# POLICIES & PROCEDURES FOR EUROPE

UNICITY



# **POLICIES & PROCEDURES**

### FOR EUROPE

PROMOTION OF UNICITY THE UNICITY CODE PRODUCTS AND BUSINESS **OF ETHICS OPPORTUNITY** PAGF 44 PAGE 6 **DISTRIBUTOR AWARDS DEFINITIONS AND FFFS** PAGE 9 PAGE 54 THE DISTRIBUTOR **DISTRIBUTOR APPLICATION PROCESS TERMINATION** PAGF 12 PAGE 57 **DISTRIBUTOR** PRIVACY AND DATA **RESPONSIBILITIES PROTECTION** PAGE 25 PAGE 63 **SPONSORING FORMS & DOCUMENTS** PAGE 31 PAGF 66 ORDERING PRODUCTS AND **SALES MATERIALS** CONTACT PAGE 35 PAGE 67



### **WELCOME TO UNICITY!**

We are pleased that you decided to join our Company as an independent Unicity Distributor. We wish you much joy and success for your Unicity business!

These Policies & Procedures (the "Policies & Procedures") govern the way you as a Unicity Distributor¹ residing in Europe conduct business with Unicity's Group Companies (which, together with its current subsidiaries, successors, and assigns, are collectively referred to herein as "Unicity"), other Unicity Distributors, and Customers.

These Policies & Procedures Unicity, the Compensation Plan (the "Compensation Plan") and the Terms and Conditions of the Distributor Agreement (the "Distributor Agreement") constitute a complete contract (the "Contract") between each respective Distributor and Unicity. A Distributor's continuation of a Distributorship or acceptance of Awards pursuant to the Compensation Plan or acceptance of any other benefits under the Contract constitutes acceptance of the Contract and any and all amendments thereto.

A Distributor's failure to comply with the provisions of this Policy Manual or any of the other documents comprising the Contract between the Company and the Distributor may, in the sole discretion of the Company, result in termination of the Contract, loss of the right to receive commissions, suspension or termination of other rights and privileges.

This Contract supersedes all Contracts between the Distributor and Unicity Network, Inc., Rexall Showcase International, Inc. or The Enrich Corporation, as the case may be.

The Company expressly reserves the right to make any modifications to the Contract upon 30 days notice. Any such changes will be communicated to the Distributor by posting them on Unicity's BackOffice or Libriary, by sending written communication via email or other channels of communication to the Distributors. The Distributor agrees that 30 days after such notice, any modification becomes effective and is automatically incorporated into the Contract between the Distributor and the Company as an effective and binding provision. By continuing to act as a Distributor, engaging in any business activity, or accepting any commissions and/or bonuses after the modifications have become effective, Distributor acknowledges acceptance of the new Contract terms. If a Distributor does not agree to these modifications, Unicity may elect to terminate the Distributor Agreement in accordance with Section 8.

<sup>&</sup>lt;sup>1</sup> This covers all open markets in the European Union, Switzerland, United Kingdom and Norway.

### UNICITY'S CODE OF ETHICS

#### AS A DISTRIBUTOR OF UNICITY, I PROMISE AND AGREE THAT:

- I will be courteous, respectful, honest, and fair in all of my dealings while acting as a Unicity Distributor, I will perform my Unicity activities in a manner that will enhance the positive reputation of Unicity, and I will not do anything to damage that reputation, including making or encouraging negative or disparaging remarks about Unicity, its employees, its associates or Distributors.
- I will abide by all local laws and regulations that are applicable in the country where I conduct my Unicity business.
- I will honor the terms of the Unicity Customer Product Satisfaction Guarantee with all of my Customers.
- I will fulfill my leadership responsibilities as an Enroller and/or Sponsor by performing reasonable efforts to train, assist, and otherwise support the Distributors in my sales organization and Downline.
- I will respect the Sponsor relationship of every Distributor in the Unicity family, and I will not attempt to interfere with or change these relationships.

- I will use my best efforts to perform all of the obligations of the Contract, and follow the Contract to the best of my ability, making an effort to follow the spirit, as well as the letter, of the Contract.
- I will make no claim about any Unicity product that is not contained in and supported by current official Unicity publications; neither will I misrepresent the income potential of the Unicity Business opportunity or Compensation Plan.
- I will not misrepresent the Unicity products, the Compensation Plan or the Unicity Business opportunity; neither will I engage in any other manipulative, deceptive or illegal practice.
- I will not make negative or disparaging remarks about Unicity, its founders, directors or emplyees or about any Unicity competitor, or their people and products.
- I will not use Unicity's Distributor lists, Customer lists or any other of Unicity's trade secrets to further other business interests.

- I will respect European and local data protection rules and not use data of Distributors and Customers for purposes other than for my Unicity business. I will also keep this information confidential.
- I will respect the privacy of both my Upline and downline Distributor's and Customers.





# **SECTION 1**

### **DEFINITIONS**

## THE FOLLOWING DEFINITIONS MAY BE USED IN THE CONTRACT. IN ADDITION, OTHER DEFINITIONS MAY BE FOUND WITHIN THE CONTRACT.

- **A. Active Distributor.** A Distributor in good standing who has accumulated the minimum Personal Volume ("PV") required under the Compensation Plan in a Volume Month. A person must be an Active Distributor to be eligible to earn Awards in the Compensation Plan.
- **B. Easyship.** Automatic Refill (or "Easyship") is a program in which products are automatically shipped to Distributors or Customers pursuant to the terms of an Easyship Agreement.
- **C. Awards.** Any gift, award, premium, benefit, payment or incentive given by Unicity to a Distributor pursuant to the Compensation Plan. Awards are based upon qualifications under the Compensation Plan. Most Awards take the form of Volume or Points assigned to an account in the name of a Distributor. Points may be converted to cash payments, sometimes called commissions, bonuses, credits or the like. Other Awards may include prizes, product, gifts, trips, incentives, and the like. Cash payment Awards that
- are not claimed within ninety (90) days are converted back into Points, which are placed on the Distributor's account. Any unclaimed Awards or Points at the time of the termination of the Distributor's Contract are forfeited. Payment of Awards is conditioned upon the Distributor meeting all the requirements for earning Awards, including the obligations of these Policies and Procedures
- **D. Compensation Plan.** The Unicity Compensation Plan, and any change or amendment thereto, is an incentive program through which a Distributor may earn commissions or Awards pursuant to the rules of the Compensation Plan and may include other incentive programs or plans, which are adopted from time to time in writing by Unicity.
- **E. Customer.** An end consumer who purchases Unicity products either directly from a Distributor or through Unicity. Customers include, but are not limited to, those participating in the Member, Preferred Customer,

or Retail Customer programs. Customers do not participate in the Compensation Plan, and are not entitled to the benefits of being a Distributor.

F. Distributor. An independent contractor who has signed and completed the official Unicity Independent Distributor Agreement which has been accepted by Unicity and whose relationship is not otherwise terminated. A Distributor is given a license to distribute Unicity products through a Unicity Distributorship and may also be referred to in other common terms such as Associate, Independent Business Owner, Franchise Partner, IBO or the like. Likewise, a Distributor may be referred to by the name of the Rank that the Distributor has achieved in the Compensation Plan, such as Associate, Manager, Director, Presidential Diamond etc. Preferred Customers and Retail Customers are not Distributors. Any person who has obtained a Distributorship through any authorized or unauthorized means, or has acted or represented themselves to be a Distributor or beneficiary of a Distributorship and thereby obtained any beneficial interest or presumption of a beneficial interest in a Unicity Distributorship is a Distributor and is bound by the duties and obligations of the Contract.

**G. Distributor Agreement.** The legally binding agreement between the Distributor and Unicity that is also referred to as the Distributor Agreement and is part

of the Contract. The Distributor Agreement may be amended from time to time according to its terms or this Contract. The Distributor Agreement is a license that is to be completed by the person or entity applying to become a Distributor and the Distributor is subject to acceptance or may be rejected by Unicity. The terms and conditions of the Distributor Agreement may be found online and on the reverse side of the Distributor Agreement.

- **H. Distributorship.** The right and license granted to a Distributor to purchase, sell, distribute, and promote the Unicity products and business opportunity under the terms and conditions of the Contract.
- **I. Downline.** A sponsored or enrolled Distributor and all successive sponsored or enrolled Distributors of his or her Downline
- **J. Enroller.** The Distributor who recruits an individual may be recognized on the Distributor Agreement as the Enroller. The Enroller may also be the Sponsor.
- **K. First Volume Month.** The calendar month in which Unicity accepts a Distributor's Distributor Agreement.
- **L. Frontline.** A Distributor who is immediately below the Sponsor in the Sponsor's Downline.
- **M. Genealogy.** A list of Distributorships that identifies the lines of Sponsorship and provides Unicity's confidential information to Distributors for the sole

purpose of helping the Distributor to build their Unicity Distributorship. A Genealogy is a Unicity List, (see Section 3.G) and contains proprietary information about Unicity's business and may include information such as names, contact information etc. A Genealogy is confidential as set forth in this Contract.

- **N. Personal Volume (PV).** The sum of Volume or Points for product purchases by a Distributor for personal use or for the primary purpose of resale to Customers or by a Distributor's Customers directly from Unicity during a Volume Month.
- **O. Points.** The value or Volume assigned to a Unicity product. A Distributorship accrues Points upon the purchase of product by the Distributor, or its Customers, or by the Downline pursuant to the Compensation Plan. Points or Volume have no monetary value unless properly redeemed.
- **P. Qualify.** To meet the requirements to achieve a given Rank, Benefit, or Award under the Compensation Plan in a Volume Month while the Distributorship is in good standing.
- **Q. Rank.** A qualification title in the Compensation Plan used to describe the level of recognition or Awards that a Distributorship has earned. The Ranks include Associate, Manager, Senior Manager, Executive Manager, Director, Senior Director,

Executive Director, Presidential Director, Presidential Sapphire, Presidential Ruby, Presidential Diamond, Double Diamond, Triple Diamond, Royal Crown Diamond, and Global Ambassador, and any other Ranks that may be added in the Compensation Plan from time to time.

- **R. Sponsor.** The first Upline position to a Distributor. To "Sponsor" is to be recognized on the Distributor Agreement as the Sponsor and/or to have the Distributor placed on the Sponsor's Frontline via the Placement Program (see Section 4.D).
- **S. Suggested Retail Price.** Suggested price for retail sales.
- **T. Upline.** A Distributor's Sponsor and successive Sponsors of each Upline or a Distributor's Enroller and successive Enrollers of each Upline.
- **U. Volume.** The value or Points assigned to a Unicity product. A Distributorship accrues Volume upon the purchase of product by the Distributor, or the Distributor's Customers, or by the Distributor's Downline pursuant to the Compensation Plan. Volume or Points have no monetary value unless properly redeemed.
- **V. Volume Month.** The period of time used to calculate Awards and Ranks under the Compensation Plan. A Volume Month may not be the same as a calendar month.

# **SECTION 2**

### THE DISTRIBUTOR APPLICATION PROCESS

#### A. Distributor Status

I. Independent Contractor Status. A Distributor is an independent contractor and is not an agent, employee, partner or party in a joint venture with Unicity; a Distributor may not represent that such an arrangement exists. A Distributor is responsible for the Distributor's own business decisions and expenditures and for satisfying all local laws and regulations applicable to the Distributor. Since Unicity Distributors are independent contractors. Distributors are not eligible to claim unemployment compensation or other benefits as a result of having been a Unicity Distributor. In sum, as an independent Distributor, you:

- 1) are subject to entrepreneurial risk and responsible for all your expenses (such as travel, entertainment, office, office equipment, accounting, taxes, value added taxes, insurance costs) you incur in your capacity as Distributor;
- 2) run your own business and determine in your sole discretion, when you work and for how long you work;
- 3) are paid commissions based on the amount of product sales and not on the number of hours you spend on your Unicity business.

Distributors are also responsible for their own tax and social security obligations, which may involve registration and payment of local taxes and social security as required by law<sup>2</sup>. Also, Unicity may withhold taxes and social security contribution on Commissions if required by law. The Distributor agrees to indemnify and hold Unicity, its affiliates and subsidiaries, harmless from any claim or demand, including reasonable attorneys' fees, made by any third party due to or arising out of your breach of this Section.

- II. No Authority to Act on Behalf of Unicity. Distributors have no authority to act on behalf of the Company. This includes, but is not limited to, any attempt to:
- 1) Register or reserve URLs using the name Unicity, Unicity's trademarks or trade names;

<sup>&</sup>lt;sup>2</sup> Italy and France: For these countries certain exceptions may apply with respect to social security obligations. For more information please contact Unicity.

- 2) register or reserve the name Unicity, trademarks, trade names, including any combination or derivative thereof
- 3) establish business or governmental contacts of any kind on Unicity's behalf.

Distributors must indemnify Unicity for all costs, including attorneys' fees incurred by the Company for any remedial action needed to exonerate the Company in the event that you improperly act on behalf of the Company. You must also immediately assign to the Company any registration of Company names, trademarks, trade names, Products, or URLs registered or reserved in violation of this Section without the Company's reimbursement of any costs you incurred.

#### III. Designation as Employer.

Distributors are not allowed to identify Unicity as their employer. This includes, but is not limited to, loan applications, government forms, employment verification requests, applications for unemployment compensation or any other official or unofficial form or document.

#### **B. Application Process**

I. Application. A person may become a Unicity Distributor by paying the Distributorship license fee and by doing any of the following<sup>3</sup>:

- 1) completing, signing, and returning an original Distributor Agreement to Unicity;
- 2) signing and faxing a completed Distributor Agreement to Unicity;
- 3) signing up with Unicity over the telephone, followed by the

submission of a duly completed and signed original Distributor Agreement to Unicity within thirty (30) days thereof; or

4) submitting an online Distributor Agreement through <a href="https://www.Unicity.com">www.Unicity.com</a>4.

No product purchase is required to become a Unicity Distributor.

The Distributor Agreement becomes binding upon Unicity when the Distributor Agreement is entered into the Unicity database as a Distributorship in good standing. A confirmation email along with the assigned Distributor ID Number is sent to the Distributor. Unicity reserves the right, at its sole discretion, to reject any Distributor Agreement. Unicity will not accept inaccurate or false information on a Distributor Agreement. Incomplete, inaccurate or unlawful Distributor

<sup>&</sup>lt;sup>3</sup> <u>France:</u> In France, Distributors may be subject to VDI status which governs the activity of home selling. For more information please contact Unicity. <u>Italy:</u> In Italy, Distributors are subject to the so called "Incaricati" regime. Incaricati are individuals who promote, directly or indirectly, the collection of purchase orders, on behalf of Unicity. Incaricati are allowed to carry out their activity once they have been issued an ID Card (so-called "tesserini di riconoscimento"). Incaricati are required to show this "ID Cards" to any consumer when conducting their Unicity business.

<sup>&</sup>lt;sup>4</sup> If a Distributor registers through Unicity's website (www.unicity.com), a paper application will not need to be submitted. While the Sponsor may assist the Distributor in completing the online enrolment, the Distributor him- or herself must personally review and agree to the online Distributor Agreement, Terms and Conditions, these Policies and Procedures, and the Compensation Plan. The Distributor will also be informed about Unicity's Privacy Policy and his or her rights under GDPR.

Agreements are voidable by Unicity. A Distributor is responsible for informing Unicity of any changes affecting the accuracy of the Distributor Agreement.

II. Starter Kit. No product purchase is required to become a Distributor. The only required purchase to become a Distributor is the purchase of Unicity's Starter Kit which is sold at cost without markup or profit to the Sponsor or Company.

The Starter Kits contains materials designed to familiarise you with our products and business opportunity and contains sales aids and other training materials.

Sponsors may not require Distributors to purchase

- 1) a product inventory,
- 2) any kind of sales or product materials and
- 3) tickets to attend meetings, seminars or other events<sup>5</sup>.

III. Residency. The Distributor Agreement must be filed and the Distributor's account maintained in and for the market where the Distributor has his or her main residence and where he or she has the legal right to do business. The Company reserves the right to transfer the Distributor account to the market for which s/he should have filed his or her Agreement, without prejudice to any other remedy available under these Policies and Procedures, Also. in order to maintain the account. the Distributor will be required to complete and submit the Distributor Agreement which has been designated for this market

**C. Territory.** Acceptance by Unicity of the Distributor Agreement authorizes the Distributor to conduct business only in the country of their legal residence ("Home Country"). If a Distributor desires to conduct Unicity business outside of

their Home Country, the Distributor may do so only pursuant to Unicity's International Sponsoring policy (see Section 4.G).

**D. Distributor ID Number.** Every Distributor must have a unique numerical identification number ("ID Number"). Unicity will assign the ID Number to Distributors once the application has been filed.

**E. Social Security and Tax Identification Number.** Distributors may be required to provide Unicity with a social security number, tax identification number or value added tax ("VAT") number before they are eligible to receive commissions and bonuses according to the Unicity's Compensation Plan.

If the Distributor signs up without providing such information, Unicity reserves the right to withhold commissions on the Distributor account until the required identification number(s) have been submitted.

<sup>&</sup>lt;sup>5</sup> <u>UK</u>: Under the UK Trading Schemes Regulations (1997) Distributors may not pay or commit to pay in excess of £ 200 within the first 7 days from the date of entering into the Distributor Agreement. This includes the purchase of Unicity's Starter Kit.

- F. Beneficial Interests. A person may not have or hold a legal, equitable or beneficial interest in or control over more than one Distributorship without the written consent of Unicity. This includes being an owner, partner, shareholder, member, officer, director, trustee, beneficiary or direct or indirect participant in any partnership, corporation, trust, or other entity that may be a Distributorship. With respect to this provision, the following shall apply:
- I. Without limitation, an individual's spouse, and/or household members (those persons domiciled with the individual) are deemed to have a beneficial interest in any Distributorship in which the individual has an interest; and
- II. A husband and wife may hold separate Distributorships only where one is the sponsor of the other or they have the same Sponsor. Each Distributor is wholly

responsible for meeting each Distributorships:

- volume requirements
- rank
- any other program qualifications or requirements to be eligible to earn Awards in the Compensation Plan.

If a member of a Distributor's household or person in a Distributor's employ engages in any act or activity that would violate the Contract if performed by the Distributor, such act or activities may be imputed to the Distributor. Such act or activities include but are not limited to:

- 1) Advancing funds or costs to a third party to acquire an interest in a Distributorship;
- 2) Making a loan to a third party to acquire an interest in a Distributorship;
- 3) Having a close familial relationship to a third party who acquires an interest in a Distributorship without

disclosing the relationship to Unicity;

- 4) Financially supporting in any way, a third party in litigation or actions against Unicity (including payment of attorney's fees, payment of costs of travel, payment of expert cost or the like);
- 5) Disclosing in any manner any information that is confidential, proprietary or otherwise to a third party or its agents; and
- 6) Entering into an agreement or understanding whereby a Distributor acquires a beneficial interest in another Distributorship without the prior written consent of Unicity.

#### **G.** Business Entities.

I. Corporations. Unicity may at its discretion allow a corporation (such as limited liability company or public company) to be a Distributor<sup>6</sup>. Applications submitted by corporations must be signed by a duly authorized officer and contain the name and Tax Identification

<sup>&</sup>lt;sup>6</sup> <u>Italy:</u> Italian law does not allow corporations, partnerships, trusts or other business entities to be appointed as a Distributor. <u>France:</u> In France, only individuals qualify under the VDI regime.

Number of the corporation along with the names of the principal corporate officers, directors, and all shareholders and shall be accompanied by the corresponding Distributor Agreement Supplement. Furthermore, the corporation shall warrant that it is in good standing and that neither the corporation nor any of its shareholders acts on behalf of, holds, or is deemed to hold a legal or beneficial interest in any other Unicity Distributorship. Unicity may require a copy of the Articles of Incorporation, a certificate of good standing or such other information about the corporation as is necessary to protect the interests of Unicity. If the Distributor Agreement is accepted by Unicity, the corporation may not thereafter, nor may any of its shareholders, officers or directors, own or hold, or control, directly or indirectly, a legal or beneficial interest in any other Unicity Distributorship. Any transfer of ownership interest in the

corporation is subject to Unicity's transfer policy (see Section 2.K). The corporate Distributor (or any of its shareholders) that transfers fifty-percent (50%) or more of its ownership without the consent of Unicity, or tranfers any interest to a shareholder that holds a legal or beneficial interest in any other Unicity Distributorship, may be terminated at the discretion of Unicity. Any transfer of any interest to an individual or entity that owns or holds, directly or indirectly, a legal or beneficial interest in any other Unicity Distributorship shall be void and either or both of the Distributorships may be terminated at the discretion of Unicity.

II. Partnerships. Unicity may at its discretion allow a partnership to be a Distributor. Applications submitted by partnerships must be signed by each partner and may contain the name and Tax Identification Number for the partnership along with the names of each partner and be

accompanied by the corresponding Distributor Agreement Supplement. Furthermore, the partnership shall warrant that neither the partnership nor any of its partners acts on behalf of, holds, or is deemed to hold a legal or beneficial interest in any other Unicity Distributorship. Unicity may require a copy of the partnership agreement or such other information about the partnership that is necessary to protect the interests of Unicity. If the Distributor Agreement is accepted by Unicity, the partnership may not thereafter. nor may any of its partners, own or hold or control, directly or indirectly, a legal or beneficial interest in any other Unicity Distributorship. Any transfer of ownership interest in the partnership is subject to Unicity's transfer policy (see Section 2.M). The partnership Distributorship that transfers fifty-percent (50%) or more of its ownership without the consent of Unicity may be terminated at the discretion of Unicity. Any

transfer of any interest to an individual or entity that owns or holds, or controls, directly or indirectly, a legal or beneficial interest in any other Unicity Distributorship shall be void and either or both of the Distributorships may be terminated at the discretion of Unicity.

III. Trusts. Unicity may at its discretion allow a trust to hold a Distributorship. Applications submitted by trusts must be signed by a duly authorized trustee and contain the name and Tax Identification Number for the trust along with the names of the current and potential beneficiaries of the trust and the trustees and be accompanied by the corresponding Distributor Agreement Supplement. Furthermore, the trustee shall warrant that the trust is valid and that neither the trust, the trustors, nor any of the current or potential beneficiaries of the trust acts on behalf of or holds beneficial interest in any other Unicity Distributorship. Unicity

may require a copy of the trust document or such other information about the trust that is necessary to protect the interests of Unicity. If the Distributor Agreement is accepted by Unicity, the trust may not thereafter, nor may any of its trustors, trustees or beneficiaries, own or hold, or control, directly or indirectly, a legal or beneficial interest in any other Unicity Distributorship. Any transfer of ownership interest in the trust is subject to Unicity's transfer policy (see Section 2.K). The trust Distributor (or any of its trustors. trustees or beneficiaries) that transfers fifty-percent (50%) or more of its ownership without the consent of Unicity, or tranfers any interest to an individual or entity that holds a legal or beneficial interest in any other Unicity Distributorship, may be terminated at the discretion of Unicity. Any transfer of any interest to an individual or entity that owns or holds, directly or indirectly, a legal or beneficial interest in any

other Unicity Distributorship shall be void and either or both of the Distributorships may be terminated at the discretion of Unicity.

IV. Sole Proprietorships. A Distributorship held by a sole proprietorships shall provide Unicity with a Tax Identification Number and statement of ownership and any other necessary documentation which may be requested, including the corresponding Distributor Agreement Supplement. Any transfer of ownership interest in the sole proprietorship of the Distributorship is subject to Unicity's transfer policy, the transfer rules in Section K. The sole proprietorship of the Distributorship that transfers fifty-percent (50%) or more of its ownership without the consent of Unicity may be terminated at the discretion of Unicity. Any transfer of any interest to an individual or entity that owns or holds, directly or indirectly, a legal or beneficial interest in any

other Unicity Distributorship shall be void and either or both of the Distributorships may be terminated at the discretion of Unicity.

V. Other Entities. Distributorships held by limited liability partnerships, unincorporated associations or other organizations shall provide Unicity with their Tax Identification Number and a statement of ownership and any other necessary documentation deemed necessary by Unicity, including the corresponding Distributor Agreement Supplement. If the Distributor Agreement is accepted by Unicity, the entity may not thereafter, nor may any of its managers, or legal or beneficial owners, own or hold or control, directly or indirectly, a beneficial interest in any other Unicity Distributorship. Any transfer of ownership interest in a Distributorship is subject to Unicity's transfer policy, the transfer rules in Section 2.K.. The limited liability company, limited liability

partnership, other organization and unincorporated association Distributorship that transfers fifty-percent (50%) or more of its ownership without the consent of Unicity may be terminated at the discretion of Unicity. Any transfers of any interest to an individual or entity that owns or holds, directly or indirectly, legal or beneficial interest in any other Unicity Distributorship shall be void and either or both of the Distributorships may be terminated at the discretion of Unicity.

H. Marriage of Existing
Distributors. If two existing
Distributors marry, they may maintain their separate, independent
Distributorships. After marriage,
however, the rights of married
Distributors to make account or
Sponsor changes may be limited at
Unicity's discretion.

I. Distributor Divorce or Business Association Dissolutions. If an action is commenced to dissolve the marriage of married Distributors or dissolve a Distributorship held by a corporation, partnership, trust, limited liability company, limited liability partnership, or other organization and unincorporated association or other entity or the like (hereinafter "Business Association"), the Distributor Agreement shall remain effective until such time as Unicity receives satisfactory written notice, subject to Unicity's approval, from all parties or a certified court order directing otherwise. Any breach of any agreement during such dissolution shall be governed by the terms of this Contract Divorced Distributors or a dissolved Business Association shall submit to Unicity a certified copy of any legal judgment, decree or agreement specifying how future commissions should be issued. Any transfer of any interest to an individual or entity that owns or holds, directly or indirectly, a legal or beneifical interest in any other Unicity Distributorship shall be void and either or both of the

Distributorships may be terminated at the discretion of Unicity.

J. Distributor Death. In the event of a Distributor's death, or the death of an individual holding a controlling interest in a Distributorship, Unicity shall allow the Distributorship of the deceased Distributor to transfer to an immediate family member, or an individual or entity specified in a egally recognized will or trust (the "Heir"), or allow the entity's Distributorship to remain in good standing, regardless of the transfer of the controlling interest, as the case may be, regardless of whether the Heir already holds an interest in a separate Distributorship, and provided that both the Heir's Distributorship (if applicable) and the Distributorship being inherited are in good standing, and the Heir is in full compliance with the Contract. Each such Distributorship must separately Qualify in accordance with the Compensation Plan in order to be eligible for Awards and recognition.

In order to effect such a transfer. the authorized representative of the estate or trust must provide satisfactory documentation to Unicity, which may include a certified death certificate, court order, certification of trust, and/or any other documents Unicity deems necessary, and an amended Independent Distributorship Agreement in the name of the Distributor receiving the Distributorship, in the case of an individual, or an amended Independent Distributorship Agreement in the event of a change in control of an entity's Distributorship. Any such assignment or transfer must take place within a reasonable time period, but no longer than one year from the date of the death in auestion.

#### K. Distributorship Transfers.

Unicity discourages the transfer of a Distributorship or of any interest in a Distributorship. Except as set forth above in the case of the death of a Distributor, a Distributor must follow the following procedures to convey, sell, assign or otherwise transfer, voluntarily or involuntarily, a Distributorship or any interest therein (collectively referred to as "transfers"). Transfers must be approved by Unicity as outlined below:

I. The voluntary or involuntary transfer (including the transfer as a result of a bankruptcy) of a Distributorship or of any interest therein, is subject to the approval of Unicity and is subject to right of first offer of Unicity, followed by a right of first offer of the transferring Distributor's then-first Upline Sponsor who is in good standing and is qualified to earn Awards.

1) A Unicity Distributor who receives a Bona Fide Third Party Offer (as hereinafter defined) to purchase a Distributorship (or to purchase a fifty-percent [50%] or more interest of a Business Entity holding a Distributorship, in either a series of purchases or in the aggregate) shall first offer to sell such Distributorship

(or such interest) to Unicity on the same terms and conditions contained in the Bona Fide Third Party Offer. Either the transferring Distributor or the proposed transferee shall deliver the Bona Fide Third Party Offer in writing to the Unicity Distributor Compliance Department and Unicity shall have ten (10) business davs after receipt of such notice or its receipt of notice of any final court order (all by personal service to the Unicity Compliance Department) in which to accept the offer if it so elects. A "Bona Fide Third Party Offer" is an arm's length written offer by a third party (not a Unicity Distributor) to purchase the Distributorship or any interest therein, or a final non-appealable court order approving the sale of the Distributorship or any interest therein to a third party (not a Unicity Distributor), which Unicity, at its sole discretion, determines to be a legitimate offer. Evidence of a legitimate offer may include, but

is not limited to, cash or securities deposited into an escrow account, evidence of a loan commitment and other substantial steps taken for the sole purpose of purchasing such Distributorship. Unicity shall request within 10 days of its receipt of the notice of the Bona Fide Third Party Offer if it determines that additional evidence is needed by it to determine the legitimacy of the Bona Fide Third Party Offer and shall communicate its concerns by email or reasonable means to the party providing the notice. The evidence shall then be provided to Unicity by personal service on the Distributor Complance Department. Unicity shall then have 10 days, after the receipt of the requested evidence is provided, in which to accept the offer if it so elects. Upon the exercise of such election by Unicity, and the payment of the consideration on the same terms and conditions contained in the Bona Fide Third Party Offer, the

Distributorship shall be transferred to Unicity or its assigns.

2) If Unicity fails to exercise its right of first offer within the ten (10) day time period, the Distributor, individual or entity, requesting a transfer shall offer to sell the Distributorship or any interest therein to the then-first Upline Sponsor, of the Distributorship, on the same terms and conditions as those contained in the Bona Fide Third Party Offer. The then-first Upline Sponsor shall have ten (10) business days, after receipt of the notice, in which to accept or reject such offer. If the then-first Upline Sponsor accepts the offer, he or she must provide written notice to Unicity upon acceptance. Upon the exercise of such election by the then-first Upline Sponsor, and the payment of the consideration on the same terms and conditions contined in the Bona Fide Third Party Offer, the Distributorship shall then be "merged" with the then-first Upline

Sponsor's Distributorship in accordance with Unicity's Distributorship transfer procedures.

- 3) If the then-first Upline Sponsor fails to exercise the Distributor's right of first offer within the time allotted, the Distributor requesting a transfer may transfer the Distributorship or any interest therein according to the same terms and conditions contained in the Bona Fide Third Party Offer, provided that the transferring Distributor complies with all other transferring procedures contained in this section and as may be established from time to time by Unicity, and executes an Distributor Agreement.
- 4) The right of first offer shall apply to each new Bona Fide Third Party Offer received by the transferring Distributor
- 5) The right of first offer procedures herein do not apply to the transfer of a Distributorship or any interest herein, as described below:

- a) A transfer between husband and wife wherein the transferring spouse continues to hold a beneficial interest; or
- b) An authorized transfer from an individual Distributor to a Business Entity owned by the non-transferring spouse, and the transferring spouse continues to own an interest in the Business Association.
- c) A transfer from an individual to a Business Entity, so long as the individual owns 100% of the Business Entity.
- 6) A transfer of any interest (including those in Section 2.L.1.e) requires the prior written approval of Unicity and the submission of an amended Distributor Agreement and supporting documentation.
- II. Unicity reserves the right at its sole discretion to reject any transferee in the same manner in which it could reject any submitted Distributor Agreement.



- Ill. When a transfer of a

  Distributorship or any interest
  therein is allowed, Unicity may
  require any or all of the following,
  together with any other documents
  or information Unicity may request:
- 1) A newly signed Distributor Agreement from the receiving Distributor with payment of the appropriate application fee and a written statement explaining the reason(s) for the transfer.
- 2) A copy of the Bona Fide Third Party Offer. The Bona Fide Third Party Offer must be executed by the transferring Distributor and a notarized copy must be personally served on the Unicity Distributor Compliance Department. The Bona Fide Third Party Offer must include the following:
- a) A covenant from the transferring Distributor promising that he or she will not solicit, raid, cross-sponsor, or sponsor any of the Distributorship's Downline or another Unicity Distributor into any

- other direct selling, multilevel or network marketing organization for a period of one (1) year; and
- b) A covenant from the transferring Distributor promising that the Distributor will not solicit any employee of Unicity for a period of one (1) year; and
- c) A liquidated damages provision requiring the transferring Distributor to pay the receiving Distributor the sum of \$10,000.00 for each instance in which the transferring Distributor violates or attempts to violate the covenant against raiding, cross-sponsoring or recruiting the Downlineas set forth in Section 2.K.III.2.a) or 2.K.III.2.b as set forth above.
- 3) A termination notification from the transferring Distributor.
- 4) A transaction fee, payable to Unicity, not to exceed \$1,000.00 to cover expenses of Unicity and its attorneys.
- 5) Any other reasonable obligation or requirement, including a written

- agreement that transferor will not compete and will not solicit, as set forth above, that Unicity may require.
- IV. Any Distributor desiring to acquire an interest in another
  Distributor's business must first terminate his or her existing
  Distributorship and wait six (6)
  months before becoming eligible to purchase another Distributorship.
  Unicity may waive this requirement in its sole discretion. After six (6) months, the individual may reapply for a Unicity Distributorship by submitting a new Distributor Agreement.
- V. A transferred Distributorship may immediately Qualify for Awards by meeting the requirements as outlined in Unicity's Compensation Plan. However, the acquired volume from a transferred Distributorship will not count toward qualifications for the Chairman's Club Bonuses, which include Double Diamond, Triple Diamond and Crown Diamond Bonus Awards. The Distributorship may still Qualify for the Chairman's Club

Bonuses upon terms agreed upon by Unicity and only at Unicity's discretion.

#### L. Account Changes to

**Distributorships.** Account changes or corrections to the personal information on a Distributorship, (name, address, contact information etc.). may be accomplished by submitting a new Distributor Agreement form with the word "Amendment" written at the top to the Unicity Distributor Compliance Department, and/ or such other documents that are satisfactory to Unicity. All amended forms must be completed in their entirety and signed by all principals, shareholders, partners, interest holders, or members of the Distributorship. Name changes require appropriate legal proof of the change. For Sponsor Changes please refer to Section 4.E.

M. Home Country Change. A
Distributor may request to have
their Home Country changed to any
country Unicity is officially opened
in. A Home Country change may

be accomplished by submitting a completed Home Country Change Form and Distributor Agreement for the new Home Country. Purchase of the new Home Country's Distributor kit is required unless prohibited by law. A Distributor must meet all government laws and regulations to act as a Distributor of that country.

**N. Legal Age.** Distributor applicants must be at least 18 years of age at the time of application.

O. Travel/Event Disclaimer. Unicity shall in no circumstances whatsoever be liable to any individual, person or company ("Participant") participating in any reward trip, tour and/or any other activity for any injury, sickness, death, accident, loss, delay, discomfort, damage, increased expenses, and/or expenses of any kind due to sickness, accidents, weather, strikes, hostilities, wars, terrorist acts, acts of nature, local laws and/or other such causes or any misadventure however and whosoever caused. The individual participating in this reward trip,

tour and/or any other activity is solely responsible for purchasing travel insurance policy to cover the aforementioned events. Further details are stipulated in Unicity's "Event – Terms and Conditions".

Participants voluntarily assume all risk and dangers incidental to any activity or event and waive all claims against Unicity, the event sponsor and owner of the facility and all of its and their employees, agents, principals, shareholders, partners. and members. Such Waiver includes all claims, whether or not they arise from the negligence of any of the said parties and in a jurisdiction where a party may waive gross negligence, the waiver includes gross negligence. The waiver includes a waiver of all punitive damages. Participation is subject to compliance with the Unicity Contract and all laws and facility rules. Failure to comply with the Unicity Contract, laws or facility rules may result in refusal of participation. NO REFUNDS and NO **EXCHANGES** will be honored



# **SECTION 3**

### DISTRIBUTOR RESPONSIBILITIES

A. General. Unicity honors all applicable laws and regulations governing good business practices. Distributors shall adhere to these same laws. A Distributor agrees to comply with the Contract and all other contractual obligations, all applicable local laws, and regulations. Unicity will not tolerate illegal or unethical Distributor activity and may intercede when unethical behavior is discovered or reported. Unicity reserves the right to use its reasonable judgement and discretion in determining whether Distributor's activities are unethical. Any unethical conduct may be deemed a breach or violation of the Contract and/or grounds for disciplinary action and/or grounds for termination. Unicity shall have

the right to elect its remedy in the event it determines there is illegal or unethical conduct of any Distributor. A Distributor may, as provided in this Contract, terminate its relationship with Unicity at any time. Unicity may, as provided in this Contract under Section 8.B, terminate this contract for a breach of the Contract or for unethical behavior of the Distributor or for any other reason set forth in this Contract. Examples of unethical behavior include but are not limited to the following:

I. Causing Unicity product(s), either directly or indirectly, to be sold in retail establishments, online auction or mass marketing commercial websites (including, but not limited to, eBay, amazon.com or Craigslist)

or any other unapproved physical venue or commercial website;

II. Selling or otherwise supplying Unicity products to any individual or entity for the purpose of resale (see Section 5.E.V);

III. Selling to a third party a quantity of Unicity products greater than that generally purchased by an individual for personal use (see Section 5.E.V);

IV. Cross-Sponsoring (see Section 3.B. below);

V. Downline Raiding (see Section 4.E below);

VI. Writing checks on insufficient funds to either Unicity or another Distributor:

VII. Placing orders on another Distributor's account;

VIII. Requesting volume transfers from another Distributor's account;

IX. Using another person's credit card in any unauthorized manner whatsoever:

X. Falsely initiating credit card chargebacks;

XI. Misrepresenting Unicity, its products or Compensation Plan;

XII. Engaging in any deceptive, abusive, or unlawful trade practice or any illegal or unlawful activity;

XIII. Using advertising material without required prior approval;

XIV. Using Unicity's name(s), trademark(s) or logo(s) in any unauthorized manner whatsoever;

XV. Using any third party name or logo (including but not limited to the unauthorized use of the names or trademarks of Royal Numico, Rexall, and Enrich) in any unauthorized manner whatsoever:

XVI. Otherwise manipulating the Compensation Plan, by among other things, violating the 70% Rule

(see Section 5.E.II. below), holding an unauthorized beneficial interest in another Distributorship, or acquiring or transferring an interest in another Distributorship (except as set forth in Section 2.K. above); XVII. Violating this Contract in any way;

XVIII. Taking actions that cause Unicity or its Distributors the loss of good reputation; and/or

XIX. Taking or performing actions that are detrimental to Unicity's business

B. Unfair Competition and "Cross-Sponsoring" and Non Solicitation. A Distributor may not sponsor or solicit or attempt to sponsor or solicit another Unicity Distributor, or former Unicity Distributor, into any other network-marketing or direct-selling company, with the exception of those individuals the Distributor personally Sponsored and who are then positioned on the Distributor's Frontline of the Distributor's

Downline. Furthermore, a Distributor may not solicit the participation of any Unicity employee or of any Unicity Distributor, with the exception of those individuals the Distributor has personally Sponsored and who are then positioned on the Distributor's Frontline, to purchase any non-Unicity product or to participate in any other direct-sales. network-marketing or multilevelmarketing company or business opportunity, directly or indirectly, without the express written consent of Unicity, and for a period of one year following the termination of Contract with the Distributor. Any consent granted from Unicity may be revoked upon proper notice at the discretion of Unicity. A Distributor may not engage in indiscriminate advertising, including using social media, that solicits purchasing of non-Unicity products or that promotes participation in another network-marketing or direct-selling company. Each of the foregoing prohibited activities

constitute unfair competition with Unicity and are also known as "Cross-Sponsoring", whether done by a Distributor or by an individual or entity holding an interest in a Distributorship. Cross-Sponsoring may be grounds for termination. Any failure to pursue such breach will not constitute a waiver of Unicity's rights.

C. Distributorship Renewal. To be in good standing, a Distributor must renew the Distributor Agreement and status annually. If a Distributor has violated the terms of the Contract, Unicity may reject any application for renewal. Annual renewal includes paying an annual Distributorship renewal fee, remaining in good standing, and, when requested, completing and submitting a renewal form. Payment of the renewal fee is due on the anniversary of the day the Distributor Agreement was entered into the Unicity computer database. Responsibility for renewal rests on

each Distributor, Ordering product. sponsoring other Distributors, accepting Awards or other verbal or written authorization shall constitute action on the part of a Distributor that Unicity may accept as intent and agreement to the existing Contract to renew and shall constitute authorization by the Distributor to debit the Distributor's account in the amount of the renewal fee. At the election of Unicity, a Distributor who does not renew his or her Distributor Agreement within thirty (30) days following the anniversary of the day the Distributor Agreement was entered into the Unicity computer database may be terminated without notice by Unicity. If a Distributorship is terminated by failing to renew or by voluntary resignation, a Distributorship may not be reinstated or regain its Rank or Downline organization existing at the time of termination without the express written consent of Unicity and may not reapply for a new Distributorship for six (6) months.

#### D. Reporting Unethical Behavior.

A Distributor who has a specific complaint about another Distributor or is aware of any violation of these Policies & Procedures by another Distributor shall direct such complaint together with supporting evidence in writing to the Unicity Distributor Compliance Department by fax at 1-801-226-6637 or e-mail at dc@Unicity. com within a reasonable time

**E. Consent.** A Distributor hereby consents for Unicity to contact the Distributor by telephone number, fax number, or email address concerning his or her Distributorship and Unicity business. A Distributor also hereby consents to Unicity's use of the Distributor's image.

By becoming a Distributor of Unicity, a Distributor also consents to having his or her image including the name, professional name(s), photographs, testimonials, likeness, title, positions, voice(s), biography, and any film footage, videotapes,

audiotapes, recordings, articles, and interviews used by Unicity as they see fit in advertising and marketing materials.. A Distributor will not be compensated for this usage. If the Distributor has any objections to having his or her picture taken or appearing in a video, it is his or her responsibility to notify a member of Unicity's staff at the event where photographs and videos are being taken. You can also send an email to: compliance.europe@Unicity.com.

F. Policy Enforcement. Each Distributor Agreement is a separate and enforceable contract between the Distributor and Unicity. Either party may waive the performance obligations of the other or any provisions of the Contract. Unicity is not bound to treat all Distributors equally. The failure of Unicity to enforce any provision(s) of the Contract with one Distributor does not waive Unicity's right to enforce any such provision(s) with any other Distributor, or subsequently with that same Distributor.

**G. Unicity Lists.** Unicity desires to protect itself and its Distributors from inappropriate and unfair competition. Lists of Unicity Distributors, activity reports, Genealogy reports, Customer reports, and other information about Distributors or Customers (hereinafter "Lists"), whether partial or complete, provided by or originating from Unicity or any Distributor are Confidential Information which is highly sensitive and valuable to Unicity's business. Such information constitute a trade secret and must be kept confidential at all times and in perpetuity. In the event that Unicity discloses details such Lists to the Distributor the following applies:

I. The Distributor understands and undertakes to treat such details as a trade secret which must be kept confidential. Therefore such Lists, whether partial or complete, must not be disclosed to any other person (including any other Distributor or company). The Distributor will also take all reasonable steps to

protect and maintain the security of these Lists, and shall use the details solely for the purpose of his or her Unicty business.

II. The Distributor agrees to return copies of any such Lists, including any information therein, to Unicity immediately upon the termination of this Contract for whatever reason.

III. The Distributor understands that intended or unintended misuse of a List, whether partial or complete, is a breach of the Contract which may be cause for termination of a Distributorship, whether or not such misuse causes irreparable harm to Unicity or one of its Distributors.

IV. The Distributor agrees that the obligations under this section will survive the termination of the Distributorship Agreement and the Contract.

Unicity may provide uniquely tailored portions of Lists to Distributors for a fee. Unicity may at its sole discretion refuse to provide Lists to any Distributor.

A Genealogy is a part of the Distributor Lists and is the confidential information and trade secret of Unicity.

Unicity reserves the right to pursue all appropriate remedies under applicable law. Any failure to pursue such remedies will not constitute a waiver of Unicity's rights.

#### H. Distributors and Unicity

Employees. A Distributor may not enter into a business relationship of any form with any Unicity employee, affiliate or vendor without the prior express written consent of a Unicity corporate officer. Unicity Employees may not accept any favors, cash or the like from a Distributor, except that a Unicity Employee may accept small tokens or gifts of appreciation (not to exceed, in the aggregate, thirty dollars [\$30.00] in value annually) upon notifying and receiving approval from the employee's department head.

#### I. Confidential Information.

Distributor acknowledges that, in

connection with this Contract and the performance of Distributor's obligations hereunder, the Distributor may acquire confidential information relating to the Company, other Distributors and/or Customers, such as genealogical and organisation reports, Distributor and Customer lists ("Lists"), Customer and Distributor profiles. product purchase information, manufacturer and supplier information, business reports, commission or sales reports, marketing plans and strategies, product formulae. product information, promotional information and other financial and business information (collectively. the "Confidential Information"). Confidential Information, whether in written, oral, or electronic form,

Confidential Information, whether in written, oral, or electronic form, is shared with the Distributor in strictest confidence on a need-to-know basis. The Distributor acknowledges and agrees that such information must not be used for purposes other than furthering

his or her Unicity business.

Distributors shall keep such information confidential, adopt reasonable security measures to protect the confidentiality of the information and must not disclose any such information to any other person or company, directly or directly.

Upon termination, cancellation, or expiration of the Contract, irrespective of the reason, the Distributor must discontinue the use of such Confidential Information and destroy or promptly return to Unicity any Confidential Information in his or her possession.

The Distributor agrees to to indemnify Unicity against damages incurred from any and all unauthorised disclosures caused by him or her. Unicity shall be entitled to all costs and reasonable attorney's fees incurred in enforcing its rights under this section.



# **SECTION 4**

### **SPONSORING**

- **A. Sponsoring.** Sponsoring is an important part of being a Unicity Distributor and carries with it many benefits and responsibilities. A Distributor may act as the Sponsor for a Distributor applicant so long as the Sponsor is in good standing with Unicity. If more than one Distributor claims Sponsorship of the same person, Unicity will determine the Sponsor in its sole discretion.
- **B. Prospective Distributor Information.** A Sponsor must clearly state in all presentations to prospective Distributors that no product purchase is required to become a Distributor and that there is no compensation or Awards granted to any Distributor solely for sponsoring new Distributors.

- **C. Duties of a Sponsor.** A Sponsor has various duties and responsibilities toward his or her Downline which include the following:
- I. To offer reasonable support, information, and assistance as well as reasonable supervisory, marketing, selling, and training support;
- II. To reasonably ensure that all Downline Distributors understand and comply with the most current terms and conditions of the Distributor Agreement, the Policies & Procedures, and the Compensation Plan, including the prohibition against selling Unicity products on online auction and mass marketing commercial sites; (see Section 3.A.I.); and
- III. To reasonably attempt to resolve disputes arising between

- its Customers and/or Downline
  Distributors, promptly and amicably,
  without promulgating negative
  information to other Downline
  Distributors or any other persons.
- IV. To assist the new Distributor in filling out the enrollment materials, i.e. via the online enrollment process. However, the applicant must personally review and agree to the online Distributor Agreement, these Policies and Procedures, the Compensation Plan and take note of the Privacy Policy. Distributors are not allowed to fill out the online application and/or the Contract.
- **D. Placement Program.** When a new Distributor is entered into the Unicity database with their Enroller and Sponsor being the same person, the Enroller has the option

to "Place" the new Distributor under a different Sponsor's downline in the Distributor's organization during the first 60 days after the new Distributor's Agreement has been accepted by Unicity. The initial Enroller shall remain the same.

E. Change of Sponsorship. Unicity strongly discourages changes of Sponsorship. A Distributor may not attempt to persuade other Distributors to change Sponsors. This is known as "Downline Raiding," and a Distributor who engages in Downline Raiding may be subject to disciplinary action by Unicity, including termination of the Distributor Agreement.

Unicity may, at its discretion, allow a Distributor to change Sponsors. Unless waived by Unicity, the following conditions apply to any change of Sponsors:

I. A Distributor wishing to change its Sponsor must resign and may not reapply for a new Distributorship for six (6) months; or

- II. A Distributor desiring the change must submit a Sponsor Change request to the Distributor Compliance Department, which request must include:
- 1) an acceptance letter from the new Sponsor,
- 2) an amended Distributor Agreement with the new Sponsor information listed,
- 3) payment of the required \$100.00 fee and
- 4) the following signatures:
- a) The first three (3) Active Upline Distributors in good standing if the requesting Distributor has not yet reached the Rank of Manager, or the first eight (8) Active Upline Distributors in good standing if the requesting Distributor has ever reached the Rank of Manager or higher;
- b) Any other Distributor who would reasonably and materially be adversely affected by the move.
- III. A Distributor's Downline

organization may not move with a Distributor in the Sponsor change process. Notwithstanding the foregoing, Unicity may approve, under certain circumstances, an Organization to be positioned elsewhere in the Unicity Genealogy. Additional requirements and fees are appliciable when requesting an organizational move, contact Distributor Compliance for details. The Distributorship and subsequent Upline, under which the Organization is placed, may immediately Qualify for Awards by meeting the requirements as outlined in Unicity's Compensation Plan. However, the acquired volume from this Organization in the Distributorship and its Upline will not count toward qualification for the Chairman's Club Bonuses, which include Double Diamond, Triple Diamond and Crown Diamond Bonus Awards The Distributorship and subsequent Upline may still Qualify for the Chairman's Club Bonuses upon

terms agreed upon by Unicity and only at Unicity's discretion.

F. Sponsoring Unicity Employees. A Distributor shall not solicit or Sponsor employees of Unicity or members of the employee's Household to be Unicity Distributors. During the term of employment, no Unicity corporate officer, director, employee, product supplier, agent, representative or consultant or Household member of such person is allowed to be a Distributor or build a Downline within Unicity or any other network-marketing or direct-selling company without the written consent of a Unicity corporate officer. For the purposes of this paragraph, "Household" includes any person currently domiciled in the same home as an officer, director, employee, product supplier, agent, representative or consultant of Unicity.

**G. International Sponsoring.** Unicity allows Distributors the unique opportunity to Sponsor other Distributors in approved

countries ("International Sponsoring"). Distributors may Sponsor only to countries that are officially Opened by Unicity. A country is "Opened" when Unicity publishes notice of such opening in an official Unicity publication from the corporate headquarters of Unicity in the United States or on www.Unicity. com. No pre-marketing activity is allowed in any country that Unicity has not yet formally Opened. Violation of this rule is grounds for termination of the Distributorship by Unicity. In addition, upon termination of the Distributorship, such Distributor shall compensate Unicity for any and all damages, including, but not limited to, loss of profit, loss of goodwill, and reasonable attorney's fees. A Distributor engaged in International Sponsoring must abide by all of the following provisions, and the failure to do so may lead to not only Unicity disciplinary action but also to governmental regulatory action, which may include severe fines, confiscation of property,

closure of business operations or even imprisonment:

I. All actions of Distributors must comply with both these Unicity Policies & Procedures and the Unicity Policies & Procedures of the Foreign Market Country.

II. Distributors may not engage in blind prospecting without prior written approval from Unicity. Many countries and localities have strict laws that forbid solicitations or advertising for leads.

III. Distributors may not import or export any Unicity products into a market in which the product is not approved, as determined by Unicity in its sole discretion. Even though Unicity products with the same name may be offered by Unicity in two different countries, the products themselves may be different.

IV. Distributors may not use Unicity literature or promotional statements from one country in any other country.



V. Awards or earnings are based on the rules of the Compensation Plan for the Foreign Market Country. Distributor's earnings and Awards based on the Foreign Market's Compensation Plan are calculated based on the Distributor's Rank in accordance with the Compensation Plan of the market where the Awards are earned A Distributor is paid from that Distributor's Home Country in the Home Country currency. Distributors are not paid any Awards, in the form of bonuses, under the Compensation Plan of the Foreign Market Country. Distributors are only paid on foreign PV as long as they maintain the Rank of Manager or above in their own Home Country. Distributors may be subject to income-tax withholding requirements in the Foreign Market. When applicable, withholdings will be deducted from the Distributors Awards All other rules related to Awards, whether in the Home Country or the Foreign Country, apply to Distributor Awards

# **SECTION 5**

### ORDERING PRODUCTS AND SALES MATERIALS

# A. Ordering, Receiving, and Payment Guidelines

I. A Distributor may order products by placing an order with Unicity and making proper payment. Funds must be available at the time of ordering. Orders may be held until the availability of funds is verified. The PV for any order will be credited to the Volume Month in which funds are received.

II. Orders will be shipped within ten (10) working days after funds are received. If Unicity is temporarily out of stock on ordered merchandise, a Distributor will receive a back-order notice with the shipment. Shipments will be complete and in marketable condition at the time they leave the Unicity distribution center.

III. Upon receipt of an order,
Distributors should immediately
inspect the order to ensure that
it is complete and undamaged.
Distributors should inspect each
product, making sure that no
products are expired or soon to be
expired, damaged, or tampered
with. Additionally, Distributors
should inspect each product to
confirm that the product's seal has
not been broken.

1) If an order is incomplete, the Distributor should immediately call the Unicity Customer Service Department;

2) If a Distributor discovers, upon inspection that an order is damaged, the Distributor should notify Unicity Customer Service of any orders that are found to be damaged upon receipt. In the event that a Distributor receives product that has been tampered with, has broken seals, or is expired or will soon be expired, this information should immediately be provided to Unicity Customer Service.

IV. Before assuming a shipment is lost or missing, a Distributor should wait at least fifteen (15) working days from the placing of a mail order and ten (10) working days from the placing of a telephone, facsimile or Internet order. If a shipment is lost or missing, the Distributor should then notify Unicity's Customer Service Department. Lost shipments, if later found and/or delivered, must be reported to the Unicity Customer Service Department within seven (7) days of delivery.

V. A Distributor who signs a delivery release with a common carrier authorizing the carrier to deliver an order without a signature agrees to release the common carrier and all parties from responsibility for such delivery.

It is a Distributor's responsibility to provide Unicity with the correct shipping address. Distributors may be subject to a fee for redelivery or refused packages.

VI. All Unicity products should be stored in a cool, dry and hygienically safe area or as otherwise directed by the label. As a general rule, the products should be kept at least 10 cm above the floor and out of direct sunlight. Unicity is not responsible for product that is damaged due to improper storage. Prior to offering any products for sale to end Customers, Distributors should inspect each product to ensure that it remains properly sealed and has not reached its expiration date. Any unsealed or expired products may

not be sold to Customers.

VII. A Distributor who has had a debit card payment returned for "insufficient funds" or "closed account" may lose ordering privileges until the sufficiency of funds is resolved. In some cases, a Distributor may lose his or her overdraft privileges. A Distributor agrees that Unicity may assess a handling fee of twenty dollars (\$20.00) for each rejected credit or debit card chargeback.

VIII. A Distributor understands that the Distributor is not entitled to a money refund for product purchased, nor is the Distributor entitled to the Customer Product Satisfaction Guarantee. A Distributor may exchange product for like product or for product of equal value within sixty (60) days of purchase and in compliance with the 70% Rule (see Section 5.E.II.). A terminating Distributor may return product pursuant to Product Buy-Back, (see Section 8.G).

IX. Prepaid orders received before the close of business at Unicity on the last working day of the month are included in that calendar month's business.

X. Unicity may, at its discretion, reject an order for any reason, including but not limited to:

- 1) Production and supply difficulties;
- 2) Distributor cannot, at the request of Unicity, show compliance with the 70% Rule; or
- 3) The order manipulates the Compensation Plan.

#### **B.** Customer Orders.

The core activity of a Unicity Distributor is to sell products to Consumers. Customers may either purchase products directly from the Distributor (Retail Customer, 5.B.I.) or from Unicity by providing a referring Distributor's ID Number (Referred Customer Orders, 5.B.II.).

I. Retail Customer. Unicity Distributors may sell products directly to Customers provided that this is permitted under local laws<sup>7</sup>. In case of retail sales, Unicity Distributors must provide their Customers with a completed copy of the Retail Order Form<sup>8</sup>. It specifies the date of sale, the amount of sale, the items purchased. Unicity's satisfaction quarantee, as well as the consumer protection rights required by the law, such as the statutory cancellation rights. Unicity Distributors are free to establish their own retail prices.

Distributors are required to maintain copies of all Retail Order Forms for at least two years. Unicity has the right to request copies of these forms to verify the transactions (for further details see Section 5.D.). It is recommended to sell Unicity products at the respective

Suggested Retail Prices (SRPs) set and communicated by Unicity. However, Unicity Distributors are not bound in any way by such SRPs but are free to determine for themselves the prices they charge for the sale of Unicity products.

- II. Referred Customer Orders.
  Customers may order products
  directly from Unicity pursuant to the
  ordering guidelines above and the
  following polices ("Referred Customer Orders"):
- 1) A Customer may register online or via the phone to purchase products. Upon registration, the Customer may give a referring Distributor's ID Number, and the Customer's account will be linked to the referring Distributor;
- 2) The responsibility for the proper crediting of Volume generated on any Customer order lies with the

- referring Distributor and not with Unicity or its employees;
- 3) The Distributor is responsible for paying Unicity the expenses of a product return, redelivery or credit-card chargeback associated with an order from a Customer. Should the Customer initiate a product return or credit-card chargeback, the Distributor agrees that Unicity may debit from the Distributor's commissions all reasonable expenses incurred.

Unicity may also suspend the Distributor's ordering privileges and assess a chargeback handling fee of twenty dollars (\$20.00);

4) A preferred profit, on certain products, is awarded to the Distributor whose ID Number is linked to the Preferred Customer ID number that was given for that order. A Distributor earns PV points

Italy: Under the Incaricati regime, Distributors (Incaricato) may only promote the collection of purchase orders of Consumers on behalf of Unicity which the Incaricato must pass on to to Unicity. The sales transaction only takes place between Unicity as the seller of the products and the Customer as the buyer of the same. Incaricati therefore only purchase products to satisfy their personal needs and those of people living in your household.
France: "VDI Mandataires" are not allowed to sell directly to retail customers.

<sup>&</sup>lt;sup>8</sup> Retail Order Form for the relevant market is available under <u>www.library.Unicity.com</u>

for preferred Customer products ordered in the Volume Month in which the orders are received and paid.

C. Customer Product Satisfaction Guarantee and Retail Order Form. Upon the sale of any product, a Distributor must notify each Customer about the Unicity Customer Product Satisfaction Guarantee (the "Guarantee") and must provide the Customer with an official Unicity Retail Order Form signed by the Customer.

#### **Customer Product Satisfaction Guarantee**

The Unicity Distributor selling you the product(s) listed on the reverse side of this sales receipt extends to you as a Customer a personal 100% money-back Customer Product Satisfaction Guarantee. If, for any reason during the next sixty (60) days, you are dissatisfied with your Unicity product purchase, the Unicity Distributor making this sale to you will, upon your written request, issue to you a full purchase-price refund. To receive this refund, you must provide the Distributor with a signed letter stating your reason for dissatisfaction and return all unused portions of the product, as well as the container. Thereafter you must provide a statement that you have received a full refund. This Guarantee applies to Customers only and is not extended to Unicity Distributors. Except as provided above, the product listed on the reverse side of this sales receipt is sold without warranty of any kind, including the implied warranties of merchantability and fitness for a particular purpose. In no event will Unicity or the Distributor selling you this product be liable for any direct, indirect, consequential or incidental damages arising out of the use of or inability to use Unicity product(s), even where Unicity has been advised of the possibility of such damages. Some jurisdictions may restrict or not allow the limitation of liability for consequential or incidental damages, so the above limitation may be limited. If you do not receive a complete refund within thirty (30) days of your written request, please contact the Unicity Distributor Compliance Department by fax at 1-801-226-6637 or e-mail at dc@Unicity.com. Unicity Balance™ carries a ninety (90) day money-back Customer Product Satisfaction Guarantee.

The front of the Retail Order From will need to specify the name of the Customer, the Customer's contact information (including the Customer's address, phone number, and email address,) the name of the Distributor, Distributor's ID Number, the Distributor's contact information (including the Distributor's address, phone number, and email address), the date of the purchase, the name, amount and price of the product purchased and the following language:

"BY USING OR OPENING THE PRODUCT LISTED ON THIS RECEIPT, THE NAMED CUSTOMER AGREES TO THE WARRANTY GUARANTEE AND LIMITITATIONS OF WARRANTY OF DAMAGES SET FORTH ON THE REVERSE SIDE OF THIS FORM."

#### D. Customer Refund Policy and **Cancellation Rights.** Unicity Distributors must comply with local law on cancellation of sales as outlined in the Retail Order Form The Distributor is therefore legally obliged, for any reason and during the Customer's statutory cooling off period, to give a full refund of the purchase price including VAT and, if appliable, any shipping fees to the Customer If the Customer purchases a product directly from Unicity, Unicity will provide the Distributor's Customer with a 100% refund on the returned product.

Unicity also requires that Distributors provide Customers a 100% money-back Guarantee for sixty (60) days, (or ninety (90) days for Unicity Balance,) from the date of purchase, provided that the product(s) were purchased through distribution channel authorized by Unicity (i.e. directly from a Distributor, through the

unless otherwise is required by law.

Distributor's authorized website or purchased directly from Unicity via phone, fax, or Unicity's official website). The Unicity Distributor must honor this right towards all its Customers. Unicity will promptly replace appropriately returned product(s) to any Distributor who has issued a refund pursuant to its Refund Policy. Distributor may not submit to Unicity any product(s) for exchange, except as provided herein. Distributor is responsible for prompt delivery of product(s) to the Distributor's Customers If a Distributor fails to honor the Guarantee and refund policy of Unicity and thereby requires Unicity to make a refund to a Customer, the Distributor will be held responsible to repay Unicity for any amount refunded as well as a handling fee and may face disciplinary action. A Distributor submitting returned product(s) for exchange pursuant to this refund policy must do each of the followina:

I. Obtain a Return Merchandise
Authorization ("RMA") form and/or
number from the Unicity Customer
Service Department by calling the
number shown at the end of the
document;

II. Return the unused portion of the product to Unicity with the RMA number printed boldly on the outside of the shipping box near the return address. Any package that does not have an RMA number on the outside of the package will not be accepted by Unicity and will be returned to the sender at the Distributor's expense. Included in the returned package shall be a completed RMA form issued to the Distributor from the Unicity Customer Service Department;

III. Shipping costs for returned packages and related correspondence are the Distributor's responsibility;

IV. After the returned product and all appropriate information and documentation is received by

Unicity, the Distributor will be sent

the replacement product(s) of the Distributor's choice in an amount equal to 100% of the Volume of the product(s) returned; and

V. Any returned product may affect the Personal Volume and/ or Organizational Volume of a Distributor and/or its Upline for the Volume Month in which the product is returned. Although Unicity may notify a Distributor that returned product or the returned product of its Downline may affect its qualification for Awards, it is the Distributor's ultimate responsibility to ensure that it meets its monthly qualification requirements for Awards. A Distributor shall only receive the Distributor Qualified net benefits or net out Awards after returned product PV has been deducted.

## E. Order Guidelines, Retail Sales, Purchasing, and the 70% Rule. $\mbox{\ensuremath{\triangle}}$

"retail sale" is defined as the sale to a Retail or Preferred Customer who is purchasing the product for his or her own use. I. A Distributor may not order inventory for the sole purpose of participating in the Compensation Plan or "Qualifying" themselves or others to earn Awards, nor may they encourage others to do so; II. When placing any product order, the Distributor certifies that the Distributor has sold or consumed a minimum of seventy percent (70%) of all previous orders (the "70% Rule");

III. Distributors shall carefully document all sales. Distributors must maintain all Retail Order Forms for a period of two (2) years and must furnish them to Unicity upon request. The requirement that a Distributor retain all Retail Order Forms is essential to ensure that Unicity is able to contact Customers following the sale of Unicity products with any information necessary for the safe use of such products (i.e. updated product information, updated usage instructions, product recalls, etc.).Unicity may audit

a Distributor's compliance with this provision and may take disciplinary action against Distributors who fail to comply with these terms;

IV. The use of official Unicity Retail Order Forms is mandatory. All sales receipts should include the Distributor's name, address, phone number, and email address, and the Customer's name, address, phone number, and email address.

V. No Distributor may sell or otherwise provide Unicity products to any third party for the purposes of resale. Nor may a Distributor sell to a third party any quantity of Unicity products greater than that generally purchased by an individual for personal use.

VI. Distributor shall provide current contact information to the Distributor's Customers and make it known to the Distributor's Customers that the Distributor is available to answer questions, provide advice, and respond to Customer concerns both before and after

the sale of any product. Distributor shall respond to any questions or concerns from the Distributor's Customers relating to product information, proper usage, or other inquiries. In responding to the Customers' questions or concerns, Distributor should consult the Distributor's Unicity materials, refer to and use available educational tools, or contact Unicity directly.

**F. Mail Orders.** A Distributor may order product by mail. The Product Order Form is required for all product mail orders and must be fully completed and submitted to Unicity. Two or more Distributors may not combine orders on the same order form. Orders must conform to each of the following requirements:

I. Orders submitted without payment in full may be returned to the Distributor by mail. Orders submitted with insufficient funds may be fulfilled with products in the amount that does not exceed the funds submitted with the order, minus

shipping, handling, and applicable tax. If payment for an order is insufficient, Unicity reserves the right, at its discretion, to withhold products from the order. Any liability arising out of the return or partial fulfillment of an incomplete order lies with the Distributor who placed the order;

II. Payment must accompany all orders. Payment for orders should be by personal check, certified check, money order, bank draft, credit card or credits on the Distributorship account. Unicity will not accept COD (cash on delivery) orders. If payment is less than the order amount, Unicity may debit the Distributor's credit card or the Distributor's account if the underpayment is within ten percent (10%) of the correct order amount: and III. Unicity is not responsible for orders that are delayed in transit or for orders that do not arrive at the appropriate Unicity office complete with a valid form of payment. Mail Orders must be received by Unicity on or before the last business day of the month to be included with that month's Personal Volume.

G. Orders by Telephone, Facsimile, Internet, and Other Electronic Means. Credit card orders may be placed by telephone, facsimile. online at www.Unicitv.com or. with Unicity's consent, by other electronic means. If an order is made by one of these methods, it is not necessary to mail in the original order form. Double shipments occurring due to a Distributor's placing of an incorrect order is the financial responsibility of the Distributor. Orders placed via telephone, facsimile, online and other electronic means are subject to each of the following provisions:

I. The funds for any purchase must be approved prior to a sale. If Unicity is informed that a Distributor's credit card is declined or not approved, the product order will be deleted unless the Distributor has an alternate

payment method. A Distributor assumes full responsibility for any and all consequences that may result when Unicity receives notice that the credit card transaction is declined or not approved, including failing to qualify in the Compensation Plan in the Volume Month;

II. A Distributor who initiates credit-card chargebacks is deemed to have disputed balances (hereinafter "Disputed Balances"). The Distributor receiving credit for the order in question will have commissions suspended and applied toward the Disputed Balance until the dispute is resolved to the satisfaction of Unicity (see Section 5.A.VIII. and Section 5.B.III.): and III. Orders by facsimile must be received by Unicity on or before the close of business on the last business day of the month to be counted toward that month's Personal Volume.

**H. PV Transfers.** The transfer of Personal Volume from one

Distributorship to another is not permitted.

#### I. Neutral Lead Distribution.

Customer or prospective Distributor leads that come to Unicity may be referred to Distributors. Unicity makes reasonable efforts to determine how a prospect became interested in Unicity, and such leads may be given to the Distributor who created that interest. Unicity reserves the right to refer leads to any Distributor, based upon activity within Unicity, Distributor Rank and/or geographic location. The distribution of neutral leads is made at the sole option and discretion of Unicity.

#### J. Ordering Restrictions. A

Distributor shall not submit orders in the name of or on the account of another Distributor; likewise, a Distributor shall not allow another Distributor to submit orders in its name or on its account. Only orders made on behalf of the Distributor's own Distributorship will be honored by Unicity. A Distributor may not use

Unicity's Internet website or other electronic means to place orders for the Distributor's account using another Distributor's credit card. If the use of another individual's or Distributor's credit card is needed. both parties must call the Unicity Customer Service Department together and speak with an agent so that they may each give approval for the transaction. If the use of another individual's or Distributor's credit card is needed when placing an order in person, the card holder must either be present to provide written permission or have signed a Unicity Order Form providing signed consent for the transaction.



# PROMOTION OF UNICITY PRODUCTS AND BUSINESS OPPORTUNITY

A. Advertising. Unicity encourages Distributors to promote Unicity products and the Unicity business opportunity pursuant to appropriate guidelines issued by Unicity from time to time. These guidelines are required in order for Unicity to ensure compliance by Distributors, as well as by Unicity, with the myriad of laws that govern the advertising of Unicity products and the Unicity business opportunity. The failure to follow these guidelines may result in violations of local laws and regulations, which may result in damage to the reputation of Unicity as well as the imposition of restrictions upon Unicity, Distributors, and Unicity products that could trigger

undesirable publicity and possible legal action.

I. Promotional Material. A Distributor agrees to send any self-produced promotional items to Unicity Distributor Compliance for approval prior to any use by the Distributor. A Distributor need not receive approval for the use of any unaltered materials that are currently approved by Unicity.

II. Unicity encourages its
Distributors to promote the Unicity
business in any legal and ethical
manner. Unicity may allow a
Distributor to use Unicity names,
logos or trademarks provided the
Distributor has obtained written
permission from Unicity. Permitted

advertisements are found within the Unicity Office website for Distributors. Any advertising misrepresentation contained in a "blind" ad (one in which neither Unicity nor its products is mentioned) may be a violation of these policies.

**B. Training System Materials.** Only those Distributors who qualify at the Rank of Presidential Diamond or higher for six (6) consecutive months are eligible to sell their own training systems materials. Prior to sale, all training system materials must be submitted for approval. Training system materials may be in the form of audio, video, electronic or print. These materials may be

produced for six (6) months following the period of qualification and must meet the following criteria:

I. A copy of the script, labels, and packaging must be submitted for approval;

II. The copy must be approved in writing by the Unicity Distributor Compliance Department prior to use;

III. The labels must bear the name of the Distributor;

IV. All training materials are to be used for training purposes only and not for profit. All submitted training materials must provide a proposed maximum selling price which will be reviewed and finalized by Unicity; and

V. The introduction to audio/ visual material must bear clear statement of who the Distributor is and that the Distributor is a Unicity Distributor.

#### C. Training Meetings.

I. The content of all training meetings should be consistent with Unicity Policies and Procedures, including, but not limited to, Section 6 relating to Promotion of Unicity Products and Business Opportunity. Such meetings may not involve religions, politics, or unrelated business opportunities, and may not contain any statement which may reasonably harm or otherwise disparage any other Distributors or systems/lines of sponsorship.

II. No Distributor shall require other Distributors to pay a fee incommensurate with the costs of holding an event or similar activity, or to profit therefrom (see above Section 6.B.IV.).

1) A summary of the account substantiating no profit was earned at the training meeting, or in conjunction wherewith, must be submitted to Unicity upon its request within five (5) business days.

- 2) For any training meeting of 200 or more participants, the event organizer must submit their meeting plans to the local Unicity sales and marketing manager before any tickets can be sold. The required details to be submitted are as follows:
- a) Event organizer
- b) Venue (name, address and maximum seating capacity)
- c) Expected number of participants
- d) Proposed ticket price
- e) Costs reasonably anticipated to be associated with event
- f) List of expected speakers and topics. If power points are available, power points shall be provided.

**D. Copyrighted Materials.** All Unicity literature and marketing materials, whether in physical, audio, video, and/or electronic format are copyrighted by Unicity and may be duplicated only by obtaining the prior written consent of Unicity.

E. Proprietary Names. A Distributor may not use Unicity's trademarks, names, logos, trade dress, employees' names, trade names or any distinctive phrases used by Unicity to promote the Distributor's business prior to receiving written permission from Unicity. To protect the proprietary rights of Unicity, a Distributor may not obtain, through filing for a patent, trademark, Internet domain name or copyright, any right, title or interest in or to the names, trademarks, logos or trade names of Unicity and its products, whether such products or services have been formally released or are pending for release. If Unicity changes or abandons

any of its trademarks, trade names or service marks, a Distributor agrees to also change or abandon such trademarks, trade names or service marks. A Distributor may request the right to use the name of Unicity or one of the Unicity trademarks, trade names or service marks on independently produced and non-competitive promotional items (the "Promotional Items") that include, but are not limited to, the following: clothing, jewelry, printed material, posters, audiotapes, CDs, DVDs. and the like. Unicity may at its discretion allow a Distributor to offer for sale approved Promotional Items and charge the Distributor a royalty fee for the right to sell such Promotional Items. More information regarding the use and sale of Promotional Items may be obtained by calling the Unicity Distributor Compliance Department at Compliance. Europe@Unicity.com

**F. Product Claims.** Distributors may only make product related claims

and representations as published in Unicity's business materials, labels or as communicated on its website (relevant for the respective local market). A Distributor may not make prescriptive, disease, medicinal and/or therapeutic claims for any Unicity products or specifically prescribe Unicity products as suitable for the treatment of any disease. This also applies to personal testimonials. Unicity does not endorse the use of diagnostic or medical devices in connection with the sale of Unicity products because such devices tend to have as their principle purpose the diagnosis of health conditions and the prescribing of remedies. Distributors should advise Customers who may have medical conditions to consult with their health care provider before using Unicity products. No representation or sales offers may be made relating to Unicity products that are not accurate or truthful as to grade, quality, performance, and availability. Appropriate

product information is contained in authorized Unicity literature and is subject to periodic review and revision by Unicity. It is the Distributor's responsibility to obtain and use only current literature. All product representations made by a Distributor must be the same as those found in current Unicity literature. If a Distributor has questions regarding whether specific Unicity marketing materials are current, the Distributor should contact Unicity directly to ensure that all information provided to Customers is truthful, accurate. and up-to-date.

Unicity Distributors are also not allowed to:

I. use the name of any government body or other authority to claim any form of approval or endorsement by any such body or agency,

II. state that health could be affected by not consuming Unicity products and

III. make any reference that Unicity products are recommendations

<u>of individual doctors or health</u> <u>professionals.</u>

**G. Unicity Product Sales.** A Distributor may sell or promote only the Unicity business opportunity and Unicity products and materials at Unicity functions or to prospective Unicity Distributors or Customers, subject to Section 6.H below. Promotion in violation of this provision may constitute unfair competition against Unicity.

H. Sale or Promotion of Non-Unicity Products, Opportunities or Materials. A Distributor shall not sell, promote or advertise non-Unicity products, opportunities or materials that are competitive with Unicity products, opportunities or materials at Unicity functions or to Unicity Distributors or Customers. A Unicity function is a convention, meeting, seminar or similar event prepared by a Distributor or Unicity for Unicity Distributors, prospective Unicity Distributors or employees of Unicity. To build and promote the Distributors Unicity business, a Distributor may be authorized to sell, promote or advertise noncompetitive, non-Unicity audiotapes, CDs, DVDs, books, and pamphlets to Unicity Distributors within the Distributors own Downline or to Distributors attending a Unicity function sponsored by a Distributor consenting to such sales.

I. Earnings/Lifestyle Claims. Any statement regarding a Distributor's potential or actual income as Unicity Distributor is considered to be an Earnings or Lifestyle Claim. This also includes, but is not limited to, photos of houses, cars, pools and vacations. No unreasonable or misleading claims or intentional misrepresentation of earnings or potential income may be made by a Distributor. Income guarantees of any kind are prohibited, as is the exhibition of actual or copies of commission checks or earnings statements. Income representations must be honest. In addition, any

references to income must disclose, in close proximity, the most recent income disclosure statement prepared by Unicity.

#### J. Future Growth Claims. A

Distributor shall not imply or assert that additional products or services will be added to the products and services currently offered by Unicity or that enhancements to the Compensation Plan are forthcoming or that specific territories or areas are about to be opened or added to territories or areas of Unicity operation unless or until the change or event has been officially announced by Unicity in writing.

# **K. Governmental Claims.** A Distributor may not represent that the Compensation Plan or any Unicity product has been approved or endorsed by any governmental agency.

**L. International Sales.** Subject to the Contract, Distributors may conduct their Unicity business in any country which has been Opened

by Unicity as referenced in Section 4.G. Only products approved in that country may be sold in that country. A Distributor may earn income from Downline in other countries as detailed in section 4.G.

**M. Media Advertising.** A Distributor may not utilize media advertising or the advertising of Unicity or its products on television, radio or on an Internet website that is not wholly owned by the Distributor without prior written approval from Unicity.

**N. Internet Use.** Subject to the following rules, a Distributor may use the Internet to promote the Unicity business. In using the Internet:

I. All Distributors' apps, websites, or similar tools ("Tools") must comply with local laws and regulations and are subject to review and approval by the Unicity Distributor Compliance Department. The approval process does not include a legal review and does not release the

Distributor from the obligation to ensure these Tools to comply with the applicable laws.

II. A Distributor may not register or use any Unicity name(s), trademark(s), logo(s) or product name(s) (collectively, the "Unicity Marks"). or any misspellings or other derivations of the Unicity Marks, in any URL address or Domain name, and Unicity reserves the right, at its discretion, to change its name(s), trademark(s), logo(s) or product name(s). The website shall not contain any meta data which is violative of this Contract or which would violate any federal, state or local laws. Furthermore, the website shall not contain any hyperlinks to websites of competitors or competitors' products.

III. A Distributor's website must clearly state the Distributor is an Independent Distributor, Contractor, or the like.

IV. Unicity recommends all self-produced marketing materials,

including independent websites, display prices no lower than the Preferred Customer prices shown on the current Unicity Price List. V. A Distributor's website must contain a "Privacy Policy" which complies with the European General Data Protection Regulation ("GDPR") informing website visitors of the personal information that is being collected about them, how such information will be used, who it will be shared with and other elements as required by the applicable data protection laws. In addition, Unicity Distributors are responsible for compliance with all other laws and regulations applicable to their website(s), including but not limited to:

- 1) data protection,
- 2) marketing/claims,
- 3) laws pertaining to consumer rights and
- 4) information security, compliance with data subject rights and data breach reporting;

VI. A Distributor's website may display Unicity product information as long as the information and website complies with local laws and regulations and are approved in advance by the Unicity Distributor Compliance Department. The product information shall not make prescriptive, disease, medicinal and/or therapeutic claims.

VII. A Distributor's website may contain certain personal and Unicity business opportunity testimonials as well as motivational information under the following rules:

- 1) The material must reflect the honest and balanced expression of the true experience of the provider of the testimonial or motivational information;
- 2) The material shall not represent that all people will have the same experience; and
- 3) The material is accompanied by additional information required by Unicity.

VIII. Product testimonials shall not be displayed on a Distributor's website without approval by the Unicity Distributor Compliance Department.

IX. A Distributor's website may not contain claims that the products or programs are for sale in any country other than the countries in which the products or programs have been approved by Unicity.

X. A Distributor's website shall not infringe on any third-party trademarks or copyrights. The Distributor agrees to indemnify and hold Unicity, its affiliates, and subsidiary organizations and their directors, officers, employees, and agents harmless against any action or claim for infringement on a third party's intellectual property rights arising from the Distributor's website

XI. A Distributor's website may offer Unicity products to Customers, subject to the following limitations:

1) The Distributor must display on the website the Distributor's contact

information and any other information as required by local law.

2) During the term, and limited to the geographical scope of the agreement, Distributor may not advertise, offer or sell for a period of five years any products that are competing with Unicity products. In the case the term of the agreement exceeds five years, the parties shall, in due time before the expiry of such five years period, negotiate in good faith a subsequent competition clause.

XII. The website must include the Customer refund policy as found in Section 5.D.

XIII. The Distributor may not advertise on the Internet by purchasing advertisements on search engines or other websites.

XIV. A Distributor may not use any unlawful, misleading or deceptive tactics in order to improve its index preference with internet search engines, or for any other purpose. Distributor must display

the following statement in the page description on any search engine result: "This is the website of an Independent Unicity Distributor. For the official Unicity website, please refer to <a href="https://www.Unicity.com">www.Unicity.com</a>." Distributor must identify themselves and display "Independent Unicity Distributor" or a similar note in the title tag on any search engine result.

XV. A Distributor may not sell Unicity products on online auction and mass marketing commercial sites. Any Distributor who lists Unicity Products or supplies Unicity products for sale on one or more of these online platforms, whether directly or indirectly, may be subject to the Disciplinary Process in Section 8.C, including the provision in Section 8.C.5, regarding debiting of commissions paid to the Distributor and its Upline on such sales.

XVI. A Distributor may not promote, directly or indirectly, any other direct selling or network marketing opportunities on any website that displays Unicity products, regardless of the products offered. A Distributor may also not display any competing products, regardless of the method of distribution, on any Distributor website that displays Unicity products.

XVII. The Distributor may not use mass emailings (except to those on "opt-in" lists) and may not use email spamming to promote the Unicity business opportunity or products. Distributors must comply with local laws and are encouraged to follow all Internet etiquette and to be good Internet citizens.

#### O. Company Recordings. A

Distributor may reproduce for sale, distribution or personal use any recording of Unicity-produced audio or video presentations only after obtaining the written consent of Unicity. A Distributor may not make or offer for sale any audio, video or other recording of Unicity-sponsored events, speeches or

meetings, without the prior written approval of Unicity.

- P. Media Inquiries. In order to ensure accuracy and consistency of information, a Distributor who receives any inquiry from the press or other media regarding any aspect of Unicity, its products or its Independent Distributorships should refer such inquiry to the Unicity Distributor Compliance Department as soon as possible after receiving the inquiry by calling the number shown at the end of the document.
- Q. Unicity Distributor Organizations, Meetings, General Fees, and Training Fees. As already stated above in Section 6.B.-6.C., a Distributor may not charge a forprofit fee for any general material, newsletters, services, training seminars or materials about Unicity, its business opportunity, its products or marketing materials, services or training on Unicity products or marketing materials. A Distributor

may not charge other Unicity
Distributors a membership fee for
participation in any other program
or organization. A Distributor may
not offer to pay or actually pay
Awards, rebates or compensation
to other Unicity Distributors for the
purchase of Unicity products or
non-Unicity products, opportunities
or other materials. A Distributor
may not preclude or stop any
other Distributor from attending
Unicity-sponsored events.

R. Telephone Answering and Recorded Messages. A Distributor may not answer the telephone in any manner that would give callers a reason to believe that they have reached the corporate or any other offices of Unicity. Specifically, a Distributor shall not answer the telephone by saying, "Unicity," but shall answer indicating the Distributors status as an independent Distributor of Unicity. Answering machines and voice mail must also comply with this policy.

- **S. Automatic Calling Devices.** A Distributor agrees not to use any automatic outbound calling device, or call center, for promoting or soliciting the sale of the Unicity products or business opportunity.
- T. Revised Company Literature. Distributors and Unicity shall work together to notify their organizations of new Unicity information. New Unicity policies, forms, and literature shall upon their distribution immediately replace old policies, forms and literature. A Distributor shall immediately destroy outdated or invalid literature and forms Unicity shall not reimburse any Distributor for outdated materials in the Distributor's possession. If a Distributor has questions regarding whether specific Unicity policies, forms, or literature are current, the Distributor should contact Unicity directly to ensure that all such information in the Distributor's possession is truthful, accurate and up-to-date.



U. Modification to Products. Labels and Materials. A Distributor may not delete, add, modify, repackage, tamper with, or alter any labels, materials, or packaging for Unicity products or literature. A Distributor may not distribute unauthorized samples of Unicity products, or otherwise change any Unicity product or sell any such product under any name or label other than those authorized by Unicity. Distributors may not sell products that are designed to be sold within a fixed set (i.e. sets where Unicity has designated specific products to be sold together) as separate, individual products. Distributors are prohibited from selling any products designated as "samples" by Unicity.

#### V. Retail Establishment Displays.

A Distributor shall not market Unicity products through retail outlets. A "retail outlet" is any establishment that sells consumer goods to the general public without a prior appointment, as typified by a retail store.

#### W. Service Establishment

**Displays.** A Distributor who owns or is employed by a Service-Related Establishment may, upon receipt of prior written approval of Unicity, provide Unicity products and services to Customers through this establishment as long as the Distributor is providing proper support to Customers. A Distributor who wishes to display products in a Service-Related establishment must receive written permission from the Unicity Distributor Compliance Department, A "Service-Related Establishment" is one that receives revenue primarily by providing personal service rather than by selling products. Such establishments include offices of doctors, dentists, chiropractors, and other health professionals, health clubs, gymnasiums, barber shops, beauty shops, nail boutiques, counseling services, tanning centers, and other such businesses where the Customers' use of the establishment is controlled by membership or

appointment. In such establishments, Unicity products or banners may not be displayed in the general lobby or outside the office or building where such products or materials are visible to the general public.

#### X. Fairs and Special Events. A

Distributor agrees not to display or advertise Unicity products at swap meets, flea markets, garage sales or any other similar events. A Distributor may display Unicity products in a booth at annual state or county fairs, trade shows or exhibits but may not display or offer for sale competing products or products from any other direct-selling company or nutraceutical or nutritional supplement company.

#### DISTRIBUTOR AWARDS AND FEES

#### A. Distributor Awards and Fees.

A Distributor may qualify to earn Awards pursuant to the Compensation Plan and other Unicity programs or promotions, except as set forth in Paragraph B below. The Compensation Plan is set forth more fully in the most recent version of the Unicity Compensation Plan, which may be modified by Unicity from time to time as stipulated in the Distributor Agreement. The following policies outline the guidelines for earning Awards within Unicity and applicable fees charged to Distributors.

**B. Presidential, Chairman's and Founder's Club Awards.** Unicity has established a Presidential Club for Presidential Directors through Presidential Diamond,

a Chairman's Club for Double Diamond through Royal Crown Diamond, and a Founder's Club for the Rank of Global Ambassador Distributors who meet membership qualifications for the respective Ranks may be eligible for additional Awards, recognition and benefits as members of these Clubs, as set out in the Compensation Plan. To Qualify for membership in a Club, a Distributor must achieve the minimum required Rank for the respective Club for three (3) consecutive Volume Months, Once a Distributor has earned membership in a Club, the membership is valid for twelve (12) months from the date of last qualificiation. Membership in one of these Clubs leads to additional compensation, public recognition

and promotion by the Company as a key Distributor leader. Members of these Clubs must exclusively sell Unicity products, train Distributors in their Downline Organization, and promote the Unicity business. Therefore, as a condition of becoming a member of these Clubs and receiving the Awards associated with that membership, Club members may not engage in any business development activity for any other direct sales, multi-level marketing, network marketing, or similar company without Unicity's prior written permissions.

**C. Rank Attainment.** A Distributor is wholly responsible for meeting the Distributor's monthly:

I. Volume requirements

II. Rank requirements, as set forth in the Unicity Compensation Plan; and III. any other program qualifications or requirements. Unicity has no obligation to guarantee or assure that a Distributor meets any qualification requirements of the Compensation Plan.

#### D. Earnings Guarantees. A

Distributor is not quaranteed any specific Award, income or assured level of profit or success through Unicity. A Distributor's profit and success can only come through the sale of products to Customers and the sale of products by other Distributors within the Distributor's Downline. A Distributor is encouraged to make sales to at least five (5) separate Customers. Distributors who decide to build a sales organization are additionally encouraged to continuously train, mentor and support their own Distributor sales organization.

**E. Minimum Commissions.** Unless otherwise stipulated by Unicity and

in order to minimize processing and handling costs, Unicity will not generate a commission payment for any amount under 20€/CHF/\(\xi\). Should a Distributor be eligible for a commission payment of less than 20€/CHF/\(\xi\), the equivalent Volume will be credited to the Distributor's Unicity account.

**F. Processing Fee.** A Distributor will have deducted from the Distributor's monthly commissions a reasonable processing fee for computer processing and other customer services.

**G. Issuance of Commissions.** Commissions will be issued monthly on or before the twentieth (20th) day following the month in which the commission was earned. However, if the 20th day falls on a weekend or a holiday, the commissions will be issued on the first business day thereafter. Without prejudice to Unicity's right of termination, the right to receive a Distributor's commissions may be suspended, and

ultimately forfeited, if the Distributor is in breach of any term or condition of the Contract.

#### H. Offsetting of Commissions.

A Distributor agrees that Unicity may offset or place a hold on a Distributor's commission(s) for any amount the Distributor owes Unicity.

#### I. Foreign Market Instability.

The ability to make commission payments pursuant to International Sponsoring as a result of the sale of Unicity branded products in countries outside the United States is dependent upon a number of factors beyond Unicity's control. In Unicity's and its global partners' reasonable discretion, it may be determined that a foreign market lacks sufficient viability based upon one or more of a number of factors. including, but not limited to, the following: conditions in a foreign country that limit or restrict the conversion or repatriation of money; insufficient sales in a foreign market to maintain net profitability therein;



war-time or war-like conditions; and/ or natural disasters. Consequently, upon making the determination of a lack of viability in a foreign market, Unicity may cease, restrict, delay or modify commission payments pursuant to International Sponsoring in that foreign market. Commission payments to Distributors on Volume arising out of foreign markets may also be subject to fees attendant to international tax and/or banking costs associated with such payments.

J. Service Fees. Although Unicity provides most Distributor services to Distributors free of charge, from time to time a Distributor will request or require extraordinary services that warrant additional time and expense to research and resolve. Unicity charges a fee of fifty dollars (\$50.00) per hour, with a minimum of one hour assessed for each such case

#### DISTRIBUTOR TERMINATION

A. Voluntary Resignation. In addition to other rights of termination attendant to the nature of a Distributorship, a Distributor may, at any time and for any reason, voluntarily resign as a Unicity Distributor, A Distributor who resigns loses all rights to any legal and beneficial interests in the Distributorship and to any Unicity Lists, Distributor privileges, and Distributor Rank A Distributor who voluntarily resigns may not reapply for a new Distributorship or apply to hold a beneficial interest in an existing Distributorship until six (6) months after Unicity has finalized the termination. A Distributor may resign voluntarily by:

I. Submitting to Unicity a resignation letter signed by the Distributor

(including, as applicable, all members, partners, shareholders, trustees, etc.) and listing the Distributor name(s) and ID Number(s); or II. Failing to renew the Distributor Agreement for an additional annual term (see Section 3.B.).

**B. Involuntary Termination.** A Distributor may be terminated by Unicity a) in the event that the Distributor is in breach of the Contract, or b) as a result of the Distributor Agreement not being renewed for an additional term (see Section 3.D). A Distributor agrees that Unicity has the right to limit or terminate a Distributorship that is found in violation of the Contract or any local laws and/or regulations that pertain to the business of Unicity. Unicity also reserves the

right to pursue any legal recourse for such violations, as well as reimbursement from the Distributor for any expenses arising from the violation, including court costs and attorney's fees.

C. Disciplinary Process. The failure to abide by the Contract may lead to an investigation and/or appropriate disciplinary action. A Distributor is required to fully cooperate with any such investigation, including by providing documents and information as requested by Unicity. A failure to cooperate will constitute a violation of the Contract. After a disciplinary action is complete, Unicity may announce details of such disciplinary action. A disciplinary action for policy violations may involve any or all of the following

disciplinary processes, including an interim suspension during the investigation:

I. Informal warning. The Distributor may be notified either personally or by mass communication and either verbally or in writing that certain conduct is in violation of the Contract.

II. Formal warning. A formal written warning may be sent to the Distributor stating that failure to discontinue the stated violation(s) may result in further disciplinary action.

III. Probation. A Distributor may be notified in writing that the Distributor has been placed on probation for violating the Contract. The length and conditions of the probation may vary at Unicity's sole and absolute discretion. A Distributor placed on probation may appeal the probation using the procedures for appealing suspensions as described below.

IV. Suspension. A Distributor may be suspended for serious violations or breaches of the Contract, and a suspension may last for a period of days or months, depending on circumstances in each case suspended Distributors are not eligible to: receive Unicity Awards, earned or otherwise; participate in any Unicity functions or programs: buy or sell Unicity products; or Sponsor Distributors. The Awards of a suspended Distributor are forfeited to Unicity. Since suspended Distributors may not place product orders, they may not Qualify for Awards during their term of Suspension. Unicity may, at its absolute discretion, Qualify a Distributorship during the suspension and retain all earned Awards. In the event of a suspension, a suspension letter will be sent to the Distributor. The suspension letter may list actions that the Distributor must take in order for Unicity to revoke the suspension. A Distributor may appeal

a final suspension by responding in writing within the specified time period outlined in the suspension letter. The failure to take such actions, on the other hand, may constitute independent grounds for termination. These actions may include any of the following:

- 1) The immediate cessation of all violations;
- 2) The submission of a written statement to Unicity responding to the violations;
- 3) Payment of any damages caused by such violations;
- 4) Providing further assurances that no further violations will occur;
- 5) Providing documentation and information regarding the violations; and
- 6) Such other action as may be requested by Unicity.

V. Commissions clawback. Commissions paid to the Distributor and its Upline on sales of Unicity Products that were made in violation of these Policies & Procedures may be debited from a Distributor's account, deducted from future commissions, and/or deducted from any refund or other amounts due to the Distributor at Unicity's sole discretion

VI. Termination. A Distributor who breaches the Contract in any way, including the failure to fully cooperate with any investigation as set forth above (and/or providing false or misleading information to Unicity during such investigation) may be terminated. The results of termination are set forth below (see Section 8.F).

**D. Notification of Termination for breach of the Contract.** When a decision is made to terminate a Distributor for breach of contract, Unicity will send notification to the terminated Distributor at the

most recent address on file. Upon receipt of notice from Unicity, the Distributor shall immediately cease all Distributor activities. Notice will be deemed received upon delivery, but no later than ten (10) days after mailing.

#### E. Appeal of Termination. A

Distributor who has been terminated involuntarily may appeal the termination by submitting in writing an explanation, including any extenuating or mitigating circumstances. The Distributor must submit the written appeal within the time period specified in the termination letter, but within at least fifteen (15) days of receipt of notice of the termination. Unicity will review the timely appeal and notify the Distributor of its decision. If the appeal is not received within the specified time period, the termination will be final.

**F. Results of Termination.** When a Distributorship is terminated through voluntary resignation or

nonrenewal by either party or involuntary termination by Unicity, that Distributor's licenses, rights, and privileges are revoked, and the Distributor is no longer entitled to sell Unicity products, Sponsor other prospective Unicity Distributors or represent the Distributor as an independent contractor or Distributor of Unicity. In addition. a terminated Distributor loses all rights to the existing Downline and is no longer entitled to receive any Awards whatsoever, already earned or otherwise, from Unicity. nor is the Distributor entitled to any other claim for indemnification with regard to the loss of the Distributors Customer base or any investments made. A Distributor also loses any rights to Unicity Lists. A terminated Distributor must immediately return to Unicity all existing Unicity Lists and all other documents and materials made available to him or her Terminated Distributor Accounts are the property of Unicity and may



remain in the current Unicity Genealogical Distributorship position and will be managed, maintained, sold or disposed of by Unicity, at its sole discretion. Unicity may, but shall not be required to, merge or "roll up" any such Accounts. A Distributor who has been terminated for cause may not re-apply for a Unicity for eighteen (18) months following the termination. If a Distributor is at the rank of Presidential Sapphire or higher and is terminated for cause, then the Distributor agrees that the Distributor will not compete in any direct selling channel of distribution, including muti-level marketing, in any market that Unicity has officially opened, for a period of six (6) months following the termination of the Distributor's Distributorship. These provisions, as well as the provision proscribing Cross-Sponsoring and Non-Solicitation in Section 3.B., the provision proscribing Internet Use in Section 6.N and Section 8.C.V., shall survive the termination of the Contract

G. Product Buy-Back. A Distributor who voluntarily terminates his or her Distributorship, or whose Distributorship was not renewed by either party, may return with the Distributor's resignation letter all "Currently Marketable," unencumbered, re-usable, unopened, and otherwise re-salable inventory in the Distributor's possession. Unicity will refund ninety percent (90%) of the net cost to the Distributor. less the value of any Awards received for purchase of the goods. Unicity will also re-purchase any initial mandatory sales materials that are returned, shipping pre-paid, in re-usable and re-salable condition for one hundred percent (100%) of the cost to the Distributor. Unicity will not issue any refunds on products previously certified as sold under the 70% Rule. Distributorships that are terminated for cause are not eligible for the 90% product buy-back or the 100% sales material buy-back. In the

event that local laws or regulations grant any additional rights under this Section, those rule will apply.

I. For purposes of this policy, products shall not be considered "Currently Marketable" if returned after the products' commercially reasonable, usable or shelf-life period is less than 3 months; nor shall products be considered "Currently Marketable" if Unicity clearly discloses to Distributors, prior to purchase, that the products are seasonal, discontinued or special promotional products.

II. If commissions were paid to a terminating Distributor's Upline on Volume represented by returned products, the commissions paid on such Volume may either be debited from the Upline Distributors' accounts or deducted from the terminating Distributors refund. Although certain requirements may vary by law in some jurisdictions, a Distributor seeking a refund must do the following:

- 1) Call the Unicity Customer Service Department and request a Return Merchandise Authorization ("RMA") form and/or number;
- 2) Request a refund in writing from Unicity. This document must be accompanied by copies of the original product invoice(s) and the RMA form and/or number; and
- 3) Return the package with the RMA number clearly marked near the return address on the outside of the package.

Shipping costs to return the products must be paid by the Distributor. The Distributor is responsible for any damage or loss in the shipping process. Goods damaged en route, and therefore not marketable, will be rejected. After full verification of all submitted paperwork and returned items, Unicity will issue the terminated Distributor a refund in the form of the original method of payment.

- H. Governing Law and Jurisdiction. This Contract shall be governed by the laws of the jurisdiction as stipulated in the terms and conditions of the Distributor Agreement. The courts stated therein shall also settle any disputes arising in connection with this Contract.
- I. Force Majeure. Neither party to the Contract shall be liable to the other party for failure or delay in the performance of any of the obligations under this Contract for the time and to the extent such failure or delay is caused by reason of acts of God or other cause beyond its reasonable control, including, but not limited to, acts of government, riots, war, interruption of transportation, strikes or other labor trouble. shortage of labor, fire, storm, flood, earthquake (each a "Force Majeure Event"). The performance of obligations hereunder shall be suspended during the existence of any Force Majeure Event and, upon cessation of such Force Majeure Event, shall
- again be required to be resumed immediately, provided, however, that the parties hereto shall use their reasonable commercial efforts to minimize the consequences of such Force Maieure.
- J. Limitation of Liability. Any claims by a Distributor against Unicity and/or its officers, employees, and agents can only be brought in the Distributor's individual capacity, and not as a plaintiff or class member in any purported class or representative proceeding. Regardless of that form of such claims, whether in tort, contract, or other. Unicity and its officers. employees, and agents shall not be liable to a Distributor for any damages in excess of an amount equal to six times the monthly commissions of that Distributor. based upon that Distributor's average commissions over the previous twelve months. With the sole exception of the foregoing provision, Unicity, its officers,

employees, and agents shall not be liable for any consequential, incidental, direct, indirect, special, contingent, or punitive damages whatsoever, including, without limitation, lost profits whether arising out of contract or torts. Both parties to this Contract waive their rights to the remedy of specific performance of any provision of this Contract. No legal action may be brought, or damages awarded, more than one year after the event giving rise to the cause of action has occurred, notwithstanding any other statute of limitations provision.

#### PRIVACY AND DATA PROTECTION

Distributors are Data Controllers of personal information of other Unicity Distributors and Customers. Therefore, Distributors are required to comply with all applicable local privacy and data protection laws, including the General Data Protection Regulation (EU Regulation 2016/679, "GDPR").

As a data controller, the Distributor's responsibilities include:

#### A. Active Data Protection.

Implementing appropriate technical and organizational security measures to reasonably ensure the confidentiality, integrity, and availability of personal information which is used, stored or otherwise processed in connection with the Unicity business. This includes, but is not limited to the following:

I. Once an new Distributor or
Preferred Customer has been successfully sponsored, the Distributor should delete the personal data from his computer and/or destroy the documents. Instead, the Distributor should use, to the best extend, Unicity's BackOffice to manage his Unicity business. This measure makes it easier for the Distributor to comply with GDPR as Unicity's systems are GDPR compliant.

II. Reviewing contact and email list on a regular basis and deleting personal data of individuals

1) who have requested their data to be removed or

2) have expressed that they are not interested any more in Unicity

products or Unicity's business opportunity.

II. Keeping all Distributor and Customer data strictly confidential and private.

III. Ensuring that the device(s) used for the Unicity business is password protected, stored personal data in an encrypted form and is protected against malware (via regular software updates).

**B.** Safeguarding the rights of the data subjects. Distributors will immediately notify Unicity by email at Compliance.Europe@Unicity.com when they are contacted by a data subject (i.e. Distributor or Customer) in regard to a request to access, rectify, erase, object to or restrict the processing of personal data.



### C. Cooperation with Data Protection Authorities.

Distributors will immediately notify Unicity by email at <a href="Compliance">Compliance</a>. Europe@ Unicity.com when they are contacted by a Data Protection Authority with regard to the processing of Customer or Distributor data.

#### D. Confidentiality of Unicity Lists.

Distributors are only allowed to use, store or otherwise process information in "Lists" (Distributor and Customer data) for their Unicity business and in compliance with the applicable laws.

Distributors will not transfer personal data to other third parties except to Unicity.

**E. Unicity Privacy Policy.** Unless otherwise indicated, Unicity only collects, uses, shares or otherwise process Distributor and Customer data in accordance with its Privacy Policy located at <a href="https://www.Unicity.com/deu/privacy-policy-2/?lang=en">https://www.Unicity.com/deu/privacy-policy-2/?lang=en</a>.

#### F. Transfer of data to the upline.

Due to the nature of network marketing, personal data of a new Distributors may be shared with their upline (hence, with the Sponsor who introduced the new Distributor to Unicity as well as with the Distributors in the Sponsor's upline organisation who were each personally introduced to Unicity). This is the case because the new Distributor becomes part of their sales organisation and receives commissions on the new Distributor's product sales. The upline Distributors may use this information as data controllers. separately from Unicity, to to manage, motivate and train their downlines.

#### **FORMS & DOCUMENTS**

Current forms and documents are available in the library: library. Unicity.com

#### Application for Franchise Partner



#### Model Withdrawal Form



#### Compensation Plan



#### CONTACT

#### UNICITY CORPORATE HEADQUARTERS

1201 North 800 East Orem, UT 84097, USA

PHONE: +1-801-226-2600

WEBSITE: www.Unicity.com

#### **CUSTOMER SERVICE DEPARTMENT**

Germany

PHONE: +49 (0)30 21782128 Fax: +49 (0)30 21782422

Switzerland

PHONE: +41 (0)41 511 13 33

FAX: +41 (0)41 511 13 35

Austria

PHONE: +43 (0)72 0778220

United Kingdom:

TEL: +44 (0)20 34558081

Spain

TEL: +34 (0)93 2204917

Netherlands

PHONE: +31 (0)23 2047001

France

PHONE: +33 (0)18 221234

#### **EMAIL US!**

service.management@Unicity.com Compliance.Europe@Unicity.com



Made exclusively for Unicity INTERNATIONAL
Unicity Europe B.V. Celsiusweg 60, NL-5928 PR Venlo
2022 Unicity international. All rights reserved.

**UNICITY.COM**