

# **FITTEAM**

## **BRAND PARTNER** **POLICIES & PROCEDURES MANUAL**

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## 1.0 **INTRODUCTION**

### 1.1 **Mutual Commitment Statement**

FITTEAM recognizes that in order to develop a long-term and mutually rewarding relationship with its Business Owners (“BRAND PARTNERS”) and Customers, FITTEAM and the BRAND PARTNERS must acknowledge and respect the true nature of the relationship.

- A. In the spirit of mutual respect and understanding, FITTEAM is committed to:
  - I. Provide prompt, professional and courteous service and communication to all of its BRAND PARTNERS and Customers;
  - II. Provide the highest quality products, at fair and reasonable prices;
  - III. Exchange or refund the purchase price of any product, service or membership as provided in our Return Policy;
  - IV. Deliver orders promptly and accurately;
  - V. Pay commissions accurately and on a timely basis;
  - VI. Expedite orders or checks if an error or unreasonable delay occurs;
  - VII. Roll out new products and programs with BRAND PARTNER input and planning;
  - VIII. Implement changes in the Compensation Plan or Policies and Procedures that affect the BRAND PARTNERS with input from the BRAND PARTNERS;
  - IX. Support, protect and defend the integrity of the FITTEAM Business Opportunity;
  - X. Offer BRAND PARTNERS an opportunity to grow with FITTEAM, with such growth guided by the principles of Servant Leadership.
- B. In return, FITTEAM expects that its BRAND PARTNERS will:
  - I. Conduct themselves in a professional, honest, and considerate manner;
  - II. Present FITTEAM corporate and product information in an accurate and professional manner;
  - III. Present the FITTEAM Compensation Plan and Return Policy in a complete and accurate manner;
  - IV. Not make exaggerated income or product claims;
  - V. Make reasonable efforts to support and train BRAND PARTNERS and Customers in their downline;
  - VI. Not engage in cross-line recruiting, unhealthy competition or unethical business practices;
  - VII. Provide positive guidance and training to BRAND PARTNERS and Customers in their downline while exercising caution to avoid interference with other downlines. As such, a BRAND PARTNER is discouraged from providing cross-line training to a BRAND PARTNER or Customer in a different organization without first notifying the BRAND PARTNER’S or Customer’s upline leader;
  - VIII. Support, protect, and defend the integrity of the FITTEAM Business Opportunity;
  - IX. Accurately complete and submit the BRAND PARTNER Agreement and any requested supporting documentation in a timely manner.

### 1.2 **Policies, the Compensation Plan & the BRAND PARTNER Agreement**

- A. Throughout these Policies, when the term “Agreement” is used, it collectively refers to the FITTEAM BRAND PARTNER agreement, these Policies and Procedures, and the FITTEAM Compensation Plan.

B. It is the responsibility of the sponsoring BRAND PARTNER to provide the most current version of these Policies and Procedures and the FITTEAM Compensation Plan (both available on the FITTEAM Website) to each applicant prior to his or her execution of a BRAND PARTNER agreement.

### 1.3 Purpose of Policies

A. FITTEAM is a direct sales company that markets products and services through Independent Contractors, referred to as BRAND PARTNERS. To clearly define the relationship that exists between BRAND PARTNERS and FITTEAM, and to explicitly set a standard for acceptable business conduct, FITTEAM has established these Policies and Procedures.

B. FITTEAM BRAND PARTNERS are required to comply with (i) all of the Terms and Conditions set forth in the BRAND PARTNER Agreement, which FITTEAM Global may amend at its sole discretion; (ii) all Federal, state, provincial, territorial, and local laws governing his or her FITTEAM business; and (iii) these Policies and Procedures.

C. FITTEAM BRAND PARTNERS must review the information in these Policies and Procedures carefully. Should a BRAND PARTNER have any questions regarding a policy or rule, the BRAND PARTNER is encouraged to seek an answer from his or her sponsor, or any other upline BRAND PARTNER. If further clarification is needed, the BRAND PARTNER may contact FITTEAM Customer Service.

### 1.4 Changes, Amendments, and Modifications

A. Because federal, state, and local laws, as well as the business environment, periodically change, FITTEAM reserves the right to amend the Agreement and the prices in its FITTEAM Product Price List, at its sole and absolute discretion. Notification of amendments shall appear in Official FITTEAM Global Materials.

B. Any such amendment, change, or modification shall be effective immediately upon notice by one of the following methods:

- I. Posting on the official FITTEAM Website/Back Office;
- II. Electronic mail (e-mail); or
- III. In writing, through FITTEAM newsletters, or other FITTEAM communication channels.

### 1.5 Delays

A. FITTEAM shall not be responsible for delays or failures in performance of its obligations when such failure is due to circumstances beyond its reasonable control. This includes, without limitation, strikes, labor difficulties, transportation difficulties, riot, war, fire, weather, and curtailment of a source of supply, or government decrees or orders.

### 1.6 Effective Date

A. These Policies and Procedures shall become effective as of May 31, 2017 and, at such time, shall automatically supersede any prior Policies and Procedures (the “old Policies and Procedures”), and, on that date, the old Policies and Procedures shall cease to have any force or effect.

## 2.0 **BASIC PRINCIPLES**

### 2.1 **Becoming A FITTEAM BRAND PARTNER**

A. To become a BRAND PARTNER, an applicant must comply with the following requirements:

- I. Be of the age of majority (not a minor) in his or her state of residence;
- II. Reside or have a valid address in the United States, or a U.S. territory;
- III. Have a valid Social Security Number, Federal Tax ID Number, or Taxpayer Identification Number (TIN);
- IV. Submit a properly completed and signed BRAND PARTNER Agreement to FITTEAM

- V. Not be a FITTEAM employee, the Spouse of a FITTEAM employee, or living in the same household as a FITTEAM employee.

## 2.2 New BRAND PARTNER Registration

- A. A potential new BRAND PARTNER may self-enroll on the sponsor's replicated web site. In such event, instead of a physically signed BRAND PARTNER agreement, FITTEAM will accept the web enrollment and BRAND PARTNER agreement by accepting the "electronic signature" stating the new BRAND PARTNER has accepted the terms and conditions of such BRAND PARTNER agreement. Please note that such electronic signature constitutes a legally binding agreement between the BRAND PARTNER and FITTEAM.
- B. FITTEAM reserves the right to require signed paperwork for any account, regardless of origin.
- C. If requested, the signed BRAND PARTNER Agreement must be received by FITTEAM within 14-days of request.
- D. Signed documents, including but not limited to BRAND PARTNER Agreements, are legally binding contracts which must not be altered, tampered with or changed in any manner after they have been signed. False or misleading information, forged signatures or alterations to any document, including business registration forms, made after a document has been signed, may lead to sanctions, up to and including involuntary termination of the BRAND PARTNER'S position.

## 2.3 FITTEAM Loyalty Program

- A. By joining FITTEAM as a BRAND PARTNER or Preferred Customer, you are agreeing to take part in the FITTEAM Auto-Ship Loyalty Program. The FITTEAM Loyalty Program is an Auto-Ship program that is automatically renewable and re-occurring each month, between the dates of the 1<sup>st</sup> and 25<sup>th</sup> of the month (all orders scheduled to be processed between the 25<sup>th</sup> and the end of the month will be processed and shipped on the 25<sup>th</sup>; also, any orders that fall on the weekend will be processed and shipped on the Friday before).
- B. Loyalty Program orders will be processed with the credit or debit card maintained on file with FITTEAM. Upon agreeing to these terms as a BRAND PARTNER or Preferred Customer Membership, your Loyalty Program by default is set to:
  - I. 2 Boxes of FITTEAM FIT (80 PV) during the BRAND PARTNER enrollment process
  - II. 1 Box of FITTEAM FIT (40pv) during the Preferred Customer enrollment process if your initial order was for 1 box, or 2 boxes of FITTEAM FIT (80pv) if your initial order was for 2 or more boxes.
- C. A BRAND PARTNER/Preferred Customer may make adjustments to their Loyalty Program subscription at any time. But a change to the current month's shipment must be made prior to 3-days before the Loyalty Program processes.
  - I. For BRAND PARTNERS: Changes can be made in the Virtual Office of the FITTEAM website, located at [www.FITTEAMVirtualOffice.com](http://www.FITTEAMVirtualOffice.com) using their BRAND PARTNER ID number and Password given at the time of enrollment.
  - II. For Preferred Customers: Changes can be made on the website at [www.FITTEAMCustomerAccount.com](http://www.FITTEAMCustomerAccount.com) using their Customer ID number and Password given at the time of enrollment.
- D. Loyalty order cancellation requests will be effective in the calendar month in which FITTEAM receives written notice, or the BRAND PARTNER has submitted a ticket, or the BRAND PARTNER has emailed [customerservice@fitteamglobal.com](mailto:customerservice@fitteamglobal.com). Cancellation for the current month cannot occur if communication is not within the 3-day before processing timeframe, or the debit has already been processed. If the notice to cancel is received after the debit has been processed, the cancellation will be effective in the following calendar month. If notice to cancel is received after the debit, processing and shipment of the Auto-Ship, then the BRAND PARTNER will still be charged the initial shipping upon receiving a FITTEAM Company credit for the product. No Refunds are offered on Auto-Ship orders.

## 2.4 Rights Granted

A. FITTEAM hereby grants to the BRAND PARTNER a non-exclusive right, based upon the terms and conditions contained in the BRAND PARTNER agreement and these Policies and Procedures, to:

- I. Purchase FITTEAM products and services;
- II. Promote and sell FITTEAM products and services; and
- III. Sponsor new BRAND PARTNERS and Customers in the United States and in countries where FITTEAM may become established after the effective date of these Policies and Procedures.

## 2.5 Identification Numbers

A. Each BRAND PARTNER is required to provide his or her Social Security Number, or Federal Tax Identification Number, if located in the United States or any of its territories, to FITTEAM as part of the BRAND PARTNER agreement. FITTEAM reserves the right to withhold commission payments from any BRAND PARTNER who fails to provide such information or who provides false information.

B. Upon enrollment, FITTEAM will provide a FITTEAM Identification Number, and/or Username to the BRAND PARTNER. This number will be used to place orders, structure organizations, and track commissions and bonuses.

## 2.6 Renewals and Expiration of the BRAND PARTNER Agreement

A. The annual BRAND PARTNER renewal fee is \$24.99. The renewal date for a BRAND PARTNER, as part of BRAND PARTNER agreement, is 12-months from the date of enrollment.

B. If the BRAND PARTNER allows his or her BRAND PARTNER agreement to expire due to nonpayment, the BRAND PARTNER will lose any and all rights to his or her downline organization unless the BRAND PARTNER re-activates within 60-days following the expiration of the agreement.

C. If the former BRAND PARTNER re-activates within the 60-day time limit, the BRAND PARTNER will resume the rank and position held immediately prior to the expiration of the BRAND PARTNER Agreement. However, such BRAND PARTNER'S paid-as-level will not be restored unless he or she qualifies at that payout level in the new month. The BRAND PARTNER is not eligible to receive commissions for the time period that the BRAND PARTNER'S position was expired.

D. Any BRAND PARTNER whose agreement has expired and lapsed the 60-day grace period, is eligible to re-apply for a FITTEAM business, provided it is within the same position in the sponsorship genealogy, or they are required to wait 6 months to enroll with a new sponsor.

E. The downline of the expired BRAND PARTNER will roll up to the immediate, ACTIVE upline sponsor.

## 2.7 Business Entities

A. A corporation, partnership, LLC, or trust (collectively referred to as a "Business Entity") may apply to be a FITTEAM BRAND PARTNER. This BRAND PARTNER'S business and position will remain temporary until the proper documents are submitted. The entity must submit one of the following documents: Certificate of Incorporation, Articles of Organization, Partnership Agreement or appropriate Trust documents. FITTEAM must receive these documents within 14-days from the date the BRAND PARTNER agreement was signed.

B. A FITTEAM BRAND PARTNER may change his/her status under the same sponsor from an individual to a Partnership, LLC, Corporation, Trust or from one type of business entity to another.

## 2.8 Independent Business Relationship; Indemnification for Actions

A. The FITTEAM BRAND PARTNER is an independent contractor, and not a purchaser of a franchise or business opportunity. Therefore, each BRAND PARTNER'S success depends on his or her independent efforts.



B. The agreement between FITTEAM and its BRAND PARTNERS does not create an employer/employee relationship, agency, partnership, or joint venture between FITTEAM and the BRAND PARTNER.

C. A FITTEAM BRAND PARTNER shall not be treated as an employee of FITTEAM for any purposes, including, without limitation, for Federal, state, or provincial tax purposes. All BRAND PARTNERS are responsible for paying local, state, provincial, and Federal taxes due from all compensation earned as a BRAND PARTNER of FITTEAM. Any other compensation received by BRAND PARTNERS from FITTEAM will be governed by applicable U.S. tax laws (or the tax laws of any other applicable jurisdiction). The BRAND PARTNER has no expressed or implied authority to bind FITTEAM to any obligation or to make any commitments by or on behalf of FITTEAM. Each BRAND PARTNER shall establish his or her own goals, hours, and methods of operation and sale, so long as he or she complies with the terms of the BRAND PARTNER Agreement, these Policies and Procedures and applicable State, Federal and Provincial laws.

D. The FITTEAM BRAND PARTNER is fully responsible for all of his or her verbal and written communications made regarding FITTEAM products, services, and the compensation plan that are not expressly contained within official FITTEAM materials. BRAND PARTNERS shall indemnify and hold harmless FITTEAM, its directors, officers, employees, and agents from any and against all liability including judgments, civil penalties, refunds, attorney fees and court costs incurred by FITTEAM as a result of the BRAND PARTNER'S unauthorized representations or actions. This Provision shall survive the termination of the FITTEAM BRAND PARTNER Agreement.

## 2.9 Insurance

A. Business Pursuits Coverage. FITTEAM encourages BRAND PARTNERS to arrange insurance coverage for their business. A homeowner's insurance policy does not cover business related injuries, or the theft of, or damage to inventory or business equipment. FITTEAM BRAND PARTNERS need to contact their insurance agent to make certain their business property is protected. In most instances, this may be accomplished with a "Business Pursuit" endorsement to an existing homeowner's policy.

## 2.10 Errors or Questions

A. If a BRAND PARTNER has questions about, or believes any errors have been made regarding commissions, bonuses, business reports, orders, or charges, the BRAND PARTNER must notify FITTEAM in writing within 30-days of the date of the error or incident in question. Any such errors, omissions or problems not reported within 30-days shall be deemed waived by the BRAND PARTNER.

## 3.0 FITTEAM GLOBAL AFFILIATE RESPONSIBILITIES

### 3.1 Correct Addresses

A. It is the responsibility of the BRAND PARTNER or Customer to make sure FITTEAM has the correct shipping address before any orders are shipped.

B. A BRAND PARTNER or Customer will need to allow up to 30-days for processing after the notice of address change has been received by FITTEAM.

C. A BRAND PARTNER or Customer may be assessed a \$20 fee for returned shipments due to an incorrect shipping address.

### 3.2 Training and Leadership

A. Any FITTEAM BRAND PARTNER who sponsors another BRAND PARTNER into FITTEAM must perform an authentic assistance and training function to ensure his or her downline is properly operating his or her FITTEAM business. Sponsoring BRAND PARTNERS should have ongoing contact and communication with the BRAND PARTNERS in their downline organizations. Examples of communication may include but are not limited to: newsletters, written correspondence, telephone contact, team calls, voice-mail, e-mail, personal meetings, accompaniment of downline BRAND PARTNERS to FITTEAM meetings, training sessions and any other related functions.



- B. A Sponsoring FITTEAM BRAND PARTNER should monitor the BRAND PARTNERS in his or her downline organizations to ensure that downline BRAND PARTNERS do not make improper product or business claims, or engage in any illegal or inappropriate conduct. Upon request, such BRAND PARTNER should be able to provide documented evidence to FITTEAM of his or her ongoing fulfillment of the responsibilities of a sponsor.
- C. Upline BRAND PARTNERS are encouraged to motivate and train new BRAND PARTNERS about FITTEAM'S products and services, effective sales techniques, the FITTEAM Compensation Plan and compliance with all company policies and procedures. This training, personal development, coaching and/or mentorship must be done without charge.
- D. Marketing product is a required activity in FITTEAM and must be emphasized in all recruiting presentations.
- E. We emphasize and encourage all BRAND PARTNERS to sell FITTEAM products and services to Customers and Preferred Customers.
- F. Use of Sales Aids. To promote both the products and the opportunity FITTEAM offers, BRAND PARTNERS must use the sales aids and support materials produced by FITTEAM. If FITTEAM BRAND PARTNERS develop their own sales aids and promotional materials, which may include, but is not limited to, Internet advertising, notwithstanding BRAND PARTNERS' good intentions, they may unintentionally violate any number of statutes or regulations affecting a FITTEAM business. These violations, although they may be relatively few in number, could jeopardize the FITTEAM opportunity for all BRAND PARTNERS. Accordingly, BRAND PARTNERS must submit all written sales aids, promotional materials, advertisements, websites and other literature to the Company for Company's approval prior to use. Unless the BRAND PARTNER receives specific written approval to use the material, the request shall be deemed denied. All BRAND PARTNERS shall safeguard and promote the good reputation of FITTEAM and its products. The marketing and promotion of FITTEAM, the FITTEAM opportunity, the Compensation Plan, and FITTEAM products and services shall be consistent with public interest, and must avoid all discourteous, deceptive, misleading, unethical or immoral conduct or practices.

### 3.3 Constructive Criticism; Ethics

- A. FITTEAM desires to provide its independent BRAND PARTNERS with the best products, services and Compensation Plan in the industry. Accordingly, FITTEAM values constructive criticism and encourages the submission of written comments addressed to the FITTEAM Compliance Department: [compliance@fitteamglobal.com](mailto:compliance@fitteamglobal.com)
- B. Negative and disparaging comments about FITTEAM, its products or Compensation Plan, by BRAND PARTNERS made to FITTEAM, in the Field or at FITTEAM meetings or events, or disruptive behavior at FITTEAM meetings or events, serve no purpose other than to dampen the enthusiasm of other FITTEAM BRAND PARTNERS. FITTEAM BRAND PARTNERS must not belittle FITTEAM, other FITTEAM BRAND PARTNERS, FITTEAM products or services, the FITTEAM Compensation Plan, or FITTEAM directors, officers, or employees. Such conduct represents a material breach of these Policies and Procedures and may be subject to sanctions as deemed appropriate by FITTEAM.
- C. FITTEAM endorses the following code of ethics:
  - I. A FITTEAM BRAND PARTNER must show fairness, tolerance, and respect to all people associated with FITTEAM, regardless of race, gender, social class or religion, thereby fostering a "positive atmosphere" of teamwork, good morale and community spirit.
  - II. FITTEAM BRAND PARTNER shall strive to resolve business issues, including situations with upline and downline BRAND PARTNERS, by emphasizing tact, sensitivity, good will and taking care not to create additional problems.
  - III. FITTEAM BRAND PARTNERS must be honest, responsible, professional and conduct themselves with integrity.
  - IV. FITTEAM BRAND PARTNERS shall not make disparaging statements about FITTEAM, other BRAND PARTNERS, FITTEAM employees, products, services, sales and marketing



### 3.6 **Cross Sponsoring Prohibition**

- A. “Cross sponsoring” is defined as the enrollment into a different line of sponsorship of an individual, or business entity that already has a signed BRAND PARTNER Agreement. Actual or attempted cross sponsoring is not allowed. If cross sponsoring is verified by FITTEAM, sanctions up to and including termination of an BRAND PARTNER’S position may be imposed.
- B. The use of a Spouse’s or relative’s name, trade names, assumed names, DBA names, corporation, partnership, trust, Federal ID numbers, or fictitious ID numbers to evade or circumvent this policy is not permitted.
- C. This policy does not prohibit the transfer of a FITTEAM business in accordance with FITTEAM Sale or Transfer policy as set forth in these Policies.

### 3.7 **Adherence to the FITTEAM Compensation Plan**

- A. A BRAND PARTNER must adhere to the terms of the FITTEAM Compensation Plan as set forth in these Policies and Procedures as well as in official FITTEAM literature. Deviation from the Compensation Plan is prohibited.
- B. A BRAND PARTNER shall not offer the FITTEAM opportunity through, or in combination with, any other system, program, or method of marketing other than that specifically set forth in official FITTEAM literature.
- C. A BRAND PARTNER shall not require or encourage a current or prospective Customer or BRAND PARTNER to participate in FITTEAM in any manner that varies from the Compensation Plan as set forth in official FITTEAM literature.
- D. A BRAND PARTNER shall not require or encourage a current or prospective Customer or BRAND PARTNER to make a purchase from, or payment to any individual, or other entity, as a condition of participation in the FITTEAM Compensation Plan, other than such purchases or payments required to naturally build their business.

### 3.8 **Adherence to Laws and Ordinances**

- A. Many cities and counties have laws regulating certain home-based businesses. In most cases, these ordinances do not apply to BRAND PARTNERS because of the nature of the business. However, BRAND PARTNERS must check their local laws and obey the laws that do apply to them.
- B. A FITTEAM BRAND PARTNER shall comply with all Federal, state, provincial, and local laws and regulations in the conduct of his or her FITTEAM business.

### 3.9 **Compliance with Applicable Income Tax Laws**

- A. FITTEAM will automatically provide a completed 1099 Miscellaneous Income Tax form (nonemployee compensation) to each US BRAND PARTNER whose earnings for the year are at least \$600, or who has purchased more than \$5,000 of FITTEAM products for resale, or who has received free product, trips, prizes or awards valued at \$600 or more. If earnings and purchases are less than stated above, IRS forms will be sent only at the request of the BRAND PARTNER, and a minimum charge of \$20 may be assessed by FITTEAM. Canadian T-4’s will be sent to Canadian BRAND PARTNERS whose earnings for the year are at least \$500, or who have received free products, trips, prizes, or awards valued at \$500 or more. FITTEAM BRAND PARTNERS are responsible for the payment of taxes on these trips, prizes, awards, or free product provided to them by FITTEAM.
- B. A BRAND PARTNER accepts sole responsibility for and agrees to pay all Federal, state, provincial and local taxes on any income generated as an independent BRAND PARTNER, and further agrees to indemnify FITTEAM from any failure to pay such tax amounts when due.
- C. If a BRAND PARTNER’S business is tax exempt, the Federal Tax Identification number must be provided to FITTEAM in writing.
- D. FITTEAM encourages all BRAND PARTNERS to consult with a tax advisor for additional information for their business.

### 3.10 **One FITTEAM Business Per BRAND PARTNER**

A. A BRAND PARTNER may operate or have an ownership interest, legal or equitable, as a sole proprietorship, partner, shareholder, trustee, or beneficiary, in only ONE (1) FITTEAM business. No individual may have, operate or receive compensation from more than one FITTEAM business. ONLY through Executive Corporate approval, individual members of the same family unit may each enter into or have an interest in their own separate FITTEAM businesses, only if each subsequent family position is placed frontline to the first family member enrolled. A “family unit” is defined as spouses and dependent children living at or doing business at the same address.

### 3.11 **Actions of Household Members or Affiliated Parties**

A. If any member of a BRAND PARTNER’S immediate household engages in any activity which, if performed by the BRAND PARTNER, would violate any provision of the Agreement, such activity will be deemed a violation by the BRAND PARTNER and FITTEAM may take disciplinary action pursuant to these Policies and Procedures against the BRAND PARTNER. Similarly, if any individual associated in any way with a corporation, partnership, LLC, trust or other entity (collectively “Business Entity”) violates the Agreement, such action(s) will be deemed a violation by the Business Entity, and FITTEAM may take disciplinary action against the Business Entity. Likewise, if a BRAND PARTNER enrolls in FITTEAM as a Business Entity, each Affiliated Party of the Business Entity shall be personally and individually bound to, and must comply with, the terms and conditions of the Agreement.

### 3.12 **Solicitation for Other Companies or Products**

A. A FITTEAM BRAND PARTNER may only participate in other non-health & wellness related direct sales, multilevel marketing, network marketing or relationship marketing business ventures or marketing opportunities (Collectively called “Direct Sales Companies”), until they achieve the leadership rank of Bronze Executive (15,000 Group Volume), or achieve \$1,500 total compensation in a month. At that point, a BRAND PARTNER currently enrolled in ANY other Direct Sales Company outside of FITTEAM must formally terminate their position(s) in any other Direct Sales Companies. Note that BRAND PARTNERS may still purchase products from another Direct Sales Company as a discount or preferred customer, but only if they are not promoting or receiving any form of compensation from the other company (including any payments, free, or further discounted products, or similar benefits). However, during the term of this Agreement and for TWO (2) years thereafter, a FITTEAM BRAND PARTNER may not recruit any FITTEAM BRAND PARTNER, or Customer for any other Direct Sales Company or network marketing business, unless that BRAND PARTNER or Customer was personally sponsored by such BRAND PARTNER.

B. The term “recruit” means actual or attempted solicitation, enrollment, encouragement, or effort to influence in any other way (either directly, online, through social media or a third party), another BRAND PARTNER or Customer to enroll or participate in any Direct Sales or network marketing opportunity. This conduct represents recruiting even if the BRAND PARTNER’S actions are in response to an inquiry made by another BRAND PARTNER or Customer.

C. During the term of this Agreement and for a period of ONE (1) year thereafter, any FITTEAM BRAND PARTNER must not sell, or entice others to sell, any health & wellness/competing products or services, including training, training materials, personal development, coaching and/or mentorship to FITTEAM Customers or BRAND PARTNERS. Any product or service in the same category as a FITTEAM product or service is deemed to be competing (i.e., any competing product or service regardless of differences in cost or quality. This provision does not apply where professional services are the primary source of revenue and the product sales are secondary (e.g., doctor’s offices, clinics, health clubs, spas and beauty salons).

D. However, a BRAND PARTNER may ONLY sell non-health & wellness/non-competing products or services to FITTEAM Customers and BRAND PARTNERS that they personally sponsored.

E. A BRAND PARTNER may not display or bundle FITTEAM products or services, in sales literature, on a web site, or in sales meetings, with any other products or services to avoid confusing

or misleading a prospective Customer or BRAND PARTNER into believing there is a relationship between FITTEAM and non-FITTEAM products and services.

F. A FITTEAM BRAND PARTNER may not offer any non-FITTEAM opportunity, products or services at any FITTEAM related meeting, seminar or convention, or immediately following a FITTEAM event.

G. A violation of any of the provisions in this section shall constitute unreasonable and unwarranted contractual interference between FITTEAM and its BRAND PARTNERS and would inflict irreparable harm on FITTEAM. In such event, FITTEAM may, at its sole discretion, impose any sanction it deems necessary and appropriate against such BRAND PARTNER or such BRAND PARTNER'S positions including termination, or seek immediate injunctive relief without the necessity of posting a bond.

### 3.13 **Presentation of the FITTEAM Opportunity**

A. In presenting the FITTEAM opportunity to potential Customers and BRAND PARTNERS, a BRAND PARTNER is required to comply with the following provisions:

I. A BRAND PARTNER shall not misquote or omit any significant material fact about the Compensation Plan.

II. A BRAND PARTNER shall make it clear that the Compensation Plan is based upon sales of FITTEAM products and services.

III. A BRAND PARTNER shall make it clear that success can be achieved only through substantial independent efforts.

IV. A FITTEAM BRAND PARTNER shall not make unauthorized income projections, claims, or guarantees while presenting or discussing the FITTEAM opportunity or Compensation Plan to prospective BRAND PARTNERS or Customers.

V. A BRAND PARTNER may not make any claims regarding products or services offered by FITTEAM, except those contained in official FITTEAM literature.

VI. A BRAND PARTNER may not use official FITTEAM material to promote the FITTEAM Global business opportunity in any country where FITTEAM has not established operations.

VII. In an effort to conduct best and most ethical business practices, FITTEAM developed the Income Disclosure Statement ("IDS"). The FITTEAM IDS is designed to convey truthful, timely, and comprehensive information regarding the income that FITTEAM AFFILIATES earn. To accomplish this objective, a copy of the IDS must be presented to all prospective BRAND PARTNERS.

VIII. A copy of the IDS must be presented to a prospective BRAND PARTNER anytime the Compensation Plan is presented or discussed, or any type of income claim or earnings representation is made.

The terms "income claim" and/or "earnings representation" (collectively "income claim") include: (1) statements of average earnings, (2) statements of non-average earnings, (3) statements of earnings ranges, (4) income testimonials, (5) lifestyle claims, and (6) hypothetical claims. Examples of "statements of non-average earnings" include, "Our number one BRAND PARTNER earned over a million dollars last year" or "Our average ranking BRAND PARTNER makes five thousand per month." An example of a "statement of earnings ranges" is "The monthly income for our higher-ranking BRAND PARTNERS is ten thousand dollars on the low end to thirty thousand dollars a month on the high end."

### 3.14 **Sales Requirements are Governed by the Compensation Plan**

A. FITTEAM BRAND PARTNERS may purchase FITTEAM products and then re-sell them only at the company suggested retail price. There are no exclusive territories granted to anyone. No franchise fees are applicable to a FITTEAM business.



B. The FITTEAM program is built on sales to the ultimate consumer. FITTEAM encourages its BRAND PARTNERS to only purchase inventory that they and their family will personally consume, that will be used as a sales tool, or will be resold to others for their ultimate consumption. BRAND PARTNERS must never attempt to influence any other BRAND PARTNER to buy more products than they can reasonably use or sell to retail Customers in a month.

C. Each FITTEAM BRAND PARTNER commits to personally use, sell, or use in business building at least 70% of every order placed with the Company prior to placing another order, and must be able to certify to such if demanded by the Company or by any regulatory agency. Purchasing product solely for the purpose of collecting bonuses or achieving rank is prohibited. FITTEAM 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.

#### 4.0 **ORDERING**

##### 4.1 **General Order Policies**

A. Bonus buying is strictly and absolutely prohibited. Bonus buying includes: (a) the enrollment of individuals or entities without the knowledge of and/or execution of an Agreement by such individuals or entities; (b) the fraudulent enrollment of an individual or entity as a BRAND PARTNER or Customer; (c) the enrollment or attempted enrollment of non-existent individuals or entities as BRAND PARTNERS or Customers (“phantoms”); (d) purchasing FITTEAM products or services on behalf of another BRAND PARTNER or Customer, or under another BRAND PARTNER’S or Customer’s ID number, to qualify for commissions or bonuses; (e) purchasing excessive amounts of goods or services that cannot reasonably be used or resold in a month; and/or (f) any other mechanism or artifice to qualify for rank advancement, incentives, prizes, commissions, or bonuses that is not driven by bona fide product or service purchases by end consumers.

B. A BRAND PARTNER shall not use another BRAND PARTNER’S or Customer’s credit card or debit checking account to enroll in FITTEAM or purchase products or services without the account holder’s written permission. Such documentation must be kept by the BRAND PARTNER indefinitely as it may be required by FITTEAM at a later date.

C. A BRAND PARTNER shall not break down the product and sell individual samples. Product may only be sold in originally packaging.

D. Regarding an order with an invalid or incorrect payment, FITTEAM will attempt to contact the BRAND PARTNER by phone, mail or email in order to obtain another form of payment. If these attempts are unsuccessful after 10 business days, the order will be cancelled.

E. If a BRAND PARTNER wants to move an order to another BRAND PARTNER’S position, he or she must have prior authorization, of all parties involved. FITTEAM will charge the BRAND PARTNER a \$20 fee for processing.

F. Prices are subject to change without notice.

G. A BRAND PARTNER or Customer who is a recipient of a damaged or incorrect order must notify FITTEAM within 10 calendar days from receipt of the order and follow the procedures as set forth in these Policies.

##### 4.2 **Insufficient Funds**

A. All checks returned for insufficient funds will be re-submitted for payment. A \$35 fee will be charged to the account of the BRAND PARTNER or Customer for all returned checks and insufficient funds.

B. Any outstanding balance owed to FITTEAM by a BRAND PARTNER or Customer of the BRAND PARTNER from NSF (non-sufficient funds) checks, returned check fees or insufficient fund fees (ACH) will be withheld by FITTEAM from the BRAND PARTNER’S future bonus and commission checks.

C. All transactions involving returned checks or insufficient funds through ACH or credit card, which are not resolved in a timely manner by the BRAND PARTNER, constitute grounds for disciplinary sanctions.

D. If a credit card order or automatic debit is declined the first time, the Customer or BRAND PARTNER will be contacted for an alternate form of payment. If payment is declined a second time, the Customer or BRAND PARTNER may be deemed ineligible to purchase FITTEAM products or services or to participate in the monthly Auto-Ship.

#### 4.3 **Sales Tax Obligation**

A. Each BRAND PARTNER shall comply with all state, provincial, and/or local taxes and regulations governing the sale of FITTEAM products and services.

B. FITTEAM will collect and remit sales tax on all BRAND PARTNER orders unless a BRAND PARTNER furnishes FITTEAM with the appropriate Resale Tax Certificate form. When orders are placed with FITTEAM, sales tax is prepaid based upon the suggested RETAIL price. FITTEAM will remit the sales tax to the appropriate state and local jurisdictions. The BRAND PARTNER may recover the sales tax when he or she makes a sale. FITTEAM BRAND PARTNERS are responsible for any additional sales taxes due on products marked up and sold at a higher price.

C. FITTEAM encourages each BRAND PARTNER to consult with a tax advisor for additional information for his or her business.

#### 5.0 **PAYMENT OF COMMISSIONS & BONUSES**

##### 5.1 **Bonus and Commission Qualifications**

A. A BRAND PARTNER must be ACTIVE and in compliance with FITTEAM Policies and Procedures to qualify for bonuses and commissions. As long as a BRAND PARTNER complies with the terms of the Agreement, FITTEAM shall pay commissions to such BRAND PARTNER in accordance with the Compensation Plan.

B. FITTEAM will not issue a check or commissions to a BRAND PARTNER without the receipt of a completed and signed FITTEAM BRAND PARTNER Agreement or electronic authorization.

C. FITTEAM reserves the right to postpone or hold commission payments until such time where the cumulative amount exceeds \$1.00.

D. A FITTEAM BRAND PARTNER has six months after the date of first commission to setup or activate their PayQuicker Commission Payment Account or commission will be forfeited.

E. FITTEAM will assess a \$1.00 processing fee to each bonus or commission payment for remittance.

##### 5.2 **Computation of Commissions and Discrepancies**

A. In order to qualify to receive commissions and bonuses, a BRAND PARTNER must be in good standing and comply with the terms of the Agreement and these Policies and Procedures. Commissions, overrides, and achievement levels are calculated weekly and monthly, as specified in the Compensation Plan.

B. A FITTEAM BRAND PARTNER must review his or her monthly statement and bonus reports promptly and report any discrepancies within 30-days of receipt. After the 30-day "grace period" no additional requests will be considered for commission recalculations.

C. For additional information on payment of commissions, please review the Compensation Plan.

##### 5.3 **Bonus Adjustments for Returned Products/Memberships**

A. A BRAND PARTNER receives bonuses and commissions based on the actual sales of products and services to end consumers and to BRAND PARTNERS through product purchases. When a product or service is returned to FITTEAM for a refund from the end consumer, or by a BRAND PARTNER, the bonuses and commissions attributable to the returned product or service will be deducted from the BRAND PARTNER who received bonuses or commissions on such sales. Deductions will occur in the month in which the refund is given and will continue every pay period thereafter until the commission is recovered.



B. In the event that a BRAND PARTNER terminates his or her position, and the amounts of the bonuses or commissions attributable to the returned products have not yet been fully recovered by FITTEAM, the remainder of the outstanding balance may be offset against any other amounts that may be owed by FITTEAM to the terminated BRAND PARTNER.

## 6.0 **REFUNDS AND PRODUCT RETURNS**

### 6.1 **Product Inventory Returns as They Apply to BRAND PARTNERS**

A. As a BRAND PARTNER, you agree that if you resell Product directly to a customer, you will adhere to FITTEAM's First/Initial Order Only, 100% 90-day money back guarantee policy and shall provide the customer a full refund of all monies paid if the customer returns product packaging and unused product, within ninety (90) days of the sales transaction. There will be no refunds for non-First orders. If you are not 100% satisfied with our products, you may return the product packaging and unused product items for a refund if neither you, nor we, have terminated the Brand Partner Agreement. The refund shall be 100% of the purchase price of the Product, within the first ninety (90) days on First/Initial orders only. Shipping and handling, and Membership Fee charges incurred will not be refunded, and you will be responsible for return shipping and handling charges, and responsible for any lost packages. There will be no Refunds after 90 days.

B. Upon cancellation of a BRAND PARTNER'S agreement, the BRAND PARTNER may return resalable sales aids purchased within one (1) year from the date of cancellation for a refund if he or she is unable to sell or use the merchandise. A BRAND PARTNER may only return products and sales aids he or she personally purchased from the Company under his or her BRAND PARTNER Identification Number, and which are in new and resalable condition. Upon receipt of the products and sales aids, the BRAND PARTNER will be reimbursed ninety percent (90%) of the net cost of the original purchase price(s), less shipping charges. If the purchases were made through a credit card, the refund will be credited back to the same account.

C. The Company shall deduct from the reimbursement paid to the BRAND PARTNER any commissions, bonuses, rebates or other incentives received by the BRAND PARTNER that were associated with the merchandise returned. Products shall be deemed "resalable" if each of the following elements is satisfied: 1) they are unopened and unused, 2) original packaging and labeling has not been altered or damaged, 3) they are in a condition such that it is a commercially reasonable practice within the trade to sell the merchandise at full price, and 4) the product contains current FITTEAM labelling. Any merchandise that is clearly identified at the time of sale as nonreturnable, discontinued, or as a seasonal item, shall not be resalable.

### 6.2 **Return Process**

A. All returns, whether by a Customer, or AFFILIATE, must be made as follows:

I. Obtain MRA# (Merchandise Return Authorization Number) from FITTEAM by e-mailing [customerservice@fitteamglobal.com](mailto:customerservice@fitteamglobal.com)

II. Ship items to the address provided by FITTEAM Customer Service when you are given your MRA#

III. Provide a copy of the invoice with the returned products and original packaging. Such invoice must reference the MRA# and include the reason for the return.

IV. Ship back unopened product in manufacturer's box exactly as it was delivered.

B. All returns must be shipped to FITTEAM pre-paid, as FITTEAM does not accept shipping collect packages. FITTEAM recommends shipping returned product by UPS or FedEx with tracking, as risk of loss in shipping the returned product shall be borne solely by the Customer, or BRAND PARTNER. If returned product is not received at FITTEAM Distribution Center. It is the responsibility of the Customer, or BRAND PARTNER to track the shipment or no credit will be applied.

C. If a Customer Refuses a shipment, FITTEAM will assess a 20% Re-Stocking fee for the additional handling and shipping charges, and FITTEAM will not issue a Refund for the original

shipping charges. If a Customer Refuses a shipment and the shipment is lost by the mailing service, the Customer will be liable for the product purchase, and no refunds will be issued

D. The return of \$500 or more of products accompanied by a request for a refund within a calendar year, by a BRAND PARTNER, may constitute grounds for involuntary termination.

## 7.0 **PRIVACY POLICY**

### 7.1 **Introduction**

This Privacy Policy is to ensure that all Customers and BRAND PARTNERS understand and adhere to the basic principles of confidentiality. A full Privacy Policy related to information shared on our websites is posted on the FITTEAM website homepage.

### 7.2 **Expectation of Privacy**

A. FITTEAM recognizes and respects the importance its Customers and BRAND PARTNERS place on the privacy of their financial and personal information. FITTEAM Global will make reasonable efforts to safeguard the privacy of, and maintain the confidentiality of its Customers' and BRAND PARTNERS financial and account information and non-public personal information.

B. By entering into the BRAND PARTNER agreement, a BRAND PARTNER authorizes FITTEAM to disclose his or her name and contact information to upline BRAND PARTNERS solely for activities related to the furtherance of the FITTEAM business. A BRAND PARTNER hereby agrees to maintain the confidentiality and security of such information and to use it solely for the purpose of supporting and servicing his or her downline organization and conducting FITTEAM business.

### 7.3 **Employee Access to Information**

A. FITTEAM limits the number of employees who have access to Customer's and BRAND PARTNER'S non-public personal information.

### 7.4 **Restrictions on the Disclosure of Account Information**

A. FITTEAM will not share non-public personal information or financial information about current or former Customers or BRAND PARTNERS with third parties, except as permitted or required by laws and regulations, court orders, or to serve the Customers', or BRAND PARTNERS' interests or to enforce its rights or obligations under these Policies and Procedures, or BRAND PARTNER Agreement or with written permission from the account holder on file.

## 8.0 **PROPRIETARY INFORMATION AND TRADE SECRETS**

### 8.1 **Business Reports, Lists, and Proprietary Information**

A. By completing and signing the FITTEAM BRAND PARTNER Agreement, the BRAND PARTNER acknowledges that Business Reports, lists of Customer and BRAND PARTNER names and contact information and any other information, which contain financial, scientific or other information both written or otherwise circulated by FITTEAM pertaining to the business of FITTEAM (collectively, "Reports"), are confidential and proprietary information and trade secrets belonging to FITTEAM.

### 8.2 **Obligation of Confidentiality**

A. During the term of the FITTEAM Global BRAND PARTNER Agreement and for a period of 5 years after the termination or expiration of the BRAND PARTNER Agreement between the BRAND PARTNER and FITTEAM, the BRAND PARTNER shall not:

- I. Use the information in the Reports to compete with FITTEAM or for any purpose other than promoting his or her FITTEAM business;
- II. Use or disclose to any person or entity any confidential information contained in the Reports, including the replication of the genealogy in another Direct Selling Company.

### 8.3 **Breach and Remedies**

A. The BRAND PARTNER acknowledges that such proprietary information is of such character as to render it unique and that disclosure or use thereof in violation of this provision will result in

irreparable damage to FITTEAM and to independent FITTEAM businesses. FITTEAM and its BRAND PARTNERS will be entitled to injunctive relief or to recover damages against any BRAND PARTNER who violates this provision in any action to enforce its rights under this section. The prevailing party shall be entitled to an award of attorney's fees and expenses.

#### 8.4 **Return of Materials**

A. Upon demand by FITTEAM, any current or former BRAND PARTNER will return the original and all copies of all "Reports" to FITTEAM together with any FITTEAM confidential information in such person's possession.

#### 9.0 **ADVERTISING, PROMOTIONAL MATERIAL, USE OF COMPANY NAMES AND TRADEMARKS**

##### 9.1 **Labeling, Packaging, and Displaying Products**

A. A FITTEAM BRAND PARTNER may not re-label, re-package, refill, or alter labels of any FITTEAM product, or service, information, materials or programs in any way. FITTEAM products and services must only be sold in their original containers from FITTEAM. Such re-labeling or re-packaging violates Federal and state laws, which may result in criminal or civil penalties or liability.

B. A FITTEAM BRAND PARTNER shall not cause any FITTEAM product or service or any FITTEAM trade name to be sold or displayed in retail establishments except the following: Where professional services are the primary source of revenue and the product sales are secondary (e.g., doctor's offices, clinics, health clubs, spas and beauty salons).

C. FITTEAM will permit BRAND PARTNERS to solicit and make Commercial Sales upon prior written approval from FITTEAM. For the purpose of these Policies and Procedures, the term "Commercial Sale" means the sale of: FITTEAM products that equal or exceed \$5,000 in a single order.

D. A BRAND PARTNER may sell FITTEAM products and services and display the FITTEAM trade name at any appropriate display booth (such as trade shows) upon prior written approval from FITTEAM.

E. FITTEAM reserves the right to refuse authorization to participate at any function that it does not deem a suitable forum for the promotion of its products and services, or the FITTEAM opportunity.

##### 9.2 **Use of Company Names and Protected Materials**

A. A FITTEAM BRAND PARTNER must safeguard and promote the good reputation of FITTEAM and the products and services it markets. The marketing and promotion of FITTEAM, the FITTEAM opportunity, the Compensation Plan, and FITTEAM products and services will be consistent with the public interest, and must avoid all discourteous, deceptive, misleading, unethical or immoral conduct and practices.

B. All promotional materials supplied or created by FITTEAM must be used in their original form and cannot be changed, amended or altered except with prior written approval from the FITTEAM Compliance Department. When promoting FITTEAM Products and Opportunity you are required to use only company branded progress photos and testimonials. Use of unbranded progress photos and testimonials is prohibited.

C. The name of FITTEAM, each of its product names and other names that have been adopted by FITTEAM in connection with its business, are proprietary trade names, trademarks and service marks of FITTEAM. As such, these marks are of great value to FITTEAM and are supplied to BRAND PARTNERS for their use only in an expressly authorized manner.

D. A FITTEAM BRAND PARTNER'S use of the name "FITTEAM" or "FITTEAM Global" is restricted to protect FITTEAM proprietary rights, ensuring that the FITTEAM protected names will not be lost or compromised by unauthorized use. Use of the FITTEAM name on any item not produced by FITTEAM is prohibited except as follows:

I. [BRAND PARTNER'S name] Independent FITTEAM BRAND PARTNER

- II. [BRAND PARTNER'S name] Independent BRAND PARTNER of FITTEAM products and services.
- E. Further procedures relating to the use of the FITTEAM name are as follows:
  - I. All stationery (i.e. letterhead, envelopes, and business cards) bearing the FITTEAM name or logo intended for use by the BRAND PARTNER must be approved in writing by the FITTEAM Compliance Department. FITTEAM BRAND PARTNERS must not give the impression they are the corporate office.
  - II. FITTEAM BRAND PARTNERS may list "Independent FITTEAM BRAND PARTNER or BRAND PARTNER" in the white pages of the telephone directory under his or her own name. FITTEAM BRAND PARTNERS must not give the impression they are the corporate office.
  - III. FITTEAM BRAND PARTNERS may not use the name FITTEAM or FITTEAM Global in answering his or her telephone, creating a voice message or using an answering service, such as to give the impression to the caller that they have reached the corporate office. They may state, "Independent FITTEAM BRAND PARTNER,"
- F. Certain photos and graphic images used by FITTEAM in its advertising, packaging, and Web sites are the result of paid contracts with outside vendors that do not extend to BRAND PARTNERS. If a BRAND PARTNER wants to use these photos or graphic images, they must negotiate individual contracts with the vendors for a fee.
- G. A FITTEAM BRAND PARTNER shall not appear on, or make use of television or radio, or make use of any other media to promote or discuss FITTEAM or its programs, products or services without prior written permission from the FITTEAM Compliance Department.
- H. A BRAND PARTNER may not produce for sale or distribution any Company event or speech, nor may a BRAND PARTNER reproduce FITTEAM audio or video clips for sale or for personal use without prior written permission from the FITTEAM Compliance Department.
- I. FITTEAM reserves the right to rescind its prior approval of any sales aid or promotional material to comply with changing laws and regulations and may request the removal from the marketplace of such materials without financial obligation to the affected BRAND PARTNER.
- J. A BRAND PARTNER shall not promote non-FITTEAM products or services in conjunction with FITTEAM products or services on the same Web sites, advertisement, or social media post without prior approval from the FITTEAM Compliance Department.
- K. A BRAND PARTNER shall never imply that any of the FITTEAM products are designed to prevent, treat, cure or mitigate any diseases. Health claims related to various diseases will not be tolerated.

### 9.3 Faxes, Text and E-mail - Limitations

- A. Except as provided in this section, a BRAND PARTNER may not use or transmit unsolicited faxes, group texts, e-mail, mass e-mail distribution, or "spamming" that advertises or promotes the operation of his or her FITTEAM business. The exceptions are:
  - I. Faxes or e-mailing any person who has given prior permission or invitation.
  - II. Faxing or e-mailing any person with whom the BRAND PARTNER has established a prior business or personal relationship.
- B. In all states where prohibited by law, a BRAND PARTNER may not transmit, or cause to be transmitted through a third party, (by telephone, facsimile, computer or other device), an unsolicited advertisement to any equipment, which has the capacity to transcribe text or images from an electronic signal received over a regular telephone line, cable line, ISDN, T1 or any other signal carrying device, except as set forth in this section.
- C. All faxes, e-mail or computer broadcasted documents subject to this provision shall include each of the following:

- I. A clear and obvious identification that the fax or e-mail message is an advertisement or solicitation. The words “advertisement” or “solicitation” should appear in the subject line of the message.
  - II. A clear return path or routing information.
  - III. The use of legal and proper domain name.
  - IV. A clear and obvious notice of the opportunity to decline to receive further commercial facsimile or e-mail messages from the sender.
  - V. Unsubscribe or opt-out instructions should be the very first text in the body of the message box in the same size text as the majority of the message
  - VI. The true and correct name of the sender, valid senders fax or e-mail address, and a valid sender physical address.
  - VII. The date and time of the transmission.
  - VIII. Upon notification by recipient of his or her request not to receive further faxed or e-mailed documents, a FITTEAM BRAND PARTNER shall not transmit any further documents to that recipient.
- D. All e-mail or computer broadcasted documents subject to this provision shall not include any of the following:
- I. Use of any third-party domain name without permission.
  - II. Sexually explicit materials.

#### 9.4 Internet and Third-Party Web Site Restrictions

- A. A BRAND PARTNER may NOT use or attempt to register any of FITTEAM’S trade names, trademarks, service names, service marks, product names, URLs, advertising phrases, the Company’s name or any derivative thereof, for any purpose including, but not limited to, production of apparel/gear, Internet domain names (URL), third party Web sites, email addresses, Web pages, or blogs.
- B. A FITTEAM BRAND PARTNER may NOT sell FITTEAM products or offer the Business opportunity using “on-line auctions,” such as eBay®, or websites such as Craigslist.org and/or Amazon.
- C. All BRAND PARTNERS may have one (1) Approved third-party Web site. A third-party Web site is a FITTEAM approved personal website that is hosted on non-FITTEAM servers and has no affiliation with FITTEAM. Any BRAND PARTNER who wishes to develop their own third-party Web site must submit a properly completed third-party Web site Application and Agreement along with the proper \$50 web site registration fee and receive FITTEAM’S prior written approval before going live with their third-party Web site. Third-party Web sites may be used to promote your business and FITTEAM’S products so long as the third-party Web site adheres to FITTEAM’S advertising policies. Moreover, NO orders may be placed through third-party Websites, and no enrollments may occur through a third-party Website. If you wish to use any third-party Website, you must do the following:
  - I. Identify yourself as a BRAND PARTNER for FITTEAM.
  - II. Use only the approved images and wording authorized by FITTEAM.
  - III. Adhere to the branding, trademark, and image usage policies described in this document.
  - IV. Adhere to any other provision regarding the use of a third-party Web site described in this document.
  - V. Agree to give the Compliance Department at FITTEAM access to the third-party Web site, and if the website is password protected, the Compliance Department must receive passwords or credentials allowing unlimited access.

- VI. Agree to modify your web site to comply with current or future FITTEAM policies.
- D. All marketing materials used on a BRAND PARTNER'S third-party Web site must be provided by FITTEAM or approved in writing by FITTEAM. When promoting FITTEAM Products and Opportunity you are required to use company branded progress photos and testimonials. Use of unbranded progress photos and testimonials is prohibited.
- E. To avoid confusion, the following three elements must also be prominently displayed at the top of every page of your third-party Web site:
- I. The FITTEAM BRAND PARTNER Logo
  - II. Your Name and FITTEAM Title/Rank
  - III. FITTEAM Corporate Web site Redirect Button
- F. A BRAND PARTNER may not use third-party sites that contain materials copied from corporate sources (such as FITTEAM Global brochures, CDs, videos, tapes, events, presentations, and corporate Web sites). This policy ensures brand consistency, allows Customers and BRAND PARTNERS to stay up-to-date with changing products and information, facilitates enrollment under the correct Sponsor, and assists in compliance with government regulations.
- G. A FITTEAM BRAND PARTNER who currently qualifies at the rank of DIAMOND EXECUTIVE may apply to the Compliance Department for an exception to the third-party Web site policy in 9.4(D). To qualify for an exception, the Web site must serve a unique market that the FITTEAM corporate site does not currently serve or intend to serve.
- H. No other products may be displayed with FITTEAM products or services on a BRAND PARTNER'S third-party Web site.
- I. If the independent FITTEAM business of a BRAND PARTNER who has received authorization to create and post a third-party Website is voluntarily or involuntarily canceled for any reason, or if FITTEAM revokes its authorization allowing the BRAND PARTNER to maintain a third-party Website, the BRAND PARTNER shall assign the URL to his/her third-party Website to FITTEAM within three days from the date of the cancellation and/or re-direct all traffic to the site as directed by FITTEAM. FITTEAM reserves the right to revoke any BRAND PARTNER'S right to use a third-party Website at anytime if FITTEAM believes that such revocation is in the best interest of FITTEAM, its BRAND PARTNERS, and Customers. Decisions and corrective actions in this area are at FITTEAM'S sole discretion.
- J. Social Media sites may not be used to sell or offer to sell FITTEAM products. PROFILES AN BRAND PARTNER GENERATES IN ANY SOCIAL COMMUNITY WHERE FITTEAM IS DISCUSSED OR MENTIONED MUST CLEARLY IDENTIFY THE BRAND PARTNER AS A FITTEAM BRAND PARTNER, and when a BRAND PARTNER participates in those communities, BRAND PARTNERS must avoid inappropriate conversations, comments, images, video, audio, applications or any other adult, profane, discriminatory or vulgar content. The determination of what is inappropriate is at FITTEAM'S sole discretion, and offending BRAND PARTNERS will be subject to disciplinary action. Banner ads and images used on these sites must be current and must come from the FITTEAM approved library. If a link is provided, it must link to the posting BRAND PARTNER'S Replicated Website or an approved third-party Website.
- K. Anonymous postings or use of an alias on any Social Media site is prohibited, and offending BRAND PARTNERS will be subject to disciplinary action.
- L. BRAND PARTNERS may not use blog spam, spam dexing or any other mass-replicated methods to leave blog comments. Comments BRAND PARTNERS create or leave must be useful, unique, relevant and specific to the blog's article.
- M. BRAND PARTNERS must disclose their full name on all Social Media postings, and conspicuously identify themselves as an independent BRAND PARTNER for FITTEAM. Anonymous postings or use of an alias is prohibited.



N. Postings that are false, misleading, or deceptive are prohibited. This includes, but is not limited to, false or deceptive postings relating to the FITTEAM income opportunity, FITTEAM products and services, and/or your biographical information and credentials.

O. BRAND PARTNERS are personally responsible for their postings and all other online activity that relates to FITTEAM. Therefore, even if a BRAND PARTNER does not own or operate a blog or Social Media site, if a BRAND PARTNER posts to any such site that relates to FITTEAM or which can be traced to FITTEAM, the BRAND PARTNER is responsible for the posting. BRAND PARTNERS are also responsible for postings which occur on any blog, or Social Media site that the BRAND PARTNER owns, operates, or controls.

P. As a FITTEAM BRAND PARTNER, it is important not to converse with any person who places a negative post against you, other BRAND PARTNERS, or FITTEAM. Report negative posts to FITTEAM at [compliance@fitteamglobal.com](mailto:compliance@fitteamglobal.com). Responding to such negative posts often simply fuels a discussion with someone carrying a grudge that does not hold themselves to the same high standards as FITTEAM, and therefore damages the reputation and goodwill of FITTEAM.

Q. The distinction between a Social Media site and a Website may not be clear-cut, because some Social Media sites are particularly robust, FITTEAM therefore reserves the sole and exclusive right to classify certain Social Media sites as third-party Websites and require that BRAND PARTNERS using, or who wish to use, such sites adhere to the FITTEAM policies relating to third-party Websites.

R. If your FITTEAM business is cancelled for any reason, you must discontinue using the FITTEAM name, and all FITTEAM trademarks, trade names, service marks, and other intellectual property, and all derivatives of such marks and intellectual property, in any postings and all Social Media sites that you utilize. If you post on any Social Media site on which you have previously identified yourself as an independent FITTEAM BRAND PARTNER, you must conspicuously disclose that you are no longer an independent FITTEAM BRAND PARTNER.

S. Failure to comply with these policies for conducting business online may result in the BRAND PARTNER losing their right to advertise and market FITTEAM products and the FITTEAM business opportunity online in addition to any other disciplinary action available under the Policies and Procedures.

T. When promoting the FITTEAM Products and Opportunity you are required to use company branded progress photos and testimonials. Use of unbranded progress photos and testimonials is prohibited.

U. FITTEAM BRAND PARTNERS are prohibited from posting online in regards to, or about any other Direct Sales Company.

## 9.5 Advertising and Promotional Materials

A. You may not advertise any FITTEAM products at a price LESS than the suggested retail price of the product plus shipping and applicable taxes. No special enticement advertising is allowed. This includes but is not limited to offers of free membership, free shipping, or other such offers that grant advantages beyond those available through the Company.

B. Advertising and all forms of communications must adhere to principles of honesty and propriety.

C. All advertising, including but not limited to print, Internet, computer bulletin boards, television, radio, etc., are subject to prior written approval by the FITTEAM Compliance Department.

D. All requests for approvals with respect to advertising must be directed in writing to the FITTEAM Compliance Department.

E. FITTEAM approval is not required to place blind ads that do not mention FITTEAM, its employees, any of its products, services designs, symbols, programs, and trademarked, copyrighted, or otherwise protected materials.

F. A BRAND PARTNER who is currently paid at the DIAMOND EXECUTIVE rank may create his or her own ads or promotional materials including the development of commercials, infomercials and



additional third-party Web sites. However, all such materials, and any subsequent changes thereto shall be submitted to the FITTEAM Compliance Department for approval.

G. DIAMOND EXECUTIVES are encouraged to work with the Compliance Department prior to the production of commercials, infomercials, or Web sites.

H. FITTEAM reserves the right to rescind its prior approval of submitted advertising or promotional materials in order to comply with changing laws and regulations, and may require the removal of such advertisements from the market place without obligation to the affected BRAND PARTNER.

I. A BRAND PARTNER may not break down a box of FITTEAM FIT and sell individual FIT Sticks, or a group or bundle of FIT Sticks.

J. A BRAND PARTNER may not use coupons to promote or sell the product at a DISCOUNT.

#### 9.6 Testimonial Permission

A. By signing the FITTEAM BRAND PARTNER Agreement, a BRAND PARTNER gives FITTEAM permission to use his or her testimonial or image and likeness in corporate sales materials, including but not limited to print media, electronic media, audio and video. In consideration of being allowed to participate in the FITTEAM Business Opportunity, a BRAND PARTNER waives any right to be compensated for the use of his or her testimonial or image and likeness even though FITTEAM may be paid for items or sales materials containing such image and likeness. In some cases, a BRAND PARTNER'S testimonial may appear in another BRAND PARTNER'S advertising materials.

#### 9.7 Telemarketing - Limitations

A. A FITTEAM BRAND PARTNER must not engage in telemarketing in relation to the operation of the BRAND PARTNER'S FITTEAM business. The term "telemarketing" means the placing of one or more telephone calls to an individual or entity to induce the purchase of FITTEAM products or services, or to recruit them for the FITTEAM opportunity.

B. The Federal Trade Commission ("FTC") and the Federal Communications Commission ("FCC") each have laws that restrict telemarketing practices. Both Federal agencies, as well as a number of states, have "do not call" regulations as part of their telemarketing laws.

C. While a BRAND PARTNER may not consider himself or herself a "telemarketer" in the traditional sense, these regulations broadly define the term "telemarketer" and "telemarketing" so that the unintentional action of calling someone whose telephone number is listed on the Federal "Do Not Call" registry could cause the BRAND PARTNER to violate the law. These regulations must not be taken lightly, as they carry significant penalties (up to \$11,000 per violation).

D. "Cold calls" or "state-to-state calls" made to prospective Customers, or BRAND PARTNER'S that promote either FITTEAM products, services or the FITTEAM opportunity is considered telemarketing and is prohibited.

E. Exceptions to Telemarketing Regulations

A FITTEAM BRAND PARTNER may place telephone calls to prospective Customers, or BRAND PARTNER'S under the following limited situations:

I. If the BRAND PARTNER has an established business relationship with the prospect.

II. In response to the prospect's personal inquiry or application regarding a product or service offered by the FITTEAM BRAND PARTNER, within 3 months immediately before the date of such a call.

III. If the BRAND PARTNER receives written and signed permission from the prospect authorizing the BRAND PARTNER to call. The authorization must specify the telephone number(s) that the BRAND PARTNER is authorized to call.

IV. If the call is to family members, personal friends, and acquaintances. However, if a BRAND PARTNER makes a habit of collecting business cards from everyone he/she meets

and subsequently calls them, the FTC may consider this a form of telemarketing that is not subject to this exemption.

V. FITTEAM BRAND PARTNERS engaged in calling “acquaintances,” must make such calls on an occasional basis only and not as a routine practice.

F. A BRAND PARTNER shall not use automatic telephone dialing systems in the operation of his or her FITTEAM businesses.

G. Failure to abide by FITTEAM policies or regulations as set forth by the FTC and FCC regarding telemarketing may lead to sanctions against the BRAND PARTNER’S position, up to and including termination of the position.

H. By signing the BRAND PARTNER Agreement or by accepting commission checks, other payments or awards from FITTEAM, a BRAND PARTNER gives permission to FITTEAM and other BRAND PARTNERS to contact them as permitted under the Federal Do Not Call regulations.

I. In the event a BRAND PARTNER violates this section, FITTEAM reserves the right to institute legal proceedings to obtain monetary or equitable relief.

## **10.0 INTERNATIONAL MARKETING**

### **10.1 International Marketing Policy**

A. A FITTEAM BRAND PARTNER is authorized to sell FITTEAM products to Customers and BRAND PARTNERS only in the countries in which FITTEAM is authorized to conduct business, according to the Policies and Procedures of each country. FITTEAM BRAND PARTNERS may not sell products or services in any country where FITTEAM products and services have not received applicable government authorization or approval.

B. A BRAND PARTNER may not, in any unauthorized country, conduct sales, enrollment or training meetings, enroll or attempt to enroll, potential Customers or BRAND PARTNERS, nor conduct any other activity for the purpose of selling FITTEAM products and services, establishing a sales organization, or promoting the FITTEAM business opportunity.

## **11.0 CHANGES TO A BRAND PARTNER BUSINESS**

### **11.1 Modification of the BRAND PARTNER Agreement**

A. A FITTEAM BRAND PARTNER may modify his or her existing BRAND PARTNER agreement (i.e., change a social security number to a Federal ID number, add a Spouse or partner to the account, or change the form of ownership from an individual to a business owned by the BRAND PARTNER) by submitting a written request, accompanied by a new BRAND PARTNER agreement and the Business Registration Form, if applicable, completed with fresh signatures (not a “crossed out” or “white-out” version of the first agreement), and any appropriate supporting documentation.

### **11.2 Change Sponsor or Placement for Active BRAND PARTNERS**

A. Maintaining the integrity of the organizational structure is mandatory for the success of FITTEAM and our independent BRAND PARTNERS. As such, under exceptional circumstances at the discretion of the company, a request to change sponsor/placement may be considered.

B. New BRAND PARTNERS or their original Sponsor may request a change of Sponsor only within the first 5 business days of enrollment for the purpose of structuring an organization. The new BRAND PARTNER Agreement must be received within the calendar month for commission calculations to be effective with the requested change.

C. Sponsors may make “Placement changes” from one BRAND PARTNER to another for personally sponsored (frontline) BRAND PARTNERS during their first 30-days of enrollment.

D. To change or correct the Sponsor, a BRAND PARTNER must comply with following procedures:

I. Submit a Sponsor Placement Transfer Form;

II. Submit a FITTEAM BRAND PARTNER Agreement showing the correct Sponsor and Placement, and any appropriate supporting documentation;

III. The BRAND PARTNER Agreement must be a new, completed document bearing “fresh” signatures, not a “crossed-out” or “white-out” version of the first agreement.

E. Upon approval, the BRAND PARTNER’S downline, if any, will transfer with the BRAND PARTNER.

F. If one transfer has already been made a \$20 fee will be assessed for any additional transfers thereafter.

G. After the first 30-days from initial enrollment, FITTEAM will honor the Sponsor/Placement as shown:

I. On the most recently signed BRAND PARTNER Agreement on file or

II. Self-enrolled on the Web site (i.e., electronically signed Web agreement).

H. FITTEAM retains the right to approve or deny any requests to change Sponsor or Placement, and to correct any errors related thereto at any time and in whatever manner it deems necessary.

### 11.3 Change Sponsor or Placement for In-Active BRAND PARTNERS

A. At the discretion of FITTEAM, BRAND PARTNERS who did not participate in an Auto-Ship Loyalty Order or have not ordered products or services for at least 6 months, and who have not tendered a letter of resignation, are eligible to re-enroll in FITTEAM Global under the Sponsor/Placement of their choice.

B. Upon written notice to FITTEAM that a former BRAND PARTNER wishes to re-enroll, FITTEAM will “compress” (close) the original account. A new FITTEAM ID number will then be issued to the former BRAND PARTNER.

C. Such BRAND PARTNER does not retain former rank, downline, or rights to commission checks from his or her former organizations.

D. FITTEAM reserves the right to correct Sponsor or Placement errors at any time and in whatever manner it deems necessary.

### 11.4 Change Organizations

A. If a FITTEAM BRAND PARTNER wishes to transfer organizations, he or she must submit a signed letter of resignation to the FITTEAM Customer Service Department at: [customerservice@fitteamglobal.com](mailto:customerservice@fitteamglobal.com) and remain inactive (place no orders, or have no Auto-Ship Loyalty Orders) from FITTEAM for 6 months from the RECEIPT of the letter before being eligible to re-enroll under a different Sponsor.

B. FITTEAM retains the right to approve or deny any request to re-enroll after a BRAND PARTNER’S resignation.

C. If re-enrollment is approved, the former BRAND PARTNER will be issued a new FITTEAM ID number and will be required to submit a new BRAND PARTNER Agreement. The BRAND PARTNER will not be entitled to keep any former rank, downline, or rights to commission checks from any prior organization.

### 11.5 Unethical Sponsoring

A. Unethical sponsoring activities include, but are not limited to, enticing, bidding or engaging in unhealthy competition in trying to acquire a prospect or new BRAND PARTNER from another BRAND PARTNER or influencing another BRAND PARTNER to transfer to a different sponsor.

Allegations of unethical sponsoring must be reported in writing to the FITTEAM Compliance Department at: [compliance@fitteamglobal.com](mailto:compliance@fitteamglobal.com), within the first 90 days of enrollment. If the reports are substantiated, FITTEAM may transfer the BRAND PARTNER or the BRAND PARTNER’S downline to another sponsor, Placement or organization without approval from the current Upline Sponsor or Placement BRAND PARTNER. FITTEAM remains the final authority in such cases.

B. FITTEAM prohibits the act of “Stacking.” Stacking is the unauthorized manipulation of the FITTEAM compensation plan and/or the marketing system in order to trigger commissions or cause

the promotion of a downline BRAND PARTNER in an unearned manner. One example of stacking occurs when a sponsor places participants under an inactive downline without his or her knowledge in order to trigger unearned qualification for commissioning. Stacking is unethical and unacceptable behavior, and as such, it is a punishable offense with measures up to and including the termination of the independent BRAND PARTNER positions of all individuals found to be directly involved.

C. Should FITTEAM BRAND PARTNERS engage in the solicitation and/or enticement of members of another direct sales or network marketing company to sell or distribute FITTEAM products, they bear the risk of being sued by the other direct sales company. If any lawsuit, arbitration, or mediation is brought against an AFFILIATE alleging that they engaged in inappropriate recruiting activity of its sales force or Customers, FITTEAM will not pay any of the BRAND PARTNER'S defense costs or legal fees, nor will FITTEAM indemnify the BRAND PARTNER for any judgment, award, or settlement.

#### 11.6 **Sell, Assign or Delegate Ownership**

A. To preserve the integrity of the hierarchical structure of the FITTEAM genealogy, it is necessary for FITTEAM to place some restrictions on the transfer, assignment, or sale of a position.

B. A FITTEAM BRAND PARTNER may not sell or assign his or her rights, or delegate his or her position as a BRAND PARTNER, without prior written approval by FITTEAM, which approval will not be unreasonably withheld. Any attempted sale, assignment, or delegation without such approval may be voided at the discretion of FITTEAM.

C. Should the sale be approved by FITTEAM, the Buyer assumes the position of the Seller at the current qualified title, but at the current "paid as" rank, at the time of the sale and acquires the Seller's Downline.

D. To request corporate authorization for a sale or transfer of a FITTEAM BRAND PARTNER position, the following items must be submitted to the FITTEAM Compliance Department:

- I. A Sale/Transfer of position form properly completed, with the requisite signatures.
- II. A copy of the Sales Agreement signed and dated by both Buyer and Seller.
- III. A FITTEAM BRAND PARTNER Agreement completed and signed by the Buyer.
- IV. Payment of the \$100 administration fee.
- V. Any additional supporting documentation requested by FITTEAM.

E. Any debt obligations that either Seller or Buyer may have with FITTEAM must be satisfied prior to the approval of the sale or transfer by FITTEAM.

F. A FITTEAM BRAND PARTNER who sells his or her position is not eligible to re-enroll as a FITTEAM BRAND PARTNER in any organization for 6 full calendar months following the date of the sale, except as otherwise expressly set forth in these Policies and Procedures.

#### 11.7 **Separating a FITTEAM Business**

A. Pending a divorce, dissolution of a partnership or other business entity, the parties must adopt one of the following methods of operation:

I. One of the parties may, with the written consent of the other(s), operate the FITTEAM business whereby the relinquishing Spouse, shareholders, partners, members or trustees authorize FITTEAM to deal directly and solely with the other Spouse, non-relinquishing shareholder, partner, member or trustee.

II. The parties may continue to operate the FITTEAM business jointly on a "business as usual" basis, whereupon all compensation paid by FITTEAM will be paid in the name designated by the BRAND PARTNERS or in the name of the entity to be divided, as the parties may independently agree between them. If no name is stipulated, FITTEAM will pay compensation to the name on record and in such event, the BRAND PARTNER named on the account shall indemnify FITTEAM from any claims from the other business owner(s) or the other Spouse with respect to such payment.

B. FITTEAM recognizes only one Downline organization and will issue only one commission check per FITTEAM business per commission cycle. Under no circumstances will the Downline of an organization be divided, nor will FITTEAM split commission and bonus checks.

C. If a relinquishing Spouse, partner or owner of the business has completely relinquished ("Relinquishing Party"), in writing, all rights to the original FITTEAM business, he or she may immediately thereafter re-enroll under the Sponsor and Placement of his or her choice. In such cases, however, the Relinquishing Party shall have no rights to, and shall not solicit, any BRAND PARTNER or active Customer in the former organization, and must develop a new business in the same manner as any other new FITTEAM BRAND PARTNER. A BRAND PARTNER in the Relinquishing Party's former Downline who wishes to transfer to the Relinquishing Party's new organization or to any other organization, must comply with the requirements in Sections 11.2 – 11.4.

#### 11.8 Succession

A. Upon the death or incapacity of a BRAND PARTNER, the BRAND PARTNER's business may be passed on to his or her legal successors in interest (successor). Whenever a FITTEAM business is transferred by will or other testamentary process, the successor acquires the right to collect all bonuses and commissions of the deceased BRAND PARTNER'S sales organization. The successor must:

- I. Complete and sign a new FITTEAM BRAND PARTNER Agreement;
- II. Comply with the terms and provisions of the BRAND PARTNER Agreement and Policies & Procedures

B. Bonus and commission checks of a FITTEAM business transferred based on this section will be paid in a single check to the successor. The successor must provide FITTEAM with a new SSN or FEIN, e-mail, and "address of record" to which all bonus and commission checks will be sent. Checks will be based on the current performance of the position, not the highest rank or volume achieved.

C. If the business is bequeathed to joint devisees (successors), they must form a business entity and acquire a Federal taxpayer identification number. FITTEAM will issue all bonus and commission checks and one 1099 Miscellaneous Income Tax form to the business entity only.

D. Appropriate legal documentation must be submitted to the FITTEAM Compliance Department at: [compliance@fitteeamglobal.com](mailto:compliance@fitteeamglobal.com) to ensure the transfer is done properly. To affect a testamentary transfer of a FITTEAM business, the successor must provide the following to the FITTEAM Compliance department:

- I. A certified copy of the death certificate; and
- II. A notarized copy of the will or other appropriate legal documentation establishing the successor's right to the FITTEAM business.

E. To complete a transfer of the FITTEAM business because of incapacity, the successor must provide the following to the FITTEAM Compliance department:

- I. A notarized copy of an appointment as trustee;
- II. A notarized copy of the trust document or other appropriate legal documentation establishing the trustee's right to administer the FITTEAM business; and
- III. A completed BRAND PARTNER Agreement executed by the trustee.

F. If the successor is already an existing BRAND PARTNER, FITTEAM will allow such BRAND PARTNER to keep his or her own position plus the inherited position ACTIVE for up to 6 months. By the end of the 6-month period, the BRAND PARTNER must have compressed (if appropriate), sold or otherwise transferred either the existing position or the inherited position.

G. If the successor wishes to terminate the FITTEAM position, he or she must submit a notarized statement stating the desire to terminate the position, along with a certified copy of the death certificate, appointment as trustee, or other appropriate legal documentation.

H. Upon written request, FITTEAM may grant a 1-month bereavement waiver and pay out at the last "paid as" rank.

#### 11.9 Resignation/Volunteer Resignation

A. A BRAND PARTNER may immediately terminate his or her position by submitting a written notice or email to the FITTEAM Compliance Department: [compliance@fitteamglobal.com](mailto:compliance@fitteamglobal.com). The written notice must include the following:

- I. The BRAND PARTNER'S intent to resign;
- II. Date of resignation;
- III. FITTEAM Identification Number;
- IV. Reason for resigning; and
- V. Actual handwritten Signature.
- VI. Mail to:  
FITTEAM GLOBAL, LLC  
Attn: Compliance Department  
4440 PGA BLVD SUITE 600  
Palm Beach Gardens, FL 33410

B. A FITTEAM BRAND PARTNER may not use resignation as a way to immediately change Sponsor and Placement. Instead, the BRAND PARTNER who has voluntarily resigned is not eligible to reapply for a position, have any financial interest in a FITTEAM business, or have any FITTEAM activity whatsoever for 6 months from the receipt of the written notice of resignation.

#### 11.10 Involuntary Termination

A. FITTEAM reserves the right to terminate a BRAND PARTNER'S position for, but not limited to, any of the following reasons, during which time all bonuses and commissions will be held pending final outcome;

- I. Violation of any terms or conditions of the BRAND PARTNER Agreement;
- II. Violation of any provision in these Policies and Procedures;
- III. Violation of any provision in the Compensation Plan;
- IV. Violation of any applicable law, ordinance, or regulation regarding the FITTEAM business;
- V. Engaging in unethical business practices or violating standards of fair dealing; or
- VI. Returning over \$500 worth of products and/or sales tools for a refund within a 12-month period.

B. FITTEAM will notify the BRAND PARTNER in writing by certified mail, return receipt requested or overnight documented mail, at his or her last known address of its intent to terminate the BRAND PARTNER'S position and the reasons for termination. The BRAND PARTNER will have 15 calendar days from the date of mailing of such notice to respond in writing to the allegations or claims constituting cause for termination as stated in the notice. FITTEAM will then have 30 calendar days from the date of receipt of the BRAND PARTNER'S response to render a final decision as to termination.

C. If a decision is made by FITTEAM to terminate the BRAND PARTNER'S position, FITTEAM will inform the BRAND PARTNER in writing that the position is terminated effective as of the date of the written notification. The BRAND PARTNER will then have 15 calendar days from the date of mailing of such notice to appeal the termination in writing. FITTEAM must receive the BRAND PARTNER'S written appeal within 20 calendar days of the date of the FITTEAM termination letter. If the written appeal is not received within this time period, the termination will be considered final.



D. If the BRAND PARTNER does file a timely appeal of termination, FITTEAM will review its decision, along with any other information it may deem relevant, reconsider any other appropriate action, and notify the BRAND PARTNER of its decision. The decision of FITTEAM is then considered final and not subject to further review.

E. If the termination is not rescinded, the termination will be effective as of the date of the original termination notice by FITTEAM. The former BRAND PARTNER shall thereafter be prohibited from using the names, marks or signs, labels, stationery, advertising, or business material referring to or relating to any FITTEAM products or services. FITTEAM will notify the ACTIVE Upline Sponsor within 10 days after termination. The organization of the terminated BRAND PARTNER will “roll up” to the ACTIVE Upline Sponsor on record.

F. The FITTEAM BRAND PARTNER who is involuntarily terminated by FITTEAM may not hold any interest in, or re-apply for any position, either under his or her present name or any other name or entity, without the express written consent of an officer of FITTEAM following a review by the FITTEAM Compliance Status Review Board. If consent is given, such BRAND PARTNER may not re-apply for a position for 12 months from the date of termination.

#### 11.11 **Effect of Cancellation**

A. Following a BRAND PARTNER'S cancellation for inactivity or voluntary or involuntary termination (collectively, a “cancellation”) such BRAND PARTNER:

I. Shall have no right, title, claim or interest to any commission or bonus from the sales generated by the BRAND PARTNER'S former organization or any other payments in association with the BRAND PARTNER'S former independent position.

II. Effectively waives any and all claims to property rights, any interest in or to the BRAND PARTNER'S former Downline organization.

III. Shall receive commissions and bonuses only for the last full pay period in which he or she was ACTIVE prior to cancellation, less any amounts withheld during an investigation preceding an involuntary cancellation, and less any other amounts owed to FITTEAM.

#### 12.0 **DISCIPLINARY SANCTIONS**

##### 12.1 **Imposition of Disciplinary Action - Purpose**

A. It is the spirit of FITTEAM that integrity and fairness should pervade among its BRAND PARTNERS, thereby providing everyone with an equal opportunity to build a successful business. Therefore, FITTEAM reserves the right to impose disciplinary sanctions at any time, when it has determined that a BRAND PARTNER has violated the agreement, any of these Policies and Procedures or the Compensation Plan, as they may be amended from time to time by FITTEAM.

##### 12.2 **Consequences and Remedies of Breach**

A. Disciplinary actions may include one or more of the following:

I. Monitoring a BRAND PARTNER'S conduct over a specified period of time to assure compliance;

II. Issuance of a written warning or requiring the BRAND PARTNER to take immediate corrective action;

III. Imposition of a fine (which may be imposed immediately or withheld from future commission checks) or the withholding of commission checks (a Commission Hold) until the matter causing the Commission Hold is resolved or until FITTEAM receives adequate additional assurances from the BRAND PARTNER to ensure future compliance;

IV. Suspension from participation in Company or BRAND PARTNER events, rewards, or recognition;

V. Suspension of the FITTEAM BRAND PARTNER Agreement and position for one or more pay periods;



- VI. Involuntary termination of the BRAND PARTNER'S Agreement and position;
- VII. Any other measure which FITTEAM deems reasonable and appropriate to justly resolve injuries caused by the BRAND PARTNER'S policy violation or contractual breach;
- VIII. Legal proceedings for monetary or equitable relief.

### 13.0 **DISPUTE RESOLUTION**

#### 13.1 **Grievances**

A. If a FITTEAM BRAND PARTNER has a grievance or complaint against another BRAND PARTNER regarding any practice or conduct relating to their respective FITTEAM businesses, he or she is encouraged to resolve the issue directly with the other party. If an agreement cannot be reached, it must be reported directly to the FITTEAM Compliance Department as outlined below in this Section.

B. The FITTEAM Compliance Department will be the final authority on settling such grievance or complaint and its written decision shall be final and binding on the BRAND PARTNERS involved.

C. FITTEAM will confine its involvement to disputes regarding FITTEAM business matters only. FITTEAM will not decide issues that involve personality conflicts or unprofessional conduct by or between BRAND PARTNERS outside the context of their FITTEAM businesses. These issues go beyond the scope of FITTEAM and may not be used to justify a Sponsor or Placement change or a transfer to another FITTEAM organization.

D. FITTEAM does not consider, enforce, or mediate third party agreements between BRAND PARTNERS, nor does it provide names, funding, or advice for obtaining outside legal counsel.

#### E. **PROCESS FOR GRIEVANCES**

I. The FITTEAM BRAND PARTNER should submit a written letter of complaint (e-mail or facsimile will not be accepted) directly to the FITTEAM Compliance Department. The letter shall set forth the details of the incident as follows:

- a. The nature of the violation;
- b. Specific facts to support the allegations;
- c. Dates;
- d. Number of occurrences;
- e. Persons involved; and
- f. Supporting documentation.
- g. Mail to:

FITTEAM Global, LLC  
Attn: Compliance Department  
4440 PGA BLVD SUITE 600  
Palm Beach Gardens, FL 33410

II. Upon receipt of the written complaint, FITTEAM will conduct an investigation according to the following procedures:

- a. The Compliance Department will send an acknowledgment of receipt to the complaining BRAND PARTNER;
- b. The Compliance Department will provide a verbal or written notice of the allegation to the BRAND PARTNER under investigation. If a written notice is sent to the BRAND PARTNER, he or she will have 10 business days from the date of the notification letter to present all information relating to the incident for review by the FITTEAM Compliance Status Review Board.

c. The Compliance Department will thoroughly investigate the complaint, consider all the submitted information it deems relevant, including information from collateral sources. Due to the unique nature of each situation, determinations of the appropriate remedy will be on a case by case basis, and the length of time to reach a resolution will vary.

d. During the course of the investigation, the Compliance Department will only provide periodic updates simply stating that the investigation is ongoing. No other information will be released during this time. BRAND PARTNER calls, letters, and requests for “progress reports” during the course of the investigation will not be answered or returned.

E. FITTEAM will make a final decision and notify the FITTEAM BRAND PARTNERS involved.

### 13.2 Arbitration

A. Any controversy or claim arising out of or relating to the FITTEAM BRAND PARTNER Agreement, these Policies and Procedures, or the breach thereof, the BRAND PARTNER'S business or any dispute between FITTEAM and the BRAND PARTNER, shall be settled by binding and confidential 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. Any such arbitration shall be held in Palm Beach Gardens, Florida. There shall be one arbitrator, who shall have expertise in business law transactions and who shall be knowledgeable in the direct selling industry, selected from a panel provided by the American Arbitration Association.

B. The prevailing party in any such arbitration shall be entitled to receive from the losing party, all costs and expenses of arbitration, including reasonable attorney's fees and filing fees. The decision of the arbitrator shall be final and binding on the parties and may, if necessary, be reduced to judgment in any court of competent jurisdiction.

C. This agreement to arbitration shall survive any termination or expiration of the BRAND PARTNER Agreement.

D. Nothing in these Policies and Procedures shall prevent FITTEAM from applying for or 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 FITTEAM interests or its Confidential Information prior to, during or following the filing of an arbitration or other proceeding, or pending the rendition of a decision or award in connection with any arbitration or other proceeding.

E. NO CLASS ACTION, OR OTHER REPRESENTATIVE ACTION OR PRIVATE ATTORNEY GENERAL ACTION OR JOINDER OR CONSOLIDATION OF ANY CLAIM WITH A CLAIM OF ANOTHER PERSON OR CLASS OF CLAIMANTS SHALL BE ALLOWABLE.

F. These Policies and Procedures and any arbitration involving a BRAND PARTNER and FITTEAM shall be governed by and construed in accordance with the laws of the state of Florida, without reference to its principles of conflict of laws.

### 13.3 Severability

A. If any provision of these Policies and Procedures is found to be invalid, or unenforceable for any reason, only the invalid provision shall be severed. The remaining terms and provisions hereof shall remain in full force and shall be construed as if such invalid or unenforceable provision never had comprised a part of these Policies and Procedures.

### 13.4 Waiver

A. Only an officer of FITTEAM can, in writing, affect a waiver of the FITTEAM Policies and Procedures. FITTEAM'S waiver of any particular breach by a BRAND PARTNER shall not affect

FITTEAM'S rights with respect to any subsequent breach, nor shall it affect the rights or obligations of any other BRAND PARTNER.

B. The existence of any claim or cause of action of a BRAND PARTNER against FITTEAM shall not constitute a defense to FITTEAM'S enforcement of any term or provision of these Policies and Procedures.

### 13.5 **Successors and Claims**

A. The agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

### 14.0 **GOVERNING LAW**

A. These Policies and Procedures shall be governed by and construed in accordance with the Laws of the State of Florida and the exclusive jurisdiction of the United States courts, and are subject to change without notice.

### 15.0 **FITTEAM GLOSSARY OF TERMS**

**ACTIVE BRAND PARTNER:** A BRAND PARTNER who satisfies the minimum volume requirements, as set forth in the Compensation Plan Document, to ensure that they are eligible to receive bonuses and commissions..

**AGREEMENT:** The contract between the Company and each BRAND PARTNER; which includes the BRAND PARTNER Agreement, the FITTEAM Policies and Procedures, and the FITTEAM Compensation Plan, all in their current form and as amended by FITTEAM at its sole discretion. These documents are collectively referred to as the "Agreement."

**CANCEL:** The termination of a BRAND PARTNER'S business. Cancellation may be either voluntary, involuntary, or through non-renewal.

**COMPENSATION PLAN:** The guidelines and referenced literature for describing how BRAND PARTNERS can generate commissions and bonuses.

**CUSTOMER:** A Customer who purchases/uses FITTEAM products and does not engage in building a business or retailing/selling product.

**BRAND PARTNER:** An individual who purchases/uses product, generates retail sales and business building commissions.

**LINE OF SPONSORSHIP (LOS):** The genealogical relationship between BRAND PARTNERS and Customers. Also - A report generated by FITTEAM that provides critical data relating to the identities of BRAND PARTNERS, sales information, and enrollment activity of each BRAND PARTNER'S organization. This report contains confidential and trade secret information which is proprietary to FITTEAM.

**ORGANIZATION:** The Customers and BRAND PARTNERS enrolled, sponsored or placed below a particular BRAND PARTNER.

**OFFICIAL FITTEAM MATERIAL:** Literature, audio or video files, and other materials developed, printed, published, and distributed by FITTEAM to and for its BRAND PARTNERS and Customers.

**PLACEMENT:** Your position inside your Sponsor's organization.

**RECRUIT:** For purposes of FITTEAM'S Conflict of Interest Policy, the term "Recruit" means the actual or attempted solicitation, enrollment, encouragement, or effort to influence in any other way, either directly, indirectly, or through a third party, another FITTEAM BRAND PARTNER or Customer to enroll or participate in another direct sales opportunity.

**RESALABLE:** Products shall be deemed "resalable" if each of the following elements is satisfied: 1) they are unopened and unused, 2) original packaging and labelling has not been altered or damaged, 3) they are in a condition such that it is a commercially reasonable practice within the trade to sell the merchandise at full price, and 4) the product contains current FITTEAM labeling. Any

merchandise that is clearly identified at the time of sale as nonreturnable, discontinued, or as a seasonal item, shall not be resalable.

**SPONSOR:** A BRAND PARTNER who enrolls a Customer or BRAND PARTNER into the Company, and is listed as the Sponsor on the BRAND PARTNER Agreement. The act of enrolling others and training them to become BRAND PARTNERS is called “sponsoring.”

**UPLINE:** This term refers to the BRAND PARTNER or BRAND PARTNERS above a particular BRAND PARTNER in a sponsorship line up to the Company. It is the line of sponsors that links any particular BRAND PARTNER to the Company.