitted via the Associate’s website.
- 9.03 **Payment Options.** All purchases are made on the Associate’s website using the following online payment methods: a credit card or bank ATM card.

- 9.04 **Shipping and Handling Policy.** All products will be shipped by USPS or other similar service within approximately 5 business days of receipt of payment. Payment for products shall be made at the time of order. At an Associate's option, the product may be shipped to a retail customer's designated location or to Associate for hand delivery. The Company will attempt to deliver to the ship-to address in the Associates file or to the address provided on the online order form. If the item is not deliverable because of an incorrect address in file or incorrect address on the online order form, the Associate will be responsible for the re-delivery charge. Items returned for a bad address will be returned to stock and will be re-shipped when the Associate provides the Company with the correct address and payment for reshipment of the order.
- (a) If an Associate request an order be shipped to an address other than an address on file at the Corporate Office, the Associate, will be responsible for any additional shipping charges.
- 9.05 **Product Delivery.** Upon clearance of payment, the products and materials ordered will be shipped within approximately 5 business days of receipt.
- 9.06 **Back Order Policy.** The Company will ship expeditiously all products currently in stock. Any out-of-stock items (unless discontinued) will be placed on back order and be distributed upon the Company's receiving additional inventory. An Associate will be charged and granted commissions on back order items once they are ordered unless notified of the discontinuance of such product.
- 9.07 **Damaged Goods.** The shipping company is responsible for any damage that occurs after it takes physical custody of the products. An Associate or a retail customer who receives damaged goods shall comply with the following procedures:
- a) Accept delivery, and follow the instructions below;
 - b) Before the driver leaves, document on the delivery receipt the number of boxes which appear to be damaged and have the driver acknowledge the damage in writing;
 - c) Save the damaged products or boxes for the inspection by the shipping agent;
 - d) Make an appointment with the shipping company to have the damaged goods inspected; and
 - e) File a claim with the shipping company.
- 9.08 **Shipping Loss.** In the event an Associate or retail customer does not receive a product ordered from the Company in a timely manner, the individual should contact the Customer Care Department. If Associate or the retail customer knows the identity of the shipper of the product, he or she may contact the shipper directly and inquire about the delivery date.

- (a) If the Associate receives an order and it is determined that the Company did not include all items ordered, the missing products will be shipped by ground transportation as soon as the Company is notified by the associate.
 - (b) If product is left at the door by the shipping company and not signed for, call Associate Services for the tracking information. File a claim with the shipping company if you are unable to find the package.
- 9.09 **Inaccurate Delivery.** If a product is shipped in error by the Company, the unordered merchandise shipped because of the Company's error may be returned at the Company's expense provided the following steps are taken:
- a) The Associate or retail customer notifies the Company of an inaccurate delivery within five (5) days of receipt of the order.
 - b) The Company will issue a call tag and have the shipping carrier pick up the package.
 - c) Products shall be returned in original containers and shall be packed properly to prevent damage in return shipment.
- 9.10 **Refused Shipments.** Should an Associate refuse delivery on any order Associate placed with the Company, and such product is subsequently returned to the Company, the Company shall have the right to place that Associate in suspension pending resolution of the refusal of delivery. Neither an Associate nor a retail customer shall refuse any shipment from the Company unless prior approval of the Company has been obtained. If the Company determines that a valid reason exists for refusing shipment, it will instruct the Associate or the retail customer on the proper procedure for a return. Any commissions paid on returned products will be subsequently revoked.
- 9.11 **Price Changes.** The Company reserves the right to update literature and change the prices for the Company's initial enrollment setup fee, the recurring website management and technology fee, products and services and other fees without prior notice.
- 9.12 **Receipts.** All products and services are sold via the Associate's website. Receipts are available for print at the end of the online order process. All orders are also emailed a receipt to the email address used during online order process.
- 9.13 **Retail Pricing.** Although the Company provides a suggested retail price as a guideline, Associate may sell products at whatever retail price agreed upon with the retail customer. It is the Associate's responsibility to ensure his pricing of products conforms to all applicable laws.
- 9.14 **Promotional Items.** All promotional items which bear the Company name or logo shall be purchased solely from the Company or its authorized vendor unless prior written permission is obtained from the Company.

- 9.15 **Sales Tax.** To ensure compliance with the sales and use tax requirement of each state, unless required otherwise by state law, the Company may at its option collect and remit all applicable sales and use taxes on products, promotional materials and services sold to Associates. The applicable rate of tax due shall be based on the address to which the product and/or materials are shipped and the suggested retail price of the products or services.
- 9.16 **Place of Sale.** The integrity of the Company's marketing plan is built upon person-to-person, one-to-one, and in-home presentation methods of sale; therefore, selling Company products to or through any fixed retail location is strictly prohibited.
- 9.17 **Product/Services Claims.** Associate shall make no claim, representation or warranty concerning any product or service of the Company, except those expressly approved in writing by the Company or contained in official Company materials.
- 9.18 **Telemarketing.** The use of automatic dialing machines or boiler room telemarketing operations for the sale of products and/or services of the Company are not permitted.

SECTION TEN: RETAIL GUARANTEE AND REFUND POLICY

- 10.01 **Product Refund Policy – Retail Customer.** myEcon, Inc stands behind the quality of its products and guarantees your satisfaction with a 30-day money back guarantee. This guarantee applies to non-myEcon Associate retail customers only. If a retail customer is not satisfied with any Body One Nutrition product, he/she may request a refund within 30 days from the purchase date and return the product for a full refund. No refunds will be issued after 30 days from the purchase date. Note: the customer will be responsible for the shipping costs of returning the product to myEcon, Inc.

The above listed guarantees/warranties do not apply to purchases from Affiliate partner websites. Products and Services purchased from any Affiliate partner website such as Priceline.com, Rent Reporting and the CashBack Mall, are covered by policies and terms contained on the individual Affiliate partner websites.

Product Refund Policy – Associate. myEcon, Inc stands behind the quality of its products and guarantees your satisfaction. A myEcon, Inc Associate who makes a purchase of Body One Nutrition products or myEcon supplies from an Associate website has 30 days after the sale to request a refund. The refund amount will be at 90% of the purchase price and less any commissions or bonuses paid out by the company*. No repayment will be made on the original shipping charges. No refunds will be issued on opened or unwrapped products. No refunds will be issued after 30 days from the purchase date. Note: the Associate will be responsible for the shipping costs of returning the product to myEcon, Inc.

Associate Enrollment Refund Policy - The one-time setup fee is nonrefundable after the 3 Day Right to Cancel* period. In addition, the monthly website management and technology fee is nonrefundable upon payment. If the quarterly payment option for the website

management and technology fee is chosen, the only amount that is refundable is the amount for months not used. No refunds will be issued for partial months.

The above listed guarantees/warranties do not apply to purchases from Affiliate partner websites. Products and Services purchased from any Affiliate partner website such as Priceline.com, Rent Reporting and the CashBack Mall, are covered by policies and terms contained on the individual Affiliate partner websites.

*3 Day Right to Cancel – If a product or service order is cancelled within 3 Business days of the order; the associate/customer is entitled to a 100% refund.

10.02 **Warranties.** Except as expressly stated herein, the Company makes no warranty or representation as to the merchantability, fitness for a particular purpose, workmanship or any other warranty concerning any product or service purchased from or through the Company.

10.03 **Refund Procedure.** In order to properly process a refund or exchange, an Associate and/or a retail customer shall comply with the following procedures:

- a) All returns shall be sent to the Company and should be accompanied by:
 - i) A signed statement from the retail customer identifying the reason for the return.
 - ii) A copy of the original retail sales receipt; and
 - iii) The name, address and telephone number of the retail customer.
- b) Shipping and handling will be paid by the representative or the customer.
- c) Commission paid on returned items will be charged back to Associate.

10.04 **Buyer's 3 Day Right to Cancel.** Federal law grants the buyer a 3 day right to cancel on certain sales without penalty and receive a full 100% refund prior to midnight of the third business day after the transaction.

10.05 **Returns for Residents of Certain States.** The following only applies to Associates who are residents of Georgia, Louisiana, Maryland, Massachusetts, Wyoming, Montana and any other state that may require the following:

- a) An Associate in this multilevel marketing plan has a right to cancel at any time, regardless of reason. Cancellation shall be submitted via the Associate's website or in writing to the Company at its principal business address.
- b) If Associate has purchased products from the Company or paid for administrative services during the term of Agreement, the Company shall repurchase all

unencumbered products, literature and sales aids which are in reasonably resalable or reusable condition and in the original packaging. (For residents in Maryland, the Company's obligation to repurchase is only for three (3) months after receipt of goods which are to be returned.) Such repurchase shall be at a price not less than ninety percent (90%) of the original net cost to Associate returning the items. Original net cost shall mean the amount paid for the items less any consideration received by Associate for sales of the items being returned made by or through Associate. Items are deemed "resalable or reusable" if they are returned unused in the original packaging and in commercially resalable condition upon return, and items no longer marketed shall be returned within one (1) year of discontinuance unless the Company informs Associate of such discontinuance prior to purchase.

- c) The repayment of all administrative fees and cost of services shall be at not less than ninety percent (90%) of the cost to Associate of such fees and services and shall reflect all administrative services that have not, at the time of termination been provided to Associate. The Company shall further refund at not less than ninety percent (90%) of the cost to Associate any other consideration paid by Associate in order to participate in the program. Associate shall be held responsible for all shipping expenses incurred in returning sales aids or products to the Company.

SECTION ELEVEN: GENERAL PROVISIONS

11.01 **Indemnity Agreement.** Associate agrees to indemnify and hold harmless the Company, its shareholders, officers, directors, employees, agents and successors in interest from and against any claim, demand, liability, loss, cost or expense including, but not limited to, court costs and attorneys' fees, asserted against or suffered or incurred by any of them, directly or indirectly, arising out of or in any way related to or connected with, allegedly or otherwise, his or hers (a) activities as an Associate; (b) breach of the terms of the Agreement; and/or (c) violation of or failure to comply with any applicable federal, state or local law or regulations.

11.02 **Conflicts of Interest**

11.02.01 **Non-Solicitation / Non-Compete.** Associates are free to participate in certain Direct Selling businesses considered to be non-competitive with myEcon. During the term of this Agreement and for six months thereafter, an Associate may not directly or indirectly recruit other myEcon Associates for any other network marketing business unless the Associate was personally sponsored. The term "recruit" means the direct or indirect, actual or attempted, sponsorship, solicitation, enrollment, encouragement, or effort to influence in any other way, another myEcon Associate to enroll or participate in another Direct Selling opportunity.

During the term of this agreement and for six months thereafter, Associates cannot participate in **any competing** network marketing business or Direct Selling opportunity. A Competing Company is defined as any company that sells financial assistance services such as Credit Education, Credit Improvement, or Debt Elimination services or similar services.

Associates may not offer any non- myEcon opportunity, products or services at any myEcon related meeting, seminar or convention, or immediately following such event. myEcon and Associate agree that any violation of this policy shall constitute unreasonable and unwarranted contractual interference between Associate and Company and cause myEcon irreparable harm for which there is no adequate remedy at law. Such injury to myEcon shall outweigh the potential injury to Associate, and therefore myEcon shall be entitled to emergency and permanent injunctive relief to prevent further violations of this policy.

11.02.02 Targeting Other Direct Sellers. myEcon does not condone Associates specifically or consciously targeting the sales force of another direct sales company to sell myEcon products or to become an Associate for myEcon, nor does myEcon condone Associates solicitation or enticement of members of the sales force of another direct sales company to violate the terms of their contract with such other company. Should a myEcon Associate engage in such activity, they bear the risk of being sued by the other direct sales company. If any lawsuit, arbitration or mediation is brought against an Associate, alleging that he or she engaged in inappropriate recruiting activity of its sales force or customers, myEcon will not pay any of Associate's defense costs or legal fees, nor will myEcon indemnify the Associate for any judgment, award, or settlement.

11.02.03 Cross-Sponsoring. Actual or attempted cross sponsoring is strictly prohibited. "Cross sponsoring" is defined as the enrollment of an individual who or entity that already has a current Customer or Associate Agreement on file with myEcon, or who has had such an agreement within the preceding six calendar months, within a different line of sponsorship. The use of a spouse's 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. Associates shall not demean, discredit or defame other myEcon Associates in an attempt to entice another Associates to become part of the first Associate's marketing organization. This policy shall not prohibit the transfer of a myEcon business in accordance with Section 5. If Cross Sponsoring is discovered, it must be brought to the Company's attention immediately. myEcon may take disciplinary action against the Associate that changed organizations and/or those Associates who encouraged or participated in the Cross Sponsoring. myEcon may also move all or part of the offending Associate's downline to his or her original downline organization if the Company deems it equitable and feasible to do so. However, myEcon is under no obligation to move the Cross Sponsored Associate's downline organization, and the ultimate disposition of the organization remains within the sole discretion of myEcon. Associates waive all claims and causes of action against myEcon arising from or relating to the disposition of the Cross Sponsored Associate's downline organization.

11.03 Claims. An Associate may make no disparaging, misleading, inaccurate, or unfair statements, representations, claims, or comparisons with regard to:

- 1) His or her income or earnings, product or service experience, tax savings, etc.
- 2) myEcon, Inc., its Products, its commercial activities, or its Distributors; or

- 3) Other companies, including competitors, their services, products or commercial activities.
- 11.04 **Negative Comments and Harassment.** myEcon is committed to providing Associates with a work environment free from harassment, intimidation, and abuse from other Associates, employees, vendors, and any other individuals in the workplace. At myEcon, harassment of any kind will not be tolerated and is strictly prohibited, such as: derogatory or threatening comments, inappropriate sexual behavior including but not limited to unwelcome sexual advances or requests for sexual favors, displaying visual images of a sexual nature, physical or verbal harassment, or violent behavior. Associates are encouraged to report any type of harassment incidents immediately. The Company will not tolerate acts or threats of violence and will investigate all reports. You have a responsibility to act when you are aware of a threat or risk to any of our employees or other Associates.
- 11.05 **Release.** To the extent permitted by law, the Company shall not be liable for and each Associate releases the Company from, and waives all claims for any loss of profits, indirect, direct, special or consequential damages or any other loss incurred or suffered by an Associate as a result of (a) the breach by an Associate of the Agreement and/or the terms and conditions of the Policy Manual; (b) the operation of an Associate's business; (c) any incorrect or wrong data or information provided by an Associate; (d) any copyright violation in connection with materials provided by Associate; or (e) the failure to provide any information or data necessary for the Company to operate its business, including, without limitation, the enrollment and acceptance of an Associate into the Compensation Plan or the payment of commissions and bonuses.
- 11.06 **Recordkeeping.** The Company encourages all its Associates to keep complete and accurate records of all of Associate's business dealings.
- 11.07 **Force Majeure.** The Company shall not be responsible for delays or failure in performance caused by circumstances beyond a party's control, such as strikes, labor difficulties, acts of God, fire, war, government decrees or orders or curtailment of a party's usual source of supply.
- 11.08 **Violations.** It is the obligation of every Associate to abide by and maintain the integrity of Company policy, as set forth in the Entire Agreement, any amendments thereto, and as conveyed to Associates periodically through training sessions and other communications.
- 11.09 **Amendments.** The Company reserves the right to amend the Agreement, Policy Manual, its retail prices, product and service availability and type and the Compensation Plan at any time without prior notice as it deems appropriate. Amendments will be communicated to Associates through official Company publications, Associate website and voice and e-mail. Amendments are effective and binding on all Associates as of the date of issuance. In the event any conflict between the original documents or policies and any such amendment, the amendment shall control. However, this Section 11.09 DOES NOT apply to the dispute resolution clause contained herein, which can only be modified by way of mutual consent of you and the Company.

11.10 **Non-Waiver Provision.** No failure of the Company to exercise any power under this Policy Manual or to insist upon strict compliance by an Associate with any obligation or provision herein, and no custom or practice of the parties at variance with this Policy Manual, shall constitute a waiver of the Company's right to demand exact compliance with this Policy Manual. The Company's waiver of any particular default by an Associate shall not affect or impair the Company's rights with respect to any subsequent default, nor shall it affect in any way the rights or obligations of any other Associate. Nor shall any delay or omissions by the Company to exercise any right arising from a default affect or impair the Company's rights as to that or any subsequent default. Waiver by the Company can be affected only in writing by an authorized officer of the Company.

11.11 **Governing Law; Venue and Jurisdiction.**

- a) The Agreement and this Policy Manual shall be governed by the laws of the State of Georgia.
- b) Associate hereby consents to the exclusive jurisdiction of the state courts sitting in Fulton County Georgia, the federal district court for the Northern District of Georgia, and courts having appellate jurisdiction with respect thereto, with regard to all legal actions or other court proceedings brought by or on behalf of Associate, alone or with others, against the Company or its affiliates, and further agrees that venue shall be proper in any such court.

11.12 **Liquidated Damages.** In any case which arises from or relates to the wrongful termination of an Associate's independent business, the parties agree that damages will be extremely difficult to ascertain. Therefore, the parties stipulate that if the involuntary termination of an Associate's loss of their independent business is proven and held to be wrongful under any theory of law, Associate's sole remedy shall be liquidated damages calculated as follows:

- a) For Associates at the "Paid As" rank EVP Platinum, liquidated damages shall be in the amount of his/her gross compensation that he/she earned pursuant to myEcon's Compensation Plan in the twelve (12) months immediately preceding the termination.
- b) For Associates at the "Paid As" rank EVP Infinity through CEO Infinity, liquidated damages shall be in the amount of his/her gross compensation that he/she earned pursuant to myEcon's Compensation Plan in the twenty-four (24) months immediately preceding the termination.

11.13 **Damage Waiver.** In any action arising from or relating to the Agreement, the parties waive all claims for incidental and/or consequential damages, even if the other party has been apprised of the likelihood of such damage. The parties further waive all claims to exemplary and punitive damages.

11.14 **Class Action Waiver.** Any action brought by an Associate shall be brought on an individual basis, and not on behalf of a class or on a consolidated basis. Associates waive all rights to bring an action against myEcon, its officers, owners, directors, employees and agents as a class or consolidated action.

Louisiana Residents. Notwithstanding the foregoing, and the arbitration provision set forth above, residents of the State of Louisiana shall be entitled to bring an action against myEcon in their home forum and pursuant to Louisiana law.

11.15 **Arbitration.**

a) Except as otherwise provided herein or another written agreement between Associate and the Company, any dispute between Associate and the Company or its affiliates (or any of their past or present officers, directors or employees) or between Associate and any other Associate (as long as the Company or any of its affiliates or any of their respective personnel is also involved as a party to the dispute) will be settled solely through good faith negotiation or, if that fails, binding arbitration. "Dispute" means any type of dispute in any way relating to Associate's relationship with the Company or its affiliates that under law may be submitted by agreement to binding arbitration, including allegations of breach of contract, personal or business injury or property damage, fraud and violation of federal, state or local statutes, rules or regulations.

The Company or its affiliates may exercise rights hereunder or under any other agreement without first being required to enter into good faith negotiations or initiate arbitration.

b) The arbitration will be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("AAA"). The arbitration will be held in Atlanta, Georgia. Each party to the arbitration will select his, her or its arbitrator, and provide the arbitrator's name, address and telephone number to the other party. These arbitrators (who need not be neutral) will appoint a third, neutral arbitrator. If the parties' arbitrators cannot agree on a third arbitrator, the AAA will select the third arbitrator. A transcript of the proceeding will be made, and the arbitrators will state their findings of fact and conclusions of law along with their award. If any court is asked to review the award, the court will review de novo the record of the arbitration proceeding. The rules of evidence that would apply in any civil case in Federal Court will apply in the arbitration. If for any reason, there is an actual court case on any matter, Associate and the Company waive the right to a jury trial. Each affiliate of the Company and their officers, directors and employees, and, if named as a party to a dispute with the foregoing, any agent, is intended to be a third party beneficiary of this provision and has the same right to enforce it as do Associate and the Company. The parties acknowledge and agree that they are engaged in, and that this Policy Manual evidences transactions involving, interstate commerce. The parties shall have the right to enforce all provisions of this Section under the United States Arbitration Code, 9 U.S.C. § 1 et seq.

- c) Notwithstanding the foregoing, the arbitrator shall have no jurisdiction over disputes relating to the ownership, validity or registration of any mark or other intellectual property or proprietary or confidential information of the Company without the Company's prior written consent. The Company may seek any applicable remedy in any applicable forum with respect to money owing to the Company. In addition to monetary damages, the Company may obtain injunctive relief against an Associate for any violation of the Agreement or misuse of the Company's trademark, copyright or confidential information policies.
- d) Nothing in this rule shall prevent the Company from applying to and obtaining from any court having jurisdiction of a writ of attachment, a temporary injunction, preliminary injunction and/or other injunctive or emergency relief available to safeguard and protect the Company's interests prior to the filing of or during or following any arbitration or other proceeding or pending the handing down of a decision or award in connection with any arbitration or other proceeding.
- e) Nothing contained herein shall be deemed to give the arbitrator any authority, power or right to alter, change, amend, modify, add to, or to subtract from any of the provisions of this Agreement.

11.16 **Entire Agreement.** This Policy Manual is incorporated into the Terms of Application & Agreement and, along with the Compensation Plan, constitutes the entire agreement of the parties regarding their business relationship.

11.17 **Severability.** If under any applicable and binding law or rule of any applicable jurisdiction, any provision of the Agreement, including this Policy Manual, or any specification, standard or operating procedure which the Company has prescribed is held to be invalid or unenforceable, the Company 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, and Associate shall be bound by any such modification. The modification will be effective only in the jurisdiction in which it is required.

11.18 **Limitation of Damages.** To the extent permitted by law, the Company and its affiliates, officers, directors, employees and other representatives shall not be liable for, and Associate 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 the Company's performance, non-performance, act or omission with respect to the business relationship or other matters between any Associate and the Company, whether sounding in contract, tort or strict liability. Furthermore, it is agreed that any damages to an Associate shall not exceed, and is hereby expressly limited to, the amount of unsold Company programs, services and/or products of the Company owned by Associate and any commission owed to Associate.

11.19 **Notice.** Any communication, notice or demand of any kind whatsoever, which either Associate or the Company may be required or may desire to give or to serve upon the other

shall be in writing and delivered by electronic communication whether by telex, telegram, e-mail or fax (if confirmed in writing sent by registered or certified mail, postage pre-paid, return receipt requested or by personal service) or by registered or certified mail, postage prepaid, return receipt requested. Any party may change its address for notice by giving written notice to the other in the manner provided in this Section. Any such communication, notice or demand shall be deemed to have been given or served on the date personally serviced by personal service, on the date of confirmed dispatch if by electronic communication, or on the date shown on the return receipt or the other evidence if delivery is by mail.