

# SevenPoint2

## **POLICIES AND PROCEDURES v1.0**

### **1.0 INTRODUCTION**

#### **1.1 Mutual Commitment Statement**

SevenPoint2, LLC (“SevenPoint2”) recognizes that in order to develop a long-term and mutually rewarding relationship with its Business Owners (“distributors” aka “Independent Global Associates” aka IGA), SevenPoint2 and the Independent Global Associates must acknowledge and respect the true nature of the relationship.

- A. In the spirit of mutual respect and understanding, SevenPoint2 is committed to:
  - I. Provide prompt, professional and courteous service and communications to all of its Independent Global Associates;
  - 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 distributor input and planning;
  - VIII. Implement changes in the Compensation Plan or Policies and Procedures that affect the Independent Global Associate with input from the Independent Global Associates;
  - IX. Support, protect and defend the integrity of the SevenPoint2 Business Opportunity;
  - X. Offer Independent Global Associates an opportunity to grow with SevenPoint2 with such growth guided by the principles of Servant Leadership.
- B. In return, SevenPoint2 expects that its Independent Global Associates will:
  - I. Conduct themselves in a professional, honest, and considerate manner;
  - II. Present SevenPoint2 corporate and product information in an accurate and professional manner;

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- III. Present the Compensation Plan and Return Policy in a complete and accurate manner;
- IV. Not make exaggerated income claims;
- V. Make reasonable efforts to support and train Independent Global Associates in their downline;
- VI. Not engage in cross-line recruiting, unhealthy competition or unethical business practices;
- VII. Provide positive guidance and training to Independent Global Associates in their downline while exercising caution to avoid interference with other downlines. As such, an Independent Global Associate is discouraged from providing cross-line training to an Independent Global Associate in a different organization without first obtaining consent of the Independent Global Associate's upline leader;
- VIII. Support, protect, and defend the integrity of the SevenPoint2 Business Opportunity;
- IX. Accurately complete and submit the Independent Global Associate agreement and any requested supporting documentation in a timely manner.

## **1.2 SevenPoint2 Policies and Compensation Plan Incorporated into the Independent Global Associate agreement**

- A. Throughout these Policies, when the term "Agreement" is used, it collectively refers to the SevenPoint2 agreement, these Policies and Procedures, and the SevenPoint2 Compensation Plan.
- B. It is the responsibility of the Enrolling Independent Global Associate to provide the most current version of these Policies and Procedures (available on the SevenPoint2 website) and the SevenPoint2 Compensation Plan to each applicant prior to his or her execution of an Independent Global Associate agreement.

## **1.3 Purpose of Policies**

- A. SevenPoint2 is a direct sales company that markets products and services through independent distributors referred to as Independent Global Associates aka IGA. To clearly define the relationship that exists between Independent Global Associates and SevenPoint2, and to explicitly set a standard for acceptable business conduct, SevenPoint2 has established these Policies and Procedures.
- B. SevenPoint2 Independent Global Associates are required to comply with (i) all of the Terms and Conditions set forth in the Independent Global Associate Agreement, which SevenPoint2

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may amend in its sole discretion; (ii) all Federal, state, provincial, territorial, and local laws governing his or her SevenPoint2 business; and (iii) these Policies and Procedures.

- C. SevenPoint2 Independent Global Associates must review the information in these Policies and Procedures carefully. Should an Independent Global Associate have any questions regarding a policy or rule, the Independent Global Associate is encouraged to seek an answer from his or her Enroller or any other upline Independent Global Associate. If further clarification is needed the Independent Global Associate may contact SevenPoint2 customer service.

## 1.4 Changes, Amendments, and Modifications

- A. Because federal, state, and local laws, as well as the business environment, periodically change, SevenPoint2 reserves the right to amend the Agreement and the prices in its SevenPoint2 Product Price List in its sole and absolute discretion. Notification of amendments shall appear in Official SevenPoint2 Materials. ***This provision does NOT apply to the arbitration clause found in Section 13, which can only be modified via mutual consent.***
- B. Any such amendment, change, or modification shall be effective immediately upon notice by one of the following methods:
  - I. posting on the official SevenPoint2 website;
  - II. electronic mail (email); or
  - III. in writing through the SevenPoint2 newsletters or other SevenPoint2 communication channels.

## 1.5 Delays

SevenPoint2 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 and weather, curtailment of a source of supply, or government decrees or orders.

## 1.6 Effective Date

These Policies and Procedures shall become effective as of **January 1, 2015** 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 SevenPoint2 Independent Global Associate (IGA)

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- A. To become an Independent Global Associate, 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, a U.S. territory, or Canada;
  - III. Have a valid Social Security Number, Federal Tax ID Number, or Taxpayer Identification Number (TIN);
  - IV. Submit a properly completed and signed Independent Global Associate Agreement to SevenPoint2;
  - V. Not be a SevenPoint2 employee, the Spouse of a SevenPoint2 employee or related to an employee of SevenPoint2 and living in the same household as such SevenPoint2 employee.

### **2.2 New Independent Global Associate Registration**

- A. A potential new Independent Global Associate may self-enroll on the Enroller's web site. In such event, instead of a physically signed Independent Global Associate agreement, SevenPoint2 will accept the web enrollment and distributor agreement by accepting the "electronic signature" stating the new Independent Global Associate has accepted the terms and conditions of such Independent Global Associate agreement. Please note that such electronic signature constitutes a legally binding agreement between the Independent Global Associate and SevenPoint2.
- B. SevenPoint2 reserves the right to require signed paperwork for any account, regardless of origin.
- C. If requested the signed Independent Global Associate Agreement must be received by SevenPoint2 within 14 days of the request.
- D. Signed documents, including but not limited to Independent Global Associate 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 Independent Global Associates distributorship.

### **2.3 Rights Granted**

- A. SevenPoint2 hereby grants to the Independent Global Associate a non-exclusive right, based upon the terms and conditions contained in the Independent Global Associate Agreement and these Policies and Procedures, to:

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- I. Purchase SevenPoint2 products and services;
- II. Promote and sell SevenPoint2 products and services; and
- III. Enroll new Independent Global Associates in the countries in which they are currently doing business and where SevenPoint2 may become established after the effective date of these Policies and Procedures.

## **2.4 Identification Numbers**

- A. Each Independent Global Associate 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 SevenPoint2 on the Independent Global Associate agreement. SevenPoint2 reserves the right to withhold commission payments from any Independent Global Associate who fails to provide such information or who provides false information.
- B. Upon enrollment, SevenPoint2 will provide a SevenPoint2 Identification Number to the Independent Global Associate. This number will be used to place orders, structure organizations, and track commissions and bonuses.

## **2.5 Renewals and Expiration of the Independent Global Associate Agreement**

- A. If the Independent Global Associate allows his or her Independent Global Associate agreement to expire due to nonpayment, the Independent Global Associate will lose any and all rights to his or her downline organization unless the Independent Global Associate re-activates within 60 days following the expiration of the agreement.
- B. If the former Independent Global Associate re-activates within the 60-day time limit, the Independent Global Associate will resume the rank and position held immediately prior to the expiration of the Independent Global Associate agreement. However, such Independent Global Associates paid as level will not be restored unless he or she qualifies at that payout level in the new month. The Independent Global Associate is not eligible to receive commissions for the time period that the Independent Global Associates distributorship was expired.
- C. Any Independent Global Associate who was terminated or whose agreement has expired and lapsed the 60 day grace period is not eligible to re-apply for a SevenPoint2 business for 12 months following the expiration of the Independent Global Associate agreement.
- D. The downline of the expired Independent Global Associate will roll up to the immediate, active upline Enroller.

## **2.6 Business Entities**

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- A. A corporation, partnership or LLC (collectively referred to as a “Business Entity”) may apply to be a SevenPoint2 distributor. This Independent Global Associate 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 and Partnership Agreement. SevenPoint2 must receive these documents within 14 days from the date the Independent Global Associate agreement was signed.
- B. A SevenPoint2 Independent Global Associate may change its status under the same enroller from an individual to a partnership, LLC, corporation or from one type of business entity to another.

### **2.7 Independent Business Relationship; Indemnification for Actions**

- A. The SevenPoint2 Independent Global Associate is an independent contractor, and not a purchaser of a franchise or business opportunity. Therefore, each distributor’s success depends on his or her independent efforts.
- B. The agreement between SevenPoint2 and its Independent Global Associates does not create an employer/employee relationship, agency, partnership, or joint venture between SevenPoint2 and the Independent Global Associate.
- C. A SevenPoint2 Independent Global Associate shall not be treated as an employee of SevenPoint2 for any purposes, including, without limitation, for Federal, state, or provincial tax purposes. All Independent Global Associates are responsible for paying local, state, provincial, and Federal taxes due from all compensation earned as an Independent Global Associate of SevenPoint2. Any other compensation received by Independent Global Associates from SevenPoint2 will be governed by applicable tax laws (or the tax laws of any applicable jurisdiction). The Independent Global Associate has no express or implied authority to bind SevenPoint2 to any obligation or to make any commitments by or on behalf of SevenPoint2. Each Independent Global Associate 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 Independent Global Associate agreement, these Policies and Procedures and applicable State, Federal and Provincial laws.
- D. The SevenPoint2 Independent Global Associate is fully responsible for all of his or her verbal and written communications made regarding SevenPoint2 products, services, and the compensation plan that are not expressly contained within official SevenPoint2 materials. Independent Global Associates shall indemnify and hold harmless SevenPoint2, its directors, officers, employees, and agents from any and against all liability including judgments, civil penalties, refunds, attorney fees and court costs incurred by SevenPoint2 as a result of the Independent Global Associates unauthorized representations or actions. This Provision shall survive the termination of the SevenPoint2 Independent Global Associate agreement.

### **2.8 Insurance**

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- A. **Business Pursuits Coverage.** SevenPoint2 encourages Independent Global Associates 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. SevenPoint2 Independent Global Associates 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.

### **2.9 Errors or Questions**

- A. If an Independent Global Associate has questions about, or believes any errors have been made regarding commissions, bonuses, business reports, orders, or charges, the Independent Global Associate must notify SevenPoint2 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 Independent Global Associate.

### **3.0 SevenPoint2's Independent Global Associate Responsibilities**

#### **3.1 Correct Addresses**

- A. It is the responsibility of the Independent Global Associate to make sure SevenPoint2 has the correct shipping address before any orders are shipped.
- B. An Independent Global Associate will need to allow up to 30 days for processing after the notice of address change has been received by SevenPoint2.
- C. An Independent Global Associate may be assessed a \$20 fee for returned shipments due to an incorrect shipping address.

#### **3.2 Training and Leadership**

- A. Any SevenPoint2 Independent Global Associate who enrolls another Independent Global Associate into SevenPoint2 must perform an authentic assistance and training function to ensure his or her downline is properly operating his or her SevenPoint2 business. Enrolling Independent Global Associates should have ongoing contact and communication with the Independent Global Associates in their downline organizations. Examples of communication may include but are not limited to: newsletters, written correspondence, telephone, contact, team calls, voicemail, email, personal meetings, accompaniment of downline Independent Global Associates to SevenPoint2 meetings and training sessions and any other related functions.
- B. An Enrolling SevenPoint2 Independent Global Associate should monitor the Independent Global Associates in his or her downline organizations to ensure that downline Independent Global Associates do not make improper product or business claims, or engage in any illegal or inappropriate conduct. Upon request, such Independent Global Associate should be able to

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provide documented evidence to SevenPoint2 of his or her ongoing fulfillment of the responsibilities of an Enroller.

- C. Upline Independent Global Associates are encouraged to motivate and train new Independent Global Associates about SevenPoint2's products and services, effective sales techniques, the SevenPoint2 compensation plan and compliance with company policies and procedures.
- D. Marketing product is a required Independent Global Associate activity in SevenPoint2 and must be emphasized in all recruiting presentations.
- E. We emphasize and encourage all Independent Global Associates to sell SevenPoint2's products.
- F. Use of Sales Aids. To promote both the products and the opportunity SevenPoint2 offers, Independent Global Associates must use the sales aids and support materials produced by SevenPoint2. If SevenPoint2 Independent Global Associates develop their own sales aids and promotional materials, which include Internet advertising, notwithstanding Independent Global Associates good intentions, they may unintentionally violate any number of statutes or regulations affecting a SevenPoint2 business. These violations, although they may be relatively few in number, could jeopardize the SevenPoint2 opportunity for all Independent Global Associates. Accordingly, Independent Global Associates 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 Independent Global Associate receives specific written approval to use the material, the request shall be deemed denied. All Independent Global Associates shall safeguard and promote the good reputation of SevenPoint2 and its products. The marketing and promotion of SevenPoint2, the SevenPoint2 opportunity, the Compensation Plan, and SevenPoint2 products and services shall be consistent with the public interest, and must avoid all discourteous, deceptive, misleading, unethical or immoral conduct or practices.

### **3.3 Constructive Criticism; Ethics**

- A. SevenPoint2 desires to provide its Independent Global Associates with the best products and services and Compensation Plan in the industry. Accordingly, SevenPoint2 values constructive criticism and encourages the submission of written comments addressed to SevenPoint2 compliance department.
- B. Negative and disparaging comments about SevenPoint2, its products or Compensation Plan, by Independent Global Associates made to SevenPoint2, in the Field or at SevenPoint2 meetings or events, or disruptive behavior at SevenPoint2 meetings or events, serve no purpose other than to dampen the enthusiasm of other SevenPoint2 Independent Global Associates. SevenPoint2 Independent Global Associates must not demean SevenPoint2, other SevenPoint2 Independent Global Associates, SevenPoint2 products or services, the Compensation Plan, or SevenPoint2 directors, officers, or employees. Such conduct represents a material breach of



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these Policies and Procedures and may be subject to sanctions as deemed appropriate by SevenPoint2.

## **C. SevenPoint2 endorses the following code of ethics:**

- I. A SevenPoint2 Independent Global Associate must show fairness, tolerance, and respect to all people associated with SevenPoint2, regardless of race, gender, social class or religion, thereby fostering a “positive atmosphere” of teamwork, good morale and community spirit.
  - II. An Independent Global Associate shall strive to resolve business issues, including situations with upline and downline Independent Global Associates by emphasizing tact, sensitivity, good will and taking care not to create additional problems.
  - III. SevenPoint2 Independent Global Associates must be honest, responsible, professional and conduct themselves with integrity.
  - IV. SevenPoint2 Independent Global Associates shall not make disparaging statements about SevenPoint2, other distributors, SevenPoint2 employees, products, services, sales and marketing campaigns, or the Compensation Plan, or make statements that unreasonably offend, mislead or coerce others.
- D. SevenPoint2 may take appropriate action against an Independent Global Associate if it determines, in its sole discretion, that an Independent Global Associate conduct is detrimental, disruptive, or injurious to SevenPoint2 or to other Independent Global Associates.

## **3.4 Reporting Policy Violation**

- A. An Independent Global Associate who observes a policy violation by another Independent Global Associate should submit a written and signed letter (email will not be accepted) of the violation directly to the SevenPoint2 Corporate office. The letter shall set forth the details of the incident as follows:
- I. The nature of the violation;
  - II. Specific facts to support the allegations;
  - III. Dates;
  - IV. Number of occurrences;
  - V. Persons involved; and
  - VI. Supporting documentation

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- B. Once the matter has been presented to SevenPoint2, it will be researched thoroughly by the Compliance department and appropriate action will be taken if required.
- C. This section refers to the general reporting of policy violations as observed by other Independent Global Associates for the mutual effort to support, protect, and defend the integrity of the SevenPoint2 business and opportunity. If an Independent Global Associate has a grievance or complaint against another Independent Global Associate which directly relates to his or her SevenPoint2 business, the procedures set forth in these policies must be followed.

### 3.5 Enrollment

- A. An Enroller is the person who introduces an Independent Global Associate to SevenPoint2, helps them complete their enrollment forms, and supports and trains those in their downline. An enrollee may be placed under other Independent Global Associate in the Enrollers organization other than the Enroller for purposes of the placement organization (Placement).
- B. SevenPoint2 recognizes the Enroller as the name(s) shown on the first:
  - I. Physically signed SevenPoint2 Independent Global Associate agreement on file; or
  - II. Electronically signed Independent Global Associate agreement from a web site or a SevenPoint2 Independent Global Associates web site.
- C. An Independent Global Associate Agreement that contains notations such as “by phone” or the signatures of other individuals (i.e. Enrollers, Spouses, relatives, or friends) is not valid and will not be accepted by SevenPoint2.
- D. SevenPoint2 recognizes that each new prospect has the right to ultimately choose his or her own enroller, but SevenPoint2 will not allow Independent Global Associate to engage in unethical enrolling activities.
- E. All active Independent Global Associate in good standing have the right to Enroller and enroll others into SevenPoint2. While engaged in enrolling activities, it is not uncommon to encounter situations when more than one Independent Global Associate will approach the same prospect. It is the accepted courtesy that the new prospect will be enrolled by the first Independent Global Associate who presented a comprehensive introduction to SevenPoint2 products or business opportunity.
- F. A *Protected Prospect* is a guest of any SevenPoint2 Independent Global Associate who attended a SevenPoint2 event or conference call. For 60 days following the event, a Protected Prospect cannot be solicited or enrolled by any other SevenPoint2 Independent Global Associate who attended the same event. A SevenPoint2 event can be defined as the following:
  - I. Any SevenPoint2 training session;

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- II. Conference call;
- III. Fly-in meeting; or
- IV. Presentation, including but not limited to a SevenPoint2 at home presentation, whether enrolled by SevenPoint2, a distributor, or an agent or agency designated by SevenPoint2.

### **3.6 Cross Enrolling Prohibition**

- A. “Cross enrolling” is defined as the enrollment into a different line of Enrollment of an individual, or business entity that already has a signed Independent Global Associate Agreement. Actual or attempted cross enrolling is not allowed. Cannot promote another networking company on any of the Independent Global Associate’s Social Media sites. If cross enrolling is verified by SevenPoint2, sanctions up to and including termination of an Independent Global Associates distributorship 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 SevenPoint2 business in accordance with SevenPoint2 Sale or Transfer policy set forth in these Policies.

### **3.7 Acknowledgement of the SevenPoint2 Compensation Plan**

- A. An Independent Global Associate must acknowledge and agree to the terms of the SevenPoint2 Compensation Plan as set forth in these Policies and Procedures as well as in official SevenPoint2 literature. Manipulation of the Compensation Plan is prohibited.
- B. An Independent Global Associate shall not offer the SevenPoint2 opportunity through, or in combination with, any other system, program, or method of marketing other than that specifically set forth in official SevenPoint2 literature.
- C. An Independent Global Associate shall not require or encourage a current or prospective distributor to participate in SevenPoint2 in any manner that varies from the intended purpose of the Compensation Plan as set forth in official SevenPoint2 literature.
- D. An Independent Global Associate shall not require or encourage a current or prospective Independent Global Associate to make a purchase from or payment to any individual or other entity as a condition to participating in the SevenPoint2 Compensation Plan, other than such purchases or payments required to naturally build their business.
- E. SevenPoint2 retains the right to modify the Compensation Plan from time to time as deemed appropriate.

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## **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 Independent Global Associates because of the nature of the business. However, Independent Global Associates must check their local laws and obey the laws that do apply to them.
- B. A SevenPoint2 Independent Global Associate shall comply with all Federal, state, and local laws and regulations when conducting his or her SevenPoint2 business.

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

- A. SevenPoint2 complies with all income tax laws and regulations in which it conducts business and will provide complete information reports, such as Form 1099 Miscellaneous Income in the US for nonemployee compensation to each Independent Global Associate as required by law. SevenPoint2 Independent Global Associates are responsible for the payment of taxes on any and all income received from commissions, trips, prizes, or awards provided to them by SevenPoint2.
- B. An Independent Global Associate accepts sole responsibility for and agrees to pay all Federal, state, provincial and local taxes on any income generated as an Independent Global Associate, and further agrees to indemnify SevenPoint2 from any failure to pay such tax amounts when due.
- C. If an Independent Global Associates business is tax exempt, the Federal Tax Exemption Letter from the Taxing Authority must be provided to SevenPoint2 in addition to the Entity Registration Form.
- D. SevenPoint2 encourages all Independent Global Associates to consult with a tax advisor for additional information for their business.

## **3.10 One SevenPoint2 Business Per Independent Global Associate**

An Independent Global Associate may operate or have an ownership interest, legal or equitable, as a sole proprietorship, partner, shareholder, etc., in only one SevenPoint2 business. No individual may have, operate or receive compensation from more than one SevenPoint2 business. Individuals of the same family unit living in the same household may not separately enter into or have an interest in their own SevenPoint2 businesses. Example, Spouses with 2 adult children living in the same household may only have one account. If the children lived in their own households they would be able to have their own accounts. Spouses that each had a SevenPoint2 business before they were married may retain the accounts they held before their marriage.

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

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If any member of an Independent Global Associates immediate household engages in any activity which, if performed by the Independent Global Associate, would violate any provision of the Agreement, such activity will be deemed a violation by the Independent Global Associate and SevenPoint2 may take disciplinary action pursuant to these Policies and Procedures against the Independent Global Associate. Similarly, if any individual associated in any way with a corporation, partnership, LLC, or other entity (collectively “Business Entity”) violates the Agreement, such action(s) will be deemed a violation by the Business Entity, and SevenPoint2 may take disciplinary action against the Business Entity. Likewise, if an Independent Global Associate enrolls in SevenPoint2 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 SevenPoint2 Independent Global Associate may participate in other direct sales, multilevel, network marketing or relationship marketing business ventures or marketing opportunities. However, during the term of this Agreement and for one year thereafter, a SevenPoint2 Independent Global Associate may not recruit any SevenPoint2 Independent Global Associate for any other direct sales or network marketing business.
- B. The term “recruit” means actual or attempted solicitation, enrollment, encouragement, or effort to influence in any other way (either directly or through a third party), another Independent Global Associate to enroll or participate in any direct sales or network marketing opportunity. This conduct represents recruiting even if the Independent Global Associate’s actions are in response to an inquiry made by another Independent Global Associate.
- C. During the term of this Agreement and for a period of six months thereafter, any SevenPoint2 Independent Global Associate must not sell, or entice others to sell, any competing products or services, including training materials, to SevenPoint2 or Independent Global Associate’s. Any product or service in the same category as a SevenPoint2 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, an Independent Global Associate may sell non-competing products or services to SevenPoint2 Independent Global Associates that they personally enrolled.
- E. An Independent Global Associate may not display or bundle SevenPoint2 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 Independent Global Associate into believing there is a relationship between the SevenPoint2 and non-SevenPoint2 products and services.

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- F. A SevenPoint2 Independent Global Associate may not offer any non-SevenPoint2 opportunity, products or services at any SevenPoint2 related meeting, seminar or convention, or immediately following a SevenPoint2 event.
- G. A violation of any of the provisions in this section shall constitute unreasonable and unwarranted contractual interference between SevenPoint2 and its Independent Global Associates and would inflict irreparable harm on SevenPoint2. In such event, SevenPoint2 may, at its sole discretion, impose any sanction it deems necessary and appropriate against such Independent Global Associate or such Independent Global Associates distributorships including termination, or seek immediate injunctive relief without the necessity of posting a bond.

### **3.13 Presentation of the SevenPoint2 Opportunity**

- A. In presenting the SevenPoint2 opportunity to potential distributors, an Independent Global Associate is required to comply with the following provisions:
  - I. An Independent Global Associate shall not misquote or omit any significant material fact about the Compensation Plan.
  - II. An Independent Global Associate shall make it clear that the Compensation Plan is based upon sales of SevenPoint2 products and services and upon the sponsoring of other Independent Global Associates.
  - III. An Independent Global Associate shall make it clear that success can be achieved only through substantial independent efforts.
  - IV. A SevenPoint2 Independent Global Associate shall not make unauthorized income projections, claims, or guarantees while presenting or discussing the SevenPoint2 opportunity or Compensation Plan to prospective Independent Global Associates.
  - V. An Independent Global Associate may not make any claims regarding products or services of any products offered by SevenPoint2, except those contained in official SevenPoint2 literature.
  - VI. An Independent Global Associate may not use official SevenPoint2 material to promote the SevenPoint2 business opportunity in any country where SevenPoint2 has not established a “presence.”
  - VII. In an effort to conduct best business practices, SevenPoint2 has developed the Income Disclosure Statement (“IDS”) (aka Commission Statements). The SevenPoint2 IDS is designed to convey truthful, timely, and comprehensive information regarding the income that SevenPoint2 Independent Global Associates earn. In order to accomplish this objective, a copy of the IDS must be presented to all prospective Independent Global Associates.

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A copy of the IDS must be presented to a prospective Independent Global Associate 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 Independent Global Associate earned over a million dollars last year” or “Our average ranking distributor makes five thousand per month.” An example of a “statement of earnings ranges” is “The monthly income for our higher ranking Independent Global Associates 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. SevenPoint2 Independent Global Associates may purchase SevenPoint2 products and then resell them at any price they choose. SevenPoint2 will provide suggested selling prices. There are no exclusive territories granted to anyone. No franchise fees are applicable to a SevenPoint2 business.
- B. The SevenPoint2 program is built on sales to the ultimate consumer. SevenPoint2 encourages its Independent Global Associates to only purchase inventory that they and their family will personally consume, will be used as a sales tool, or will be resold to others for their ultimate consumption. Independent Global Associates must never attempt to influence any other Independent Global Associate to buy more products than they can reasonably use or sell.
- C. Each SevenPoint2 Independent Global Associate 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.*** SevenPoint2 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.

### 3.15 Medical Claims and Product Testimonials

- A. No claims as to the therapeutic, safety or curative properties of the products, or regarding the products, may be made except those officially approved by SevenPoint2 or as contained in the official SevenPoint2 literature. No Independent Global Associate may make any claims that SevenPoint2 products are useful in the prevention, diagnosis or cure of any disease. Unauthorized medical claims regarding SevenPoint2 product(s) is strictly prohibited. Independent Global Associates should recommend to any who is currently under a physician's

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care, or any medical treatment, to seek the advice of their healthcare provider before altering their nutritional regimen.

### **4.0 ORDERING**

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

- A. Bonus buying is strictly and absolutely prohibited. Bonus buying includes: (a) the enrolment of individuals or entities without the knowledge of and/or execution of an Agreement by such individuals or entities; (b) the fraudulent enrolment of an individual or entity as an Independent Global Associate the enrolment or attempted enrolment of non-existent individuals or entities as an Independent Global Associate (“phantoms”); (d) purchasing SevenPoint2 products or services on behalf of another Independent Global Associate, or under another Independent Global Associates 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 user consumers.

An Independent Global Associate shall not use another Independent Global Associates credit card or debit checking account to enroll in SevenPoint2 or purchase products or services without the account holder’s *written permission*. Such documentation must be kept by the distributor indefinitely in case SevenPoint2 needs to reference this.

- B. Regarding an order with an invalid or incorrect payment, SevenPoint2 will attempt to contact the distributor 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 canceled.
- C. If an Independent Global Associate wants to move an order to another Independent Global Associates position, he or she must have prior authorization, of all parties involved. SevenPoint2 will charge the Independent Global Associate a \$100 fee for processing.
- D. Prices are subject to change without notice.
- E. An Independent Global Associate who is a recipient of a damaged or incorrect order must notify SevenPoint2 within 30 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 Independent Global Associate for all returned checks and insufficient funds.



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- B. Any outstanding balance owed to SevenPoint2 by an Independent Global Associate of the Independent Global Associate from NSF (non-sufficient funds) checks, returned check fees or insufficient fund fees (ACH) will be withheld by SevenPoint2 from an Independent Global Associate'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 distributor, constitute grounds for disciplinary sanctions.
- D. If a credit card order or automatic debit is declined the first time, the Independent Global Associate will be contacted for an alternate form of payment. If payment is declined a second time, the Independent Global Associate may be deemed ineligible to purchase SevenPoint2 products or services or participate in the monthly auto ship.

### **4.3 Sales Tax Obligation**

- A. SevenPoint2 will collect and remit sales or other transactional taxes based on the laws in the jurisdictions in which it does business. Sales or other transactional taxes will be added to the order based on the applicable tax rate for the jurisdiction to which the order is shipped.
- B. When orders are placed with SevenPoint2, sales tax is prepaid based upon the suggested retail price. SevenPoint2 will remit the sales tax to the appropriate state and local jurisdictions. . SevenPoint2 Independent Global Associates are responsible for any additional sales taxes due on products marked up and sold at a higher price.
- C. SevenPoint2 encourages each Independent Global Associate 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. An Independent Global Associate must be active and in compliance with SevenPoint2 Policies and Procedures to qualify for bonuses and commissions. So long as an Independent Global Associate complies with the terms of the agreement, SevenPoint2 shall pay commissions to such distributor in accordance with the Compensation Plan.
- B. SevenPoint2 will not issue a check to an Independent Global Associate without the receipt of a completed and signed SevenPoint2 Independent Global Associate Agreement or electronic authorization.
- C. SevenPoint2 reserves the right to postpone commission payments until such time the cumulative amount exceeds \$25.

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

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- A. In order to qualify to receive commissions and bonuses, an Independent Global Associate 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 each month.
- B. A SevenPoint2 Independent Global Associate 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 Adjustments to Bonuses and Commissions for Returned Products or Independent Global Associate Memberships.**

- A. An Independent Global Associate receives bonuses and commissions based on the actual sales of products and services to end consumers and to distributors through product purchases. When a product or service is returned to SevenPoint2 for a refund from the end consumer or by an Independent Global Associate, the bonuses and commissions attributable to the returned product or service will be deducted from the Independent Global Associate who received bonuses or commissions on such sales. Deductions will occur in the month in which the refund is given and continue every pay period thereafter until the commission is recovered.
- B. In the event that an Independent Global Associate terminates his or her distributorship, and the amounts of the bonuses or commissions attributable to the returned products have not yet been fully recovered by SevenPoint2, the remainder of the outstanding balance may be offset against any other amounts that may be owed by SevenPoint2 to the terminated distributor.

### **6.0 SATISFACTION GUARANTEE AND SALES RETURNS AND EXCHANGES**

An Independent Global Associate that wishes to return an order, other than their initial order, must request authorization to return the products (that must be in resalable condition) within 30 day of the order date. SevenPoint2 will refund 100% of the purchase price, less shipping, for resalable products returned within 10 days of granting a return authorization. Any merchandise returned to our warehouse must be sent pre-paid. Independent Global Associates are encouraged to use a traceable means of transport, as SevenPoint2 is not responsible for product lost in transit. All refunds will be paid in the same form as the original payment.

The refund amount will be offset by commissions and bonuses earned due to qualifying or advancing based on the order returned. Qualifying volume for the period in which the volume occurs will be reduced by the amount of the return. SevenPoint2 will also charge back to Independent Global Associates upline any commissions or bonuses paid on an original product order that is subsequently returned. SevenPoint2 will not issue refunds related to products to which it has documents provided by the Independent Global Associate that represent the product was used by end consumers for purposes of meeting the 70% test.

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It is the responsibility of the Independent Global Associate to immediately provide a full refund in accordance with the SevenPoint2 Refund Policy. SevenPoint2 will replace returned product, refund the purchase price or provide a credit to the Independent Global Associate after a refund form has been completed. Independent Global Associates have 30 days after they refund money to submit their claim for the replacement of goods.

An Independent Global Associate that has received damaged or defective product may exchange such product without adjustment to qualifying volume or prior commission or bonus payments.

Any Independent Global Associate who resigns and wishes to return product should notify SevenPoint2 of his or her intention in writing. The correspondence must list the product type and quantity to be returned along with the original order number(s) for each item to be returned. SevenPoint2 will repurchase all of the Independent Global Associate's products that are in resalable condition at a price equal to 90% of the original sales price less shipping. Products will not be considered resalable if they are unusable (i.e., shelf life is within 3 months of the expiration date, the product has been opened, damaged or altered). Once SevenPoint2 has been contacted regarding the "buy-back", the Independent Global Associate has 10 business days to return the product to SevenPoint2 warehouse. The Independent Global Associate should clearly mark their SevenPoint2 member number on the outside of each box being returned. Once the merchandise has been processed at the SevenPoint2 warehouse, the Independent Global Associate's account will be credited or a refund processed in the same manner of the original payment.

SevenPoint2 offers a 30-day, 100%, unconditional, money-back guarantee, less shipping charges. If for any reason, after receiving their first order is not entirely satisfied with the product, he or she may contact SevenPoint2 within thirty (30) days of the order date to request a credit or refund. You can return the product within 30 days by Associates that have not received a commission from SevenPoint2. All products must be returned in resalable condition. All product(s) returned under this 30-day guarantee must be sent pre-paid. The original order number must be enclosed when returning merchandise.

Returned product should be shipped to:  
SEVENPOINT2, LLC

23040 North 11th Avenue  
Suite 107  
Phoenix, AZ 85027

Independent Global Associates may return products purchased on their initial order under this Satisfaction Guarantee provision.

### **6.1 Return Process**

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- A. All returns, by an Independent Global Associate, must be made as follows:
  - I. Obtain RMA (Return Merchandise Authorization) from SevenPoint2.
  - II. Ship items to the address provided by SevenPoint2 Customer service when you are given your RMA.
  - III. Provide a copy of the invoice with the returned products or service. Such invoice must reference the RMA and include the reason for the return.
  
- B. All returns must be shipped to SevenPoint2 pre-paid, as SevenPoint2 does not accept shipping collect packages. SevenPoint2 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 Independent Global Associate. If returned product is not received at SevenPoint2 Distribution Center, it is the responsibility of the Independent Global Associate to trace the shipment and no credit will be applied.
  
- C. The return of \$500 or more of products accompanied by a request for a refund within a calendar year, by an Independent Global Associate, may constitute grounds for involuntary termination.

### **7.0 PRIVACY POLICY**

#### **7.1 Introduction**

This Privacy Policy is to ensure that all Independent Global Associates understand and adhere to the basic principles of confidentiality.

#### **7.2 Expectation of Privacy**

- A. SevenPoint2 recognizes and respects the importance its Independent Global Associates place on the privacy of their financial and personal information. SevenPoint2 will make reasonable efforts to safeguard the privacy of, and maintain the confidentiality of its Independent Global Associates financial and account information and nonpublic personal information.
  
- B. By entering into the Independent Global Associate Agreement, an Independent Global Associate authorizes SevenPoint2 to disclose his or her name and contact information to uplines Independent Global Associates solely for activities related to the furtherance of the SevenPoint2 business. An Independent Global Associate 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 the SevenPoint2 business.

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

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SevenPoint2 limits the number of employees who have access to Independent Global Associates nonpublic personal information.

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

- A. SevenPoint2 will not share non-public personal information or financial information about current or former Independent Global Associates with third parties, except as permitted or required by laws and regulations, court orders, or to serve the Independent Global Associates interests or to enforce its rights or obligations under these Policies and Procedures, or Independent Global Associate’s 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 SevenPoint2 Independent Global Associate Agreement, the Independent Global Associate acknowledges that Business Reports, lists of Independent Global Associate names and contact information and any other information, which contain financial, scientific or other information both written or otherwise circulated by SevenPoint2 pertaining to the business of SevenPoint2 (collectively, “Reports”), are confidential and proprietary information and trade secrets belonging to SevenPoint2.

### **8.2 Obligation of Confidentiality**

- A. During the term of the SevenPoint2 Independent Global Associate Agreement and for a period of 5 years after the termination or expiration of the Independent Global Associate Agreement between the Independent Global Associate and SevenPoint2, the Independent Global Associate shall not:
  - I. Use the information in the Reports to compete with SevenPoint2 or for any purpose other than promoting his or her SevenPoint2 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 network marketing company.

### **8.3 Breach and Remedies**

- A. The Independent Global Associate 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 SevenPoint2 and to independent SevenPoint2 businesses. SevenPoint2 and its Independent Global Associates will be entitled to injunctive relief or to recover damages against any Independent Global Associate who violates this provision in any

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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 SevenPoint2, any current or former Independent Global Associate will return the original and all copies of all "Reports" to SevenPoint2 together with any SevenPoint2 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 SevenPoint2 Independent Global Associate may not re-label, re-package, refill, or alter labels of any SevenPoint2 product, or service, information, materials or programs in any way. SevenPoint2 products and services must only be sold in their original containers from SevenPoint2. Such re-labeling or re-packaging violates Federal and state laws, which may result in criminal or civil penalties or liability.
- B. A SevenPoint2 Independent Global Associate shall not cause any SevenPoint2 product or service or any SevenPoint2 trade name to be sold or displayed in retail establishments except the following:
  - I. Where professional services are the primary source of revenue and the product sales are secondary (e.g., doctor's offices, clinics, health clubs, and spas).
- C. SevenPoint2 will permit Independent Global Associates to solicit and make Commercial Sales upon *prior written approval* from SevenPoint2. For the purpose of these Policies and Procedures, the term "Commercial Sale" means the sale of:
  - I. SevenPoint2 products that equal or exceed \$5,000 in a single order.
  - II. Products sold to a third party who intends to resell the products to an end consumer.
- D. An Independent Global Associate may sell SevenPoint2 products and services and display the SevenPoint2 trade name at any appropriate display booth (such as trade shows) upon *prior written approval* from SevenPoint2.
- E. SevenPoint2 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 SevenPoint2 opportunity.

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

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- A. A SevenPoint2 Independent Global Associate must safeguard and promote the good reputation of SevenPoint2 and the products and services it markets. The marketing and promotion of SevenPoint2, the SevenPoint2 opportunity, the Compensation Plan, and SevenPoint2 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 SevenPoint2 must be used in their original form and cannot be changed, amended or altered except with prior written approval from the SevenPoint2 Compliance Department.
- C. The name of SevenPoint2, each of its product names and other names that have been adopted by SevenPoint2 in connection with its business are proprietary trade names, trademarks and service marks of SevenPoint2. As such, these marks are of great value to SevenPoint2 and are supplied to distributors for their use only in an expressly authorized manner.
- D. A SevenPoint2 Independent Global Associates use of the name “SevenPoint2” is restricted to protect SevenPoint2 proprietary rights, ensuring that the SevenPoint2 protected names will not be lost or compromised by unauthorized use. Use of the SevenPoint2 name on any item not produced by SevenPoint2 is prohibited except as follows:
  - I. [Independent Global Associate name] Independent SevenPoint2 Independent Global Associate
  - II. [Independent Global Associates name] Independent Global Associate of SevenPoint2 products and services.
- E. Further procedures relating to the use of the SevenPoint2 name are as follows:
  - I. All stationery (i.e. letterhead, envelopes, and business cards) bearing the SevenPoint2 name or logo intended for use by the Independent Global Associate must be approved in writing by the SevenPoint2 Compliance Department.
  - II. SevenPoint2 Independent Global Associates may list “SevenPoint2 Independent Global Associate or Independent Global Associate” in the white pages of the telephone directory under his or her own name.
  - III. SevenPoint2 Independent Global Associates may not use the name SevenPoint2 or SevenPoint2 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 SevenPoint2 or Independent Global Associate,”
- F. Certain photos and graphic images used by SevenPoint2 in its advertising, packaging, and websites are the result of paid contracts with outside vendors that do not extend to Independent

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Global Associate. If an Independent Global Associate wants to use these photos or graphic images, they must negotiate individual contracts with the vendors for a fee.

- G. A SevenPoint2 Independent Global Associate shall not appear on or make use of television or radio, or make use of any other media to promote or discuss SevenPoint2 or its programs, products or services without prior written permission from the SevenPoint2 Compliance Department.
- H. An Independent Global Associate may not produce for sale or distribution any Company event or speech, nor may an Independent Global Associate reproduce SevenPoint2 audio or video clips for sale or for personal use without prior written permission from the SevenPoint2 Compliance Department.
- I. SevenPoint2 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 distributor.
- J. An Independent Global Associate shall not promote non-SevenPoint2 products or services in conjunction with SevenPoint2 products or services on the same websites or same advertisement without prior approval from SevenPoint2 Compliance.

### **9.3 Faxes and Email - Limitations**

- A. Except as provided in this section, an Independent Global Associate may not use or transmit unsolicited faxes, email, mass email distribution, or “spamming” that advertises or promotes the operation of his or her SevenPoint2 business. The exceptions are:
  - I. Faxes or emailing any person who has given prior permission or invitation.
  - II. Faxing or emailing any person with whom the Independent Global Associate has established a prior business or personal relationship.
- B. In all states where prohibited by law, an Independent Global Associate 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 email or computer broadcasted documents subject to this provision shall include each of the following:
  - I. A clear and obvious identification that the fax or email message is an advertisement or solicitation. The words “advertisement” or “solicitation” should appear in the subject line of the message.



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- 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 email 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 email 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 emailed documents, a SevenPoint2 distributor shall not transmit any further documents to that recipient.
- D. All email 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 Website Restrictions**

- A. An Independent Global Associate may not use or attempt to register any of SevenPoint2'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, Internet domain names (URL), third party websites, email addresses, webpages, or blogs.
- B. A SevenPoint2 Independent Global Associate may not sell SevenPoint2 products or offer the Business opportunity using retail shops or "online sales," such as eBay®, Amazon, E-Shop and the like.

All Independent Global Associates may have one (1) Approved third-party website. A third party website is a SevenPoint2-approved personal website that is hosted on non-SevenPoint2 servers and has no affiliation with SevenPoint2. Any Independent Global Associate who wishes to develop their own third-party website must submit a properly completed third-party website Application and Agreement along with the proper web site registration fee and receive SevenPoint2's prior written approval before going live with their third-party website. Third-party websites may be used to promote your business and SevenPoint2's products so long as the third-party website adheres to SevenPoint2's advertising policies. Moreover, no orders may

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- 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 Independent Global Associate for SevenPoint2.
  - ii. Use only the approved images and wording authorized by SevenPoint2.
  - 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 website described in this document.
  - v. Agree to give the Compliance Department at SevenPoint2 access to the third-party website 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 SevenPoint2 policies.
- C. All marketing materials used on an Independent Global Associates third-party website must be provided by SevenPoint2 or approved in writing by SevenPoint2.
- D. To avoid confusion, the following three elements must also be prominently displayed at the top of every page of your third-party website:
1. The SevenPoint2 Independent Global Associates Logo
  2. Your Name and Title
  3. SevenPoint2 Corporate website Redirect Button
- E. An Independent Global Associate may not use third-party sites that contain materials copied from corporate sources (such as SevenPoint2 brochures, CDs, videos, tapes, events, presentations, and corporate websites). This policy ensures brand consistency, allows Independent Global Associates to stay up-to-date with changing products and information, facilitates enrollment under the correct Enroller, and assists in compliance with government regulations.
- F. A SevenPoint2 Independent Global Associate who currently qualifies at the rank of Diamond may apply to the Compliance Department for an exception to the third-party website policy in 9.4(D). To qualify for an exception, the website must serve a unique market that the SevenPoint2 corporate site does not currently serve or intend to serve.
- G. SevenPoint2 products may be displayed with other products or services on an Independent Global Associates third-party website so long as the other products and services are consistent with SevenPoint2 values and are not marketed or sold by a competing network-marketing company.
- H. If the independent SevenPoint2 business of an Independent Global Associate who has received authorization to create and post an third-party website is voluntarily or involuntarily canceled for any reason, or if SevenPoint2 revokes its authorization allowing the distributor to maintain a third-party website, the Independent Global Associate shall assign the URL to his/her third-

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party website to the SevenPoint2 within three days from the date of the cancellation and/or re-direct all traffic to the site as directed by the SevenPoint2. SevenPoint2 reserves the right to revoke any Independent Global Associate right to use a third-party website at any time if SevenPoint2 believes that such revocation is in the best interest of SevenPoint2, its Independent Global Associates. Decisions and corrective actions in this area are at SevenPoint2's sole discretion.

- I. Social Media sites may not be used to sell or offer to sell SevenPoint2 products. **PROFILES OF AN INDEPENDENT GLOBAL ASSOCIATE THAT GENERATES ANY SOCIAL COMMUNITY WHERE SEVENPOINT2 IS DISCUSSED OR MENTIONED MUST CLEARLY IDENTIFY THE INDEPENDENT GLOBAL ASSOCIATE AS A SEVENPOINT2 INDEPENDENT GLOBAL ASSOCIATE**, and when an Independent Global Associate participates in those communities, the Independent Global Associates 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 SevenPoint2's sole discretion, and offending Independent Global Associates will be subject to disciplinary action. Banner ads and images used on these sites must be current and must come from the SevenPoint2 approved library. If a link is provided, it must link to the posting Independent Global Associates Replicated website or an approved third-party website.
- J. Anonymous postings or use of an alias on any Social Media site is prohibited, and offending Independent Global Associates will be subject to disciplinary action.
- K. Independent Global Associates may not use blog spam, spamdexing or any other mass-replicated methods to leave blog comments. Comments Independent Global Associates create or leave must be useful, unique, relevant and specific to the blog's article.
- L. Independent Global Associates must disclose their full name on all Social Media postings, and conspicuously identify themselves as an Independent Global Associate for SevenPoint2. Anonymous postings or use of an alias is prohibited.
- M. Postings that are false, misleading, or deceptive are prohibited. This includes, but is not limited to, false or deceptive postings relating to the SevenPoint2 income opportunity, SevenPoint2's products and services, and/or your biographical information and credentials.
- N. Independent Global Associates are personally responsible for their postings and all other online activity that relates to SevenPoint2. Therefore, even if an Independent Global Associate does not own or operate a blog or Social Media site, if an Independent Global Associate posts to any such site that relates to SevenPoint2 or which can be traced to SevenPoint2, the Independent Global Associate is responsible for the posting. Independent Global Associates are also responsible for postings which occur on any blog or Social Media site that the Independent Global Associate owns, operates, or controls.
- O. As a SevenPoint2 Independent Global Associate, it is important not to converse with any person who places a negative post against you, other Independent Global Associate, or

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SevenPoint2. Report negative posts to SevenPoint2 at [compliance@SevenPoint2.com](mailto:compliance@SevenPoint2.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 SevenPoint2, and therefore damages the reputation and goodwill of SevenPoint2.

- P. The distinction between a Social Media site and a website may not be clear-cut, because some Social Media sites are particularly robust, SevenPoint2 therefore reserves the sole and exclusive right to classify certain Social Media sites as third-party websites and require that Independent Global Associates using, or who wish to use, such sites adhere to the SevenPoint2's policies relating to third-party websites.
- Q. If your SevenPoint2 business is cancelled for any reason, you must discontinue using the SevenPoint2 name, and all of SevenPoint2's 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 SevenPoint2 Independent Global Associate, you must conspicuously disclose that you are no longer an independent SevenPoint2 Independent Global Associate.
- R. Failure to comply with these policies for conducting business online may result in the Independent Global Associate losing their right to advertise and market SevenPoint2 products and SevenPoint2 business opportunity online in addition to any other disciplinary action available under the Policies and Procedures.

### **9.5 Advertising and Promotional Materials**

- A. You may not advertise any SevenPoint2 products at a price LESS than the highest company published, established retail price of One Unit offering of the SevenPoint2 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 SevenPoint2 Compliance Department.
- D. All requests for approvals with respect to advertising must be directed in writing to the SevenPoint2 Compliance Department.
- E. SevenPoint2 approval is not required to place blind ads that do not mention SevenPoint2, its employees, any of its products, services designs, symbols, programs, and trademarked, copyrighted, or otherwise protected materials.

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- F. An Independent Global Associate who is currently paid at the Diamond rank may create his or her own ads or promotional materials including the development of commercials, infomercials and additional third-party websites. However, all such materials, and any subsequent changes thereto shall be submitted to the SevenPoint2 Compliance Department for approval.
- G. Diamonds are encouraged to work with the Compliance Department prior to the production of commercials, infomercials, or websites.
- H. SevenPoint2 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 marketplace without obligation to the affected Independent Global Associate.

### **9.6 Testimonial Permission**

- A. By signing the SevenPoint2 Independent Global Associate Agreement, an Independent Global Associate gives SevenPoint2 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 SevenPoint2 Business Opportunity, an Independent Global Associate waives any right to be compensated for the use of his or her testimonial or image and likeness even though SevenPoint2 may be paid for items or sales materials containing such image and likeness. In some cases, an Independent Global Associate testimonial may appear in another Independent Global Associates advertising materials. If an Independent Global Associate does not wish to participate in SevenPoint2 sales and marketing materials, he or she should provide a written notice to the SevenPoint2 Compliance Department to ensure that his or her testimonial or image and likeness will not be used in any corporate materials, corporate recognition pieces, advertising or recordings of annual events.

### **9.7 Telemarketing - Limitations**

- A. A SevenPoint2 Independent Global Associate must not engage in telemarketing in relation to the operation of the distributor's SevenPoint2 business. The term "telemarketing" means the placing of one or more unsolicited telephone calls to an individual or entity to induce the purchase of SevenPoint2 products or services, or to recruit them for the SevenPoint2 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 an Independent Global Associate 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 Independent Global Associate to

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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 Independent Global Associates that promote either SevenPoint2 products, services or the SevenPoint2 opportunity is considered telemarketing and is prohibited.

E. Exceptions to Telemarketing Regulations

A SevenPoint2 Independent Global Associate may place telephone calls to distributors under the following limited situations:

- I. If the Independent Global Associate 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 SevenPoint2 Independent Global Associate, within 3 months immediately before the date of such a call.
  - III. If the Independent Global Associate receives written and signed permission from the prospect authorizing the Independent Global Associate to call. The authorization must specify the telephone number(s) that the Independent Global Associate is authorized to call.
  - IV. If the call is to family members, personal friends, and acquaintances. However, if an Independent Global Associate 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. SevenPoint2 Independent Global Associates engaged in calling “acquaintances,” must make such calls on an occasional basis only and not as a routine practice.
- F. An Independent Global Associate shall not use automatic telephone dialing systems in the operation of his or her SevenPoint2 businesses.
- G. Failure to abide by SevenPoint2 policies or regulations as set forth by the FTC and FCC regarding telemarketing may lead to sanctions against the Independent Global Associates distributorship, up to and including termination of the distributorship.
- H. By signing the Independent Global Associate Agreement or by accepting commission checks, other payments or awards from SevenPoint2, an Independent Global Associate gives permission to SevenPoint2 and other Independent Global Associates to contact them as permitted under the Federal Do Not Call regulations.
- I. In the event an Independent Global Associate violates this section, SevenPoint2 reserves the right to institute legal proceedings to obtain monetary or equitable relief.

### **10.0 INTERNATIONAL MARKETING**

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## **10.1 International Marketing Policy**

- A. A SevenPoint2 Independent Global Associate is authorized to sell SevenPoint2 products to distributors only in the countries in which SevenPoint2 is authorized to conduct business, according to the Policies and Procedures of each country. SevenPoint2 Independent Global Associates may not resell products or services in any country where SevenPoint2 products and services have not received applicable government authorization or approval.
- B. An Independent Global Associate may not, in any country not designated by SevenPoint2 as open for SevenPoint2 activities to conduct sales, enrollment or training meetings, enroll or attempt to enroll potential Independent Global Associate, nor conduct any other activity for the purpose of selling SevenPoint2 products and services, establishing a sales organization, or promoting the SevenPoint2 business opportunity.

## **11.0 CHANGES TO AN INDEPENDENT GLOBAL ASSOICATE BUSINESS**

### **11.1 Modification of the Independent Global Associate Agreement**

- A. A SevenPoint2 Independent Global Associate may modify his or her existing Independent Global Associate 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 Independent Global Associate) by submitting a written request, accompanied by a new Independent Global Associate 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 Independent Global Associates**

- A. Maintaining the integrity of the organizational structure is mandatory for the success of SevenPoint2 and our Independent Global Associates. As such, only under exceptional circumstances and at the sole discretion of the company, will a request to change placement or sponsor be made. A placement or sponsor change may only be made within the first 30 days of initial enrollment of an Independent Global Associate. Furthermore, such changes may only occur within the same organization.
- B. Sponsors may make “Placement changes” from one Independent Global Associate to another for personally sponsored (frontline) Independent Global Associates during the first 60 days of enrollment through the Holding Tank. Move made outside the Holding Tank are subject to Paragraph A of this section.
- C. To change or correct the Sponsor, an Independent Global Associate must comply with following procedures:
  - I. Submit a Sponsor Placement Transfer Form;

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- II. Submit a SevenPoint2 Independent Global Associate Agreement showing the correct Sponsor and Placement, and any appropriate supporting documentation;
  - III. The Independent Global Associate Agreement must be a new, completed document bearing “fresh” signatures, not a “crossed-out” or “white-out” version of the first agreement.
- D. Upon approval, the Independent Global Associates upline, if any, will transfer with the Independent Global Associate.
  - E. If approved, a \$100 administrative fee will be assessed for each transfer.
  - F. After the first 30 days from initial enrollment, SevenPoint2 will honor the Sponsor/Placement as shown:
    - I. On the most recently signed Independent Global Associate Agreement on file or
    - II. Self-enrolled on the website (i.e., electronically signed agreement).
  - G. SevenPoint2 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 Inactive distributors**

- A. At the discretion of SevenPoint2, Independent Global Associates who did not participate in an auto ship or have not ordered products or services for at least 12 months, and who have not tendered a letter of resignation, are eligible to re-enroll in SevenPoint2 under the Sponsor/Placement of their choice.
- B. Upon written notice to SevenPoint2 that a former Independent Global Associate wishes to re-enroll, SevenPoint2 will “compress” (close) the original account. A new SevenPoint2 ID number will then be issued to the former Independent Global Associate.
- C. Such Independent Global Associate does not retain former rank, downline, or rights to commission checks from his or her former organizations.
- D. SevenPoint2 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 SevenPoint2 Independent Global Associate wishes to transfer organizations, he or she must submit a letter of resignation to the SevenPoint2 Customer Service Department and remain



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inactive (place no orders, or be on an auto ship) from SevenPoint2 for 6 months from the receipt of the letter before being eligible to re-enroll under a different Sponsor/Placement.

- B. SevenPoint2 retains the right to approve or deny any request to re-enroll after an Independent Global Associates resignation.
- C. If re-enrollment is approved, the former Independent Global Associate will be issued a new SevenPoint2 ID number and will be required to submit a new Independent Global Associate Agreement. The Independent Global Associate will not be entitled to keep any former rank, downline, or rights to commission checks from any prior organization.

### **11.5 Unethical Enrolling**

- A. Unethical enrolling activities include, but are not limited to, enticing, bidding or engaging in unhealthy competition in trying to acquire a prospect or new Independent Global Associate from another Independent Global Associate or influencing another Independent Global Associate to transfer to a different enroller.
- B. Allegations of unethical enrolling must be reported in writing to the SevenPoint2 Compliance Department within the first 90 days of enrollment. If the reports are substantiated, SevenPoint2 may transfer the Independent Global Associate or the Independent Global Associates downline to another enroller, Placement or organization without approval from the current Upline Enroller or Placement Independent Global Associates. SevenPoint2 remains the final authority in such cases.
- C. SevenPoint2 prohibits the act of “Stacking.” Stacking is the unauthorized manipulation of the SevenPoint2 compensation system and/or the marketing plan in order to trigger commissions or cause a promotion off a downline Independent Global Associate in an unearned manner. One example of stacking occurs when an enroller 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 consultant positions of all individuals found to be directly involved.
- D. Should Independent Global Associates engage in solicitation and/or enticement of members of another direct sales company to sell or Independent Global Associate SevenPoint2 products, they bear the risk of being sued by the other direct sales company. If any lawsuit, arbitration, or mediation is brought against an Independent Global Associate alleging that they engaged in inappropriate recruiting activity of its sales force, SevenPoint2 will not pay any of Independent Global Associates costs or legal fees, nor will SevenPoint2 indemnify the Independent Global Associate for any judgment, award, or settlement.

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

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- A. In order to preserve the integrity of the hierarchical structure, it is necessary for SevenPoint2 to place restrictions on the transfer, assignment, or sale of a distributorship.
- B. A SevenPoint2 Independent Global Associate may not sell or assign his or her rights or delegate his or her position as an Independent Global Associate without *prior written approval* by SevenPoint2, which approval will not be unreasonably withheld. Any attempted sale, assignment, or delegation without such approval may be voided at the discretion of SevenPoint2.
- C. Should the sale be approved by SevenPoint2, 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 SevenPoint2 distributorship, the following items must be submitted to the SevenPoint2 Compliance Department:
  - I. A Sale/Transfer of Independent Global Associate Distributorship form properly completed, with the requisite signatures.
  - II. A copy of the Sales Agreement signed and dated by both Buyer and Seller.
  - III. A SevenPoint2 Independent Global Associate Agreement completed and signed by the Buyer.
  - IV. Payment of the \$100 administration fee.
  - V. Any additional supporting documentation requested by SevenPoint2.
- E. Any debt obligations that either Seller or Buyer may have with SevenPoint2 must be satisfied prior to the approval of the sale or transfer by SevenPoint2.
- F. A SevenPoint2 Independent Global Associate who sells his or her distributorship is not eligible to re-enroll as a SevenPoint2 distributor in any SevenPoint2 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 SevenPoint2 Business**

- A. Pending a divorce or 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 SevenPoint2 business whereby the relinquishing Spouse, shareholders, partners or members authorize SevenPoint2 to deal directly and solely with the other Spouse, non-relinquishing shareholder, partner or member..
  - II. The parties may continue to operate the SevenPoint2 business jointly on a “business as usual” basis, whereupon all compensation paid by SevenPoint2 will be paid in the name designated by the Independent Global Associates or in the name of the entity to be

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divided, as the parties may independently agree between them. If no name is stipulated, SevenPoint2 will pay compensation to the name on record and in such event, the Independent Global Associate named on the account shall indemnify SevenPoint2 from any claims from the other business owner or the other Spouse with respect to such payment.

- B. SevenPoint2 recognizes only one downline organization and will issue only one commission check per SevenPoint2 business per commission cycle. Under no circumstances will the Downline of an organization be divided, nor will SevenPoint2 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 SevenPoint2 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 Independent Global Associate in the former organization, and must develop a new business in the same manner as any other new SevenPoint2 Independent Global Associate. An Independent Global Associate 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 Section 13.5.

### 11.8 Succession

- A. Upon the death or incapacity of an Independent Global Associate, the Independent Global Associates business may be passed on to his or her legal successors in interest (successor). Whenever a SevenPoint2 business is transferred by will or other testamentary process, the successor acquires the right to collect all bonuses and commissions of the deceased Independent Global Associate sales organization. The successor must:
  - I. Complete and sign a new SevenPoint2 Independent Global Associate Agreement;
  - II. Comply with the terms and provisions of the Independent Global Associate Agreement; and
  - III. Meet all of the qualifications for the last rank achieved by the former Independent Global Associate.
- B. Bonus and commission checks of a SevenPoint2 business transferred based on this section will be paid in a single check to the successor. The successor must provide SevenPoint2 with an “address of record” to which all bonus and commission checks will be sent. Checks will be based on the current performance of the distributorship, not the highest rank or volume achieved.
- C. If the business is bequeathed to joint devisees (successor), they must form a business entity and acquire a Federal taxpayer identification number. SevenPoint2 will issue all bonus and commission checks and one 1099 Miscellaneous Income Tax form to the business entity only.

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- D. Appropriate legal documentation must be submitted to SevenPoint2 Compliance Department to ensure the transfer is done properly. To affect a testamentary transfer of a SevenPoint2 business, the successor must provide the following to SevenPoint2 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 SevenPoint2 business.
- E. To complete a transfer of the SevenPoint2 business because of incapacity, the successor must provide the following to the SevenPoint2 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 SevenPoint2 business; and
  - III. A completed Independent Global Associate Agreement executed by the trustee.
- F. If the successor is already an existing Independent Global Associate, SevenPoint2 will allow such Independent Global Associate to keep his or her own distributorship plus the inherited distributorship active for up to 6 months. By the end of the 6 month period, the Independent Global Associate must have compressed (if appropriate), sold or otherwise transferred either the existing distributorship or the inherited distributorship.
- G. If the successor wishes to terminate the SevenPoint2 distributorship, he or she must submit a notarized statement stating the desire to terminate the distributorship, along with a certified copy of the death certificate, appointment as trustee, or other appropriate legal documentation.
- H. Upon written request, SevenPoint2 may grant a 1 month bereavement waiver and pay out at the last "paid as" rank.

### **11.9 Resignation/Voluntary Termination**

- A. An Independent Global Associate may immediately terminate his or her distributorship by submitting a written notice or email to the SevenPoint2 Compliance Department compliance [at]www.compliance@sevenpoint2.com. The written notice must include the following:
  - I. The Independent Global Associate's intent to resign;
  - II. Date of resignation;
  - III. SevenPoint2 Identification Number;
  - IV. Reason for resigning; and
  - V. Signature.
- B. A SevenPoint2 Independent Global Associate may not use resignation as a way to immediately change Sponsor and Placement. Instead, the Independent Global Associate who has voluntarily resigned is not eligible to reapply for a distributorship or have any financial interest in a SevenPoint2 business for 6 months from the receipt of the written notice of resignation.

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### 11.10 Involuntary Termination

- A. SevenPoint2 reserves the right to terminate an Independent Global Associates distributorship for, but not limited to, the following reasons:
  - I. Violation of any terms or conditions of the Independent Global Associates Agreement;
  - II. Violation of any provision in these Policies and Procedures;
  - III. Manipulation of the Compensation Plan;
  - IV. Violation of any applicable law, ordinance, or regulation regarding the SevenPoint2 business;
  - V. Engaging in unethical business practices or violating standards of fair dealing; or
  - VI. Returning over \$500 worth of products and sales tools for a refund within a 12 month period.
  
- B. SevenPoint2 will notify the Independent Global Associate in writing *by certified mail, return receipt requested* or *electronic mail*, at his or her last known address of its intent to terminate the Independent Global Associates distributorship and the reasons for termination. The Independent Global Associate 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. SevenPoint2 will then have 30 calendar days from the date of receipt of the Independent Global Associate response to render a final decision as to termination.
  
- C. If a decision is made by SevenPoint2 to terminate the Independent Global Associates distributorship, SevenPoint2 will inform the Independent Global Associate in writing that the distributorship is terminated effective as of the date of the written notification. The Independent Global Associate will then have 15 calendar days from the date of mailing of such notice to appeal the termination in writing. SevenPoint2 must receive the Independent Global Associates written appeal within 20 calendar days of the date of the SevenPoint2 termination letter. If the written appeal is not received within this time period, the termination will be considered final.
  
- D. If the Independent Global Associate does file a timely appeal of termination, SevenPoint2 will review its decision, along with any other information it may deem relevant, reconsider any other appropriate action, and notify the Independent Global Associate of its decision. The decision of SevenPoint2 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 SevenPoint2. The former Independent Global Associate shall thereafter be prohibited from using the names, marks or signs, labels, stationery, advertising, or business material referring to or relating to any SevenPoint2 products or services. SevenPoint2 will notify the active Upline Sponsor within 10 days after termination. The organization of the terminated Independent Global Associate will “roll up” to the active Upline Sponsor on record.

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- F. The SevenPoint2 Independent Global Associate who is involuntarily terminated by SevenPoint2 may not re-apply for a distributorship, either under his or her present name or any other name or entity, without the *express written consent of an officer of SevenPoint2*, following a review by the *SevenPoint2 Compliance Committee*. In any event, such Independent Global Associate may not re-apply for a distributorship for 12 months from the date of termination.

### **11.11 Effect of Cancellation**

- A. Following an Independent Global Associates cancellation for inactivity or voluntary or involuntary termination (collectively, a “cancellation”) such Independent Global Associate:
- I. Shall have no right, title, claim or interest to any commission or bonus from the sales generated by the Independent Global Associate former organization or any other payments in association with the Independent Global Associates former independent distributorship.
  - II. Effectively waives any and all claims to property rights or any interest in or to the Independent Global Associates 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 SevenPoint2.

## **12.0 DISCIPLINARY SANCTIONS**

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

- A. It is the spirit of SevenPoint2 that integrity and fairness should pervade among its Independent Global Associates, thereby providing everyone with an equal opportunity to build a successful business. Therefore, SevenPoint2 reserves the right to impose disciplinary sanctions at any time, when it has determined that an Independent Global Associate has violated the agreement or any of these Policies and Procedures or the Compensation Plan as they may be amended from time to time by SevenPoint2.

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

- A. Disciplinary actions may include one or more of the following:
- I. Monitoring an Independent Global Associates conduct over a specified period of time to assure compliance;
  - II. Issuance of a written warning or requiring the Independent Global Associate 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)

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- until the matter causing the Commission Hold is resolved or until SevenPoint2 receives adequate additional assurances from the distributor to ensure future compliance;
- IV. Suspension from participation in Company or Independent Global Associate events, rewards, or recognition;
  - V. Suspension of the SevenPoint2 Independent Global Associate Agreement and distributorship for one or more pay periods;
  - VI. Involuntary termination of the Independent Global Associates Agreement and distributorship;
  - VII. Any other measure which SevenPoint2 deems feasible and appropriate to justly resolve injuries caused by the Independent Global Associates policy violation or contractual breach; OR
  - VIII. Legal proceedings for monetary or equitable relief.

### **13.0 DISPUTE RESOLUTION**

#### **13.1 Grievances**

- A. If a SevenPoint2 Independent Global Associate has a grievance or complaint against another Independent Global Associate regarding any practice or conduct relating to their respective SevenPoint2 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 SevenPoint2 Compliance Department as outlined below in this Section.
- B. The SevenPoint2 Compliance Department will be the final authority on settling such grievance or complaint and its written decision shall be final and binding on the Independent Global Associates involved.
- C. SevenPoint2 will confine its involvement to disputes regarding SevenPoint2 business matters only. SevenPoint2 will not decide issues that involve personality conflicts or unprofessional conduct by or between Independent Global Associates outside the context of a SevenPoint2 business. These issues go beyond the scope of SevenPoint2 and may not be used to justify a Sponsor or Placement change or a transfer to another SevenPoint2 organization.
- D. SevenPoint2 does not consider, enforce, or mediate third party agreements between Independent Global Associates, nor does it provide names, funding, or advice for obtaining outside legal counsel.
- E. Process for Grievances:
  - I. The SevenPoint2 Independent Global Associate should submit a written letter of complaint (email will not be accepted) directly to the SevenPoint2 Compliance Department. The letter shall set forth the details of the incident as follows:
    - a. The nature of the violation;

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- b. Specific facts to support the allegations;
  - c. Dates;
  - d. Number of occurrences;
  - e. Persons involved; and
  - f. Supporting documentation.
- II. Upon receipt of the written complaint, SevenPoint2 will conduct an investigation according to the following procedures:
- a. The Compliance Department will send an acknowledgment of receipt to the complaining Independent Global Associate;
  - b. The Compliance Department will provide a verbal or written notice of the allegation to the Independent Global Associate under investigation. If a written notice is sent to the Independent Global Associate, 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 SevenPoint2
  - 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. Independent Global Associate calls, letters, and requests for “progress reports” during the course of the investigation will not be answered or returned.
- F. SevenPoint2 will make a final decision and timely notify the SevenPoint2 Independent Global Associates involved.

### **13.2 Arbitration**

- A. Any controversy or claim arising out of or relating to the SevenPoint2 Independent Global Associate Agreement, these Policies and Procedures, or the breach thereof, the Independent Global Associates business or any dispute between SevenPoint2 and the Independent Global Associate, 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 Newport Beach, California. 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.



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- 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 Independent Global Associate Agreement.
- D. Nothing in these Policies and Procedures shall prevent SevenPoint2 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 SevenPoint2 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 an Independent Global Associate and SevenPoint2 shall be governed by and construed in accordance with the laws of the state of California, 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 SevenPoint2 can, in writing, affect a waiver of the SevenPoint2 Policies and Procedures. SevenPoint2's waiver of any particular breach by an Independent Global Associate shall not affect SevenPoint2's rights with respect to any subsequent breach, nor shall it affect the rights or obligations of any other distributor.
- B. The existence of any claim or cause of action of an Independent Global Associate against SevenPoint2 shall not constitute a defense to SevenPoint2's enforcement of any term or provision of these Policies and Procedures.

### **13.5 Successors and Claims**

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

## **14.0 GOVERNING LAW**

These Policies and Procedures shall be governed by and construed in accordance with the Laws of the State of California and the exclusive jurisdiction of the United States courts.

## **15.0 SEVENPOINT2 GLOSSARY OF TERMS**

**ACTIVE DISTRIBUTOR:** An Independent Global Associate who satisfies the minimum volume requirements, as set forth in the Compensation Plan, to ensure that they are eligible to receive bonuses and commissions.

**AGREEMENT:** The contract between the Company and each Independent Global Associate; includes the Independent Global Associate Agreement, the SevenPoint2 Policies and Procedures, and the SevenPoint2 Compensation Plan, all in their current form and as amended by SevenPoint2 in its sole discretion. These documents are collectively referred to as the “Agreement.”

**CANCEL:** The termination of a distributor’s business. Cancellation may be either voluntary, involuntary, or through non-renewal.

**COMPENSATION PLAN:** The guidelines and referenced literature for describing how Independent Global Associates can generate commissions and bonuses.

**ENROLLER:** An Independent Global Associate who enrolls another Independent Global Associate into the Company, and is listed as the Enroller on the Independent Global Associate Agreement. The act of enrolling others and training them to become Independent Global Associates is called “enrolling.”

**INDEPENDENT GLOBAL ASSOCIATE (IGA):** An individual, who purchases product, generates retail sales and business building commissions.

**LINE OF SPONSORSHIP (LOS):** A report generated by SevenPoint2 that provides critical data relating to the identities of Independent Global Associates, sales information, and enrolment activity of each Independent Global Associates organization. This report contains confidential and trade secret information which is proprietary to SevenPoint2.

**ORGANIZATION:** The Independent Global Associate placed below a particular Independent Global Associate.

**OFFICIAL SEVENPOINT2 MATERIAL:** Literature, audio or video tapes, and other materials developed, printed, published, and distributed by SevenPoint2 to Independent Global Associates.

**PLACEMENT:** Your position inside your Enroller’s organization.

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**RECRUIT:** For purposes of SevenPoint2's Conflict of Interest Policy, the term "Recruit" means the actual or attempted solicitation, enrolment, encouragement, or effort to influence in any other way, either directly, indirectly, or through a third party, another SevenPoint2 Independent Global Associate to enrol or participate in another multilevel marketing, network marketing, or 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 SevenPoint2 labelling. Any merchandise that is clearly identified at the time of sale as nonreturnable, discontinued, or as a seasonal item, shall not be resalable.

**SPONSOR:** An Enroller who enrolls another Enroller into the Company and is listed as the Enroller on the Independent Global Agreement. The act of enrolling others and training them to become Enrollers is called 'sponsoring'.

**UPLINE:** This term refers to the Independent Global Associate or Independent Global Associates above a particular Independent Global Associate in an Enrollers line up to the Company. It is the line of enrollers that links any particular Independent Global Associate to the Company.