

Seacret® Direct, LLC
Policies & Procedures
July 20, 2013

Seacret® Direct
Statement of Policies & Procedures
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SECTION 1 - INTRODUCTION

1.1 - Policies and Compensation Plan Incorporated into Agent Agreement

These Policies and Procedures, in their present form and as amended at the sole discretion of Seacret Direct, LLC (hereafter “Seacret” or the “Company”), are incorporated into, and form an integral part of, the Seacret Agent Agreement. Throughout these Policies, when the term “Agreement” is used, it collectively refers to the Seacret Independent Agent Application and Agreement, these Policies and Procedures, the Seacret Compensation Plan, and the Seacret Business Entity Addendum (applicable only to business entities that apply to become an Agent). These documents are incorporated by reference into the Seacret Agent Agreement (all in their current form and as amended by Seacret).

1.2 - Changes to the Agreement

Seacret reserves the right to amend the Agreement and its prices in its sole and absolute discretion. By executing the Agent Agreement, an Agent agrees to abide by all amendments or modifications that Seacret makes. Amendments shall be effective 30 days after publication of notice and posting the amended provisions, but amended policies shall not apply retroactively to conduct that occurred prior to the effective date of the amendment. Notification of amendments shall be published by electronic mail (e-mail) and/or posting in Agents’ Back-Offices/Replicated Websites. The continuation of an Agent’s Seacret business or an Agent’s acceptance of bonuses or commissions constitutes acceptance of all amendments.

1.3 - Policies and Provisions Severable

If any provision of the Agreement, in its current form or as may be amended, is found to be invalid, or unenforceable for any reason, only the invalid portion(s) of the provision shall be severed and the re-

maining terms and provisions shall remain in full force and effect. The severed provision, or portion thereof, shall be reformed to reflect the purpose of the provision as closely as possible.

1.4 - Waiver

The Company never gives up its right to insist on compliance with the Agreement and with the applicable laws governing the conduct of a business. No failure of Seacret to exercise any right or power under the Agreement or to insist upon strict compliance by an Agent with any obligation or provision of the Agreement, and no custom or practice of the parties at variance with the terms of the Agreement, shall constitute a waiver of Seacret’s right to demand exact compliance with the Agreement. The existence of any claim or cause of action of an Agent against Seacret shall not constitute a defense to Seacret’s enforcement of any term or provision of the Agreement.

SECTION 2 - BECOMING AN AGENT

2.1 - Requirements to Become an Agent

To become a Seacret Agent, each applicant must:

- Be at least 18 years of age;
- Reside in the United States or U.S. Territories or country that Seacret has officially announced is open for business;
- Provide Seacret with his/her valid Social Security or Federal Tax ID number;
- Purchase a Seacret Business Kit (optional in North Dakota);
- Submit a properly completed Agent Application and Agreement to Seacret either in hard copy or online format;
- Submit an IRS form W-9. If a valid W-9 is not received by the Company within 30 days from the date of the Applicant’s enrollment, the enroll-

ment process will not be finalized and the applicant shall not be permitted to become an Agent, sell the Company's products, or participate in the Seacret Compensation Plan.

2.2 - Business Kits and Product Purchases

No person is required to purchase Seacret products to become an Agent. In order to familiarize new Agents with Seacret products, services, sales techniques, sales aids, and other matters, the Company requires that they purchase a Business Kit (optional in North Dakota). Seacret will repurchase resalable kits from any Agent who terminates his or her Agent Agreement pursuant to the terms of Section 7.2.

2.3 - Agent Benefits

Once an Agent Agreement has been accepted by Seacret, the benefits of the Compensation Plan and the Agent Agreement are available to the new Agent. These benefits include the right to:

- Sell Seacret products and services;
- Participate in the Seacret Compensation Plan (receive bonuses and commissions, if eligible);
- Sponsor other individuals as Agents into the Seacret business and thereby, build a marketing organization and progress through the Seacret Compensation Plan;
- Receive periodic Seacret literature and other Seacret communications;
- Participate in Seacret-sponsored support, service, training, motivational and recognition functions, upon payment of appropriate charges, if applicable; and
- Participate in promotional and incentive contests and programs sponsored by Seacret for its Agents.

2.4 - Term and Renewal of Your Seacret Business

The term of the Agent Agreement is one year from the date of its acceptance by Seacret. Agents must renew their Agent

Agreement each year and pay the applicable renewal fee on or before the anniversary date of their Agent Agreement. If the renewal fee is not paid within 30 days after the expiration of the current term of the Agent Agreement, the Agent Agreement will be canceled. Agents may elect to utilize the Automatic Renewal Program ("ARP"). Under the ARP, the renewal fee will be charged to the Agent's credit card on file with the Company.

SECTION 3 - OPERATING A SEACRET BUSINESS

3.1 - Agent Created Marketing Methods and Tools

Agents must adhere to the terms of the Seacret Compensation Plan as set forth in official Seacret literature. Agents shall not offer the Seacret opportunity through, or in combination with, any other system, program, Sales Tools, or method of marketing other than that specifically set forth in official Seacret literature. Agents shall not require or encourage other current or prospective Customers or Agents to execute any agreement or contract other than official Seacret agreements and contracts in order to become a Seacret Agent. Similarly, Agents shall not require or encourage other current or prospective Customers or Agents to make any purchase from, or payment to, any individual or other entity to participate in the Seacret Compensation Plan other than those purchases or payments identified as recommended or required in official Seacret literature.

3.2 - Advertising

All Agents shall safeguard and promote the good reputation of Seacret and its products. The marketing and promotion of Seacret, the Seacret opportunity, and Seacret products must avoid all discourteous, deceptive, misleading, unethical or immoral conduct or practices.

To promote both the products and services, and the tremendous opportunity Seacret offers, Agents must use only the

Sales Tools produced and provided by Seacret. The Company has carefully designed its products, product labels, Compensation Plan, and Sales Tools to ensure that they are promoted in fair, truthful manner, they are substantiated, and the material complies with the legal requirements of federal and state laws. Accordingly, Agents must not produce their own Sales Tools.

3.2.1 - Trademarks and Copyrights

The name of “Seacret” and other names as may be adopted by Seacret are proprietary trade names, trademarks and service marks of Seacret. As such, these marks are of great value to Seacret and are licensed to Agents for their use only in an expressly authorized manner. Seacret will not allow the use of its trade names, trademarks, designs, or symbols, or any derivatives of such marks, by any person, including Seacret Agents, in any unauthorized manner without its prior, written permission.

The content of all Company sponsored events is copyrighted material. Agents may not produce for sale or distribution any recorded Company events and speeches without written permission from Seacret, nor may Agents reproduce for sale or for personal use any recording of Company-produced audio or video tape presentations.

As an independent Agent, you may use the “Seacret” name in the following manner

Agent’s Name

Independent Seacret® Direct Agent

Example:

Alice Smith

Independent Seacret® Direct Agent

Agents may not use the name “Seacret” in any form in your team name, a tagline, an external website name, your personal website address or extension, in an e-mail address, as a personal name, or as a nick-

name. Additionally, only use the phrase *Independent Seacret® Agent* in your phone greeting or on your answering machine to clearly separate your independent Seacret business from Seacret. For example, you may not secure the domain name www.buyseacret.com, nor may you create an email address such as Seacretsales@hotmail.com.

3.2.2 - Media and Media Inquiries

Agents must not attempt to respond to media inquiries regarding Seacret, its products or services, or their independent Seacret business. All inquiries by any type of media must be immediately referred to Seacret’s Communications Department. This policy is designed to assure that accurate and consistent information is provided to the public as well as a proper public image.

3.2.3 - Unsolicited Email

Seacret does not permit Agents to send unsolicited commercial emails unless such emails strictly comply with applicable laws and regulations including, without limitation, the federal CAN SPAM Act. Any email sent by an Agent that promotes Seacret, the Seacret opportunity, or Seacret’s products and services must comply with the following:

- There must be a functioning return email address to the sender.
- There must be a notice in the email that advises the recipient that he or she may reply to the email, via the functioning return email address, to request that future email solicitations or correspondence not be sent to him or her (a functioning “opt-out” notice).
- The email must include the Agent’s physical mailing address.
- The email must clearly and conspicuously disclose that the message is an advertisement or solicitation.
- The use of deceptive subject lines and/or false header information is prohibited.
- All opt-out requests, whether received

by email or regular mail, must be honored. If an Agent receives an opt-out request from a recipient of an email, the Agent must forward the opt-out request to the Company.

Seacret may periodically send commercial emails on behalf of Agents. By entering into the Agent Agreement, Agent agrees that the Company may send such emails and that the Agent's physical and email addresses will be included in such emails as outlined above. Agents shall honor opt-out requests generated as a result of such emails sent by the Company.

3.2.4 - Unsolicited Faxes

Except as provided in this section, Agents may not use or transmit unsolicited faxes in connection with their Seacret business. The term "unsolicited faxes" means the transmission via telephone facsimile or computer of any material or information advertising or promoting Seacret, its products, its compensation plan or any other aspect of the company which is transmitted to any person, except that these terms do not include a fax: (a) to any person with that person's prior express invitation or permission; or (b) to any person with whom the Agent has an established business or personal relationship. The term "established business or personal relationship" means a prior or existing relationship formed by a voluntary two way communication between an Agent and a person, on the basis of: (a) an inquiry, application, purchase or transaction by the person regarding products offered by such Agent; or (b) a personal or familial relationship, which relationship has not been previously terminated by either party.

3.2.5 - Telephone Directory Listings

Agents may list themselves as a "Seacret® Independent Agent" in the white or yellow pages of the telephone directory, or with online directories, under their own name. No Agent may place telephone or online directory display ads using Seacret's name or logo. Agents may not answer the

telephone by saying "Seacret", "Seacret Incorporated", or in any other manner that would lead the caller to believe that he or she has reached corporate offices of Seacret. If an Agent wishes to post his/her name in a telephone or online directory, it must be listed in the following format:

Agent's Name
Seacret® Independent Agent

3.3 - Agent Replicated Web Sites

Agents are provided with a replicated website by Seacret, from which they can take orders, enroll new Agents, and place customers on the Replenishment Program, as well as manage their Seacret business. Agents may use only replicated websites provided by Seacret to promote their Seacret business; Agents may not create their own websites to directly or indirectly promote Seacret's products, services, or the Seacret opportunity.

Agents may not alter the branding, artwork, look, or feel of their Replicated Website, and may not use their Replicated Website to promote, market or sell non-Seacret products, services or business opportunities. Specifically, you may not alter the look (placement, sizing etc.) or functionality of the following:

- The Seacret Independent Agent Logo
- Your Name
- Seacret Corporate Website Redirect Button
- Artwork, logos, or graphics
- Original text

Seacret reserves the right to receive analytics and information regarding the usage of your website.

You may change the default ID for your Replicated Website and choose a uniquely identifiable website name, but this name must not:

- a) Be confused with other portions of the Seacret corporate website;

- b) Confuse a reasonable person into thinking they have landed on a Seacret corporate page;
- c) Be confused with any Seacret name;
- d) Contain any discourteous, misleading, or off-color words or phrases that may damage Seacret's image.

3.4 - Team Websites

"Team Websites" are not a violation of Seacret's policy prohibiting Agents from developing independent websites. A "Team Website" must be password protected and available only to Agents within a single line of sponsorship. Team Websites must serve only as a forum for communication, training, recognition, connecting and motivating Agents within that line of sponsorship. Team Websites may not be used for recruiting or sales purposes, and may not be shared with prospective Agents. Team Websites must comply with all of Seacret's Policies and Procedures.

3.5 - Domain Names, email Addresses and Online Aliases

You are not allowed to use or register Seacret or any of Seacret's trademarks, product names, or any derivatives, for any Internet domain name, email address, or online aliases. Additionally, you may not use or register domain names, email addresses, and/or online aliases that could cause confusion, or be misleading or deceptive, in that they cause individuals to believe or assume the communication is from, or is the property of Seacret.

If an Agent violates this policy, the Agent shall assign and transfer the domain name, email address, social media handle or name, or online alias to the Company immediately upon the Company's demand, and the Agent shall be responsible for paying all fees and costs, including but not limited to attorney's fees and costs and transfer costs, associated with the assignment and transfer. This remedy is in addition to, and not in place of, other remedies and/or disciplinary measures that the Company may take pursuant to these Policies.

3.6 - Online Classifieds

You may not use online classifieds (including Craigslist) to list, sell or retail specific Seacret products or product bundles. You may use online classifieds (including Craigslist) for informing the public about the Seacret business opportunity, provided Seacret-approved templates/images are used. These templates will identify you as a Seacret Independent Agent. If a link or URL is provided, it must link to your Replicated Website.

3.7 - eBay / Online Auctions

Seacret's products and services may not be listed on eBay or other online auctions, nor may Agents enlist or knowingly allow a third party to sell Seacret products on eBay or other online auction site.

3.8 - Online Retailing

Agents may not list or sell Seacret products on any online retail store or ecommerce site, nor may you enlist or knowingly allow a third party to sell Seacret products on any online retail store or ecommerce site, including but not limited to Amazon, eBay, drugstore.com, or Nextag.

3.9 - Banner Advertising

You may place banner advertisements on a Company-approved third-party website provided you use Seacret-approved templates and images. All banner advertisements must link only to your Replicated Website. Agents may not use blind ads (ads that do not disclose the identity of the Company) or web pages that make product or income claims that are ultimately associated with Seacret products or the Seacret opportunity.

3.10 - Spam Linking

Spam linking is defined as multiple consecutive submissions of the same or similar content into blogs, wikis, guest books, websites or other publicly accessible online discussion boards or forums and is

not allowed. This includes blog spamming, blog comment spamming and/or spamdexing. Any comments you make on blogs, forums, guest books etc. must be unique, informative and relevant.

3.11 - Digital Media Submission (YouTube, iTunes, PhotoBucket etc.)

Agents may upload, submit or publish Seacret-related video, audio or photo content that they develop and create so long as it aligns with Seacret values, contributes to the Seacret community greater good and is in compliance with Seacret's Policies and Procedures. All submissions must clearly identify you as a Seacret Independent Agent in the content itself and in the content description tag, must comply with all copyright/legal requirements, and must state that you are solely responsible for this content. Agents may not upload, submit or publish any content (video, audio, presentations or any computer files) received from Seacret or captured at official Seacret events or in buildings owned or operated by Seacret without prior written permission.

3.12 - Sponsored Links / Pay-Per-Click (PPC) Ads

Sponsored links or pay-per-click ads (PPC) are acceptable. The destination URL must exclusively be the sponsoring Agent's Replicated Website. The display URL must also be exclusively to the sponsoring Agent's Replicated Website, and must not portray any URL that could lead the user to believe they are being directed to a Seacret Corporate site, or be inappropriate or misleading in any way.

3.13 - Domain Names and Email Addresses

Except as set forth in the Agent Website Application and Agreement, Agents may not use or attempt to register any of Seacret's trade names, trademarks, service names, service marks, product names, the Company's name, or any derivative of the foregoing, for any Internet domain name,

email address, or name or address.

3.14 - Social Media

Social Media may be used by Agents to share information about the Seacret. However, Agents who elect to use Social Media must adhere to the Policies and Procedures in all respects.

Social Media sites may not be used to sell or offer to sell specific Seacret products or services. Profiles an Agent generates in any social community where Seacret is discussed or mentioned must clearly identify the Agent as a Seacret Independent Agent, and when an Agent participates in those communities, Agents must avoid inappropriate conversations, comments, images, video, audio, applications or any other adult, profane, discriminatory or vulgar content. The determination of what is inappropriate is at Seacret's sole discretion, and offending Agents will be subject to disciplinary action. Banner ads and images used on these sites must be current and must come from the Seacret approved library. If a link is provided, it must link only to the posting Agent's Replicated Website.

Agents may not use blog spam, spamdexing or any other mass-replicated methods to leave blog comments. Comments Agents create or leave must be useful, unique, relevant and specific to the blog's article.

3.14.1 - Agents Are Responsible for Postings

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

3.14.2 - Identification as an Seacret Independent Agent

You must disclose your full name on all Social Media postings, and conspicuously identify yourself as an independent Agent for Seacret. Anonymous postings or use of an alias is prohibited.

3.14.3 - Social Media as a Sales and Promotion Forum

Some social media sites promote commercial use while others prohibit it. It is each Agent's responsibility to learn and abide by the social media site's terms of use and policies. If the social media site does not allow its site to be used for commercial activity, you must abide by the site's terms of use. Social Media sites are relationship-building sites.

3.14.4 - Sales and Enrollments from Social Media Sites Are Prohibited

Online sales and/or enrollments may only be generated from an Agent's Seacret replicated website. Likewise, Agents shall not use any Social Media site to explain the Seacret compensation plan or any component of the compensation plan.

3.14.5 - Deceptive Postings

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

3.14.6 - Use of Third Party Intellectual Property

If you use the trademarks, trade names, service marks, copyrights, or intellectual property of any third party in any posting, it is your responsibility to ensure that you have received the proper license to use such intellectual property and pay the appropriate license fee. All third-party intellectual property must be properly referenced as the property of the third-party, and you must adhere to any restrictions and conditions that the owner of the intellectual property

places on the use of its property.

3.14.7 - Respecting Privacy

Always respect the privacy of others in your postings. Agents must not engage in gossip or advance rumors about any individual, company, or competitive products or services. Agents may not list the names of other individuals or entities on their postings unless they have the written permission of the individual or entity that is the subject of their posting.

3.14.8 - Professionalism

You must ensure that your postings are truthful and accurate. This requires that you fact-check all material you post online. You should also carefully check your postings for spelling, punctuation, and grammatical errors. Use of offensive language is prohibited.

3.14.9 - Prohibited Postings

Agents may not make any postings, or link to any postings or other material that:

- Is sexually explicit, obscene, or pornographic;
- Is offensive, profane, hateful, threatening, harmful, defamatory, libelous, harassing, or discriminatory (whether based on race, ethnicity, creed, religion, gender, sexual orientation, physical disability, or otherwise);
- Is graphically violent, including any violent video game images;
- Is solicitous of any unlawful behavior;
- Engages in personal attacks on any individual, group, or entity;
- Is in violation of any intellectual property rights of the Company or any third party.

3.14.10 - Responding to Negative Posts

Do not converse with one who places a negative post against you, other independent Agents, or Seacret. Report negative posts to the Company at mediafeedback@seacretdirectus.com. Responding to such negative posts often simp-

ly fuels a discussion with someone carrying a grudge that does not hold themselves to the same high standards as Seacret, and therefore damages the reputation and goodwill of Seacret.

3.14.11 - Social Media Sites with Website-like Features

Because some social media sites are particularly robust, the distinction between a social media site and a website may not be clear-cut. Seacret therefore reserves the sole and exclusive right to classify certain social media sites as websites and require that Agents using, or who wish to use, such sites adhere to the Company's policies relating to independent websites.

3.14.12 - Promotion of Other Direct Selling Businesses Through Social Media

In addition to meeting all other requirements specified in these Policies, should an Agent utilize any form of social media, including but not limited to Facebook, Twitter, LinkedIn, YouTube, or Pinterest, the Agent agrees to each of the following:

- No product sales or enrollments may occur on any social media site. To generate sales, a social media site must link only to the Agent's Seacret replicated website.
- Any social media site that is directly or indirectly operated or controlled by an Agent that is used to discuss or promote Seacret's products, or the Seacret opportunity may not link to any website, social media site, or site of any other nature, other than the Agent's Seacret replicated website.
- During the term of this Agreement and for a period of 12 calendar months thereafter, an Agent may not use any social media site on which they discuss or promote, or have discussed or promoted, the Seacret business or Seacret's products to directly or indirectly solicit Seacret Agents for another direct selling or network marketing program (collec-

tively, "direct selling"). In furtherance of this provision, an Agent shall not take any action that may reasonably be foreseen to result in drawing an inquiry from other Agents relating to the Agent's other direct selling business activities. Violation of this provision shall constitute a violation of the Nonsolicitation Policy in Section 3.23.1.

- An Agent may post or "pin" photographs of Seacret products on a social media site, but only photos that are provided by Seacret and downloaded from the Agent's Back-Office may be used.
- If an Agent creates a business profile page on any social media site that promotes or relates to Seacret, its products, or opportunity, the business profile page must relate exclusively to the Agent's Seacret business and Seacret products. If the Agent's Seacret business is cancelled for any reason or if the Agent becomes inactive, the Agent must deactivate the business profile page.

3.15 - Business Entities

A corporation, limited liability company, partnership or trust (collectively referred to in this section as a "Business Entity") may apply to be a Seacret Agent by submitting an Agent Application and Agreement along with a properly completed Business Entity Addendum and a properly completed IRS form W-9. The Business Entity, as well as all shareholders, members, managers, partners, trustees, or other parties with any ownership interest in, or management responsibilities for, the Business Entity (collectively "Affiliated Parties") are individually, jointly and severally liable for any indebtedness to Seacret, compliance with the Seacret Policies and Procedures, the Seacret Agent Agreement, and other obligations to Seacret.

To prevent the circumvention of Sections 3.35 (regarding transfers and assignments of a Seacret business) and 3.17, (regarding Sponsorship Changes), if any Affiliated Party wants to terminate his or her

relationship with the Business Entity or Seacret, the Affiliated Party must terminate his or her affiliation with the Business Entity, notify Seacret in writing that he or she has terminated his/her affiliation with the Business Entity, and must comply with the provisions of 3.17. In addition, the Affiliated Party foregoing their interest in the Business Entity may not participate in any other Seacret business for six consecutive calendar months in accordance with Section 3.17.2. If the Business Entity wishes to bring on any new Affiliated Party, it must adhere to the requirements of Section 3.35.

The modifications permitted within the scope of this paragraph *do not* include a change of sponsorship. Changes of sponsorship are addressed in Section 3.17, below. There is a \$25.00 fee for each change requested, which must be included with the written request and the completed Agent Application and Agreement. Seacret may, at its discretion, require notarized documents before implementing any changes to a Seacret business. Please allow thirty (30) days after the receipt of the request by Seacret for processing.

3.16 - Changes to a Business Entity

Each Agent must immediately notify Seacret of all changes to type of business entity they utilize in operating their businesses and the addition or removal of business Affiliated Parties.

3.17 - Sponsorship Changes

3.17.1 - Erroneous Placement

Seacret prohibits changes in sponsorship except within the first three business days following an Agent's enrollment. Requests for change of sponsorship must be submitted in writing to the Agent Services Department, and must include the reason for the transfer. Transfers will only be considered in cases in which the new Agent is sponsored by someone other than the individual he or she was led to believe would be his or her Sponsor. Requests for transfer

under this policy will be evaluated on a case-by-case basis and must be made within three business days from the date of enrollment. The Agent requesting the change has the burden of proving that he or she was placed beneath the wrong sponsor. It is up to Seacret's discretion whether the requested change will be implemented and whether the Agent's downline will also be transferred.

3.17.2 - Cancellation and Re-application

An Agent may legitimately change organizations by voluntarily canceling his or her Seacret business and remaining inactive (*i.e.*, no purchases of Seacret products for resale, no sales of Seacret products, no sponsoring, no attendance at any Seacret functions, participation in any other form of Agent activity, or operation of any other Seacret business, no income from the Seacret business) for six (6) full calendar months. Following the six month period of inactivity, the former Agent may reapply under a new sponsor, however, the former Agent's downline will remain in their original line of sponsorship.

3.17.3 - Waiver of Claims

In cases wherein the appropriate sponsorship change procedures have not been followed, and a downline organization has been developed in the second business developed by an Agent, Seacret reserves the sole and exclusive right to determine the final disposition of the downline organization. Resolving conflicts over the proper placement of a downline that has developed under an organization that has improperly switched sponsors is often extremely difficult. Therefore, **AGENTS WAIVE ANY AND ALL CLAIMS AGAINST SEACRET, ITS OFFICERS, DIRECTORS, OWNERS, EMPLOYEES, AND AGENTS THAT RELATE TO OR ARISE FROM SEACRET'S DECISION REGARDING THE DISPOSITION OF ANY DOWNLINE ORGANIZATION THAT DEVELOPS BELOW AN AGENT THAT HAS IMPROPERLY CHANGED LINES OF SPONSORSHIP.**

3.18 - Unauthorized Claims and Actions

3.18.1 - Indemnification

An Agent is fully responsible for all of his or her verbal and written statements made regarding Seacret products, services, and the Compensation Plan that are not expressly contained in official Seacret materials. This includes statements and representations made through all sources of communication media, whether person-to-person, in meetings, online, through Social Media, in print, or any other means of communication. Agents agree to indemnify Seacret and Seacret's directors, officers, employees, and agents, and hold them harmless from all liability including judgments, civil penalties, refunds, attorney fees, court costs, or lost business incurred by Seacret as a result of the Agent's unauthorized representations or actions. This provision shall survive the termination of the Agent Agreement.

3.18.2 - Product Claims

Agents must not make claims, including but not limited to testimonials, about Seacret's products or services that are not contained in official Seacret literature or posted on Seacret's official website. Under no circumstances shall any Agent state or imply that any Seacret product is useful in the diagnosis, treatment, cure, or prevention of any disease, illness, injury, or other medical condition.

3.18.3 - Compensation Plan Claims

When presenting or discussing the Seacret compensation plan, you must make it clear to prospects that financial success in Seacret requires commitment, effort, and sales skill. Conversely, you must never represent that one can be successful without diligently applying themselves. Examples of misrepresentations in this area include:

- It's a turnkey system;
- The system will do the work for you;
- Just get in and your downline will build

through spillover;

- Just join and I'll build your downline for you;
- The company does all the work for you;
- You don't have to sell anything.
- All you have to do is buy your products every month.

The above are just examples of improper representations about the compensation plan. It is important that you do not make these, or any other representations, that could lead a prospect to believe that they can be successful as an Agent without commitment, effort, and sales skill.

3.19 - Income Claims

Because Seacret Agents do not have the data necessary to comply with the legal requirements for making income claims, an Agent, when presenting or discussing the Seacret opportunity or Compensation Plan to a prospective Agent, may not make income projections, income claims, or disclose his or her Seacret income (including, but not limited to, the showing of checks, copies of checks, bank statements, or tax records).

3.20 - Repackaging and Re-labeling Prohibited

Seacret products may only be sold in their original packaging. Agents may not repackage, re-label, or alter the labels on Seacret product. Tampering with labels/packaging could be a violation of federal and state laws, and may result in civil or criminal liability. Agents may affix a personalized sticker with your personal/contact information to each product or product container, as long as you do so without removing existing labels or covering any text, graphics, or other material on the product label.

3.21 - Commercial Outlets

Agents may not sell Seacret products from a commercial outlet, nor may Agents display or sell Seacret products or literature

in any retail or service establishment. Online auction and/or sales facilitation websites, including but not limited to Amazon, drugstore.com, ebay and Craig's List constitute Commercial Outlets, and may not be used to sell Seacret products.

3.22 - Trade Shows, Expositions and Other Sales Forums

Agents may display and/or sell Seacret products at trade shows and professional expositions. Before submitting a deposit to the event promoter, Agents must contact the Agent Services department in writing for conditional approval.

3.23 - Conflicts of Interest

3.23.1 - Nonsolicitation

Seacret Agents are free to participate in other multilevel or network marketing business ventures or marketing opportunities (collectively "network marketing"). However, if an Agent is an independent distributor for another network marketing business, then he or she shall not be eligible to receive recognition from Seacret at any Seacret function or event. In addition, during the term of this Agreement, Agents may not directly or indirectly Recruit other Seacret Agents or Customers for any other network marketing business.

Following the cancellation or transfer of an Agent's independent Agent Agreement for any reason, and for a period of twelve calendar months thereafter, with the exception of an Agent who is personally sponsored by the former Agent, a former Agent may not Recruit any Seacret Agent or Customer for another network marketing business. Agents and the Company recognize that because network marketing is conducted through networks of independent contractors dispersed across the entire United States and internationally, and business is commonly conducted via the internet and telephone, an effort to narrowly limit the geographic scope of this non-solicitation provision would render it wholly ineffective. Therefore, Agents and

Seacret agree that this non-solicitation provision shall apply nationwide and to all international markets in which Agents are located.

The term "Recruit" means the actual or attempted sponsorship, solicitation, enrollment, encouragement, or effort to influence in any other way, either directly, indirectly, or through a third party, another Seacret Agent or Customer to enroll or participate in another multilevel marketing, network marketing or direct sales opportunity.

3.23.2 - Agent Participation in Other Network Marketing Programs

If an Agent is engaged in other non-Seacret business or Network Marketing program, it is the responsibility of the Agent to ensure that his or her Seacret business is operated entirely separate and apart from all other businesses and/or Network Marketing programs. To this end, the Agent must adhere to the following:

- Agents must not sell, or attempt to sell, any competing non-Seacret programs, products or services that are sold through another Network Marketing Program to Seacret Customers or Agents. Any program, product or services in the same generic categories as Seacret products or services is deemed to be competing, regardless of differences in cost, quality or other distinguishing factors.
- Agents shall not display Seacret promotional material, sales aids, products or services with or in the same location as, any non-Seacret promotional material or sales aids, products or services.
- Agents shall not offer the Seacret opportunity, products or services to prospective or existing Customers or Agents in conjunction with any non-Seacret program, opportunity, product or service.

- Agents may not offer any non-Seacret opportunity, products, services or opportunity at any Seacret-related meeting, seminar, convention, webinar, teleconference, or other function.

3.23.3 - Confidential Information

Confidential information includes, but is not limited to, the identities of Seacret customers and Agents, contact information of Seacret customers and Agents, Agents' personal and/or group sales volumes, and Agent rank and/or achievement levels. Confidential Information is, or may be available to Agents in their respective Back-Offices. Agent access to such Confidential Information is password protected, and Confidential Information constitutes proprietary business trade secrets belonging to Seacret. Such Confidential Information is provided to Agents in strictest confidence and is made available to Agents for the sole purpose of assisting Agents in working with their respective sales organizations in the development of their Seacret business. Each Agent and Seacret agree that, but for this agreement of confidentiality and nondisclosure, Seacret would not provide Confidential Information to the Agent.

To protect Confidential Information, Agents shall not, on his or her own behalf, or on behalf of any other person, partnership, association, corporation or other entity:

- Directly or indirectly disclose any Confidential Information to any third party;
- Directly or indirectly disclose the password or other access code to his or her Back-Office to any third party;
- Use any Confidential Information to compete with Seacret, or for any other purpose other than to promote his or her Seacret business;
- Recruit or solicit any Agent or Customer of Seacret listed on any report or in

the Agent's Back-Office, or in any manner attempt to influence or induce any Agent or Customer of Seacret to alter their business relationship with Seacret; or

- Use or disclose to any person, partnership, association, corporation, or other entity any Confidential Information.

3.24 - Targeting the Sales Force of Other Direct Sellers

Seacret does not condone Agents specifically or consciously targeting the sales force of another direct sales company to sell Seacret products or to become an Independent Agent for Seacret, nor does Seacret condone Agents' solicitation or enticement of members of the sales force of another direct sales company to violate the terms of their contract with such other company. Should an Agent engage in such activity, the Agent bears the risk of being sued by the other direct sales company. If any lawsuit, arbitration or mediation is brought against an Agent by a third party alleging that he or she engaged in inappropriate recruiting activity of its sales force or customers, or in any way violated their contract with the third party, Seacret will not pay any of Agent's defense costs or legal fees, nor will Seacret indemnify the Agent for any judgment, award, or settlement. Should the third party bring or threaten legal action against Seacret based on the conduct of the Agent, the Agent agrees that it shall indemnify Seacret for all judgments, settlements, payments of any other nature, litigation costs, and attorney's fees that Seacret incurs in relation to such legal action or threat of legal action.

3.25 - Errors or Questions

If an Agent has questions about or believes any errors have been made regarding commissions, bonuses, genealogy lists, enrollments, or charges, the Agent must notify Seacret in writing within 60 days of the date of the purported error or incident in question. Seacret will not be responsible for any errors, omissions or problems not reported to the Company within 60 days.

3.26 - Governmental Approval or Endorsement

Neither federal nor state regulatory agencies or officials approve or endorse any direct selling or network marketing companies or programs. Therefore, Agents shall not represent or imply that Seacret or its Compensation Plan have been "approved," "endorsed" or otherwise sanctioned by any government agency.

3.27 - Income Taxes

Each Agent is responsible for paying local, state and federal taxes on any income generated as an Independent Agent. If an Agent's Seacret business is tax exempt, the Federal tax identification number must be provided to Seacret. Every year, Seacret will provide an IRS Form 1099 MISC (Non-employee Compensation) earnings statement to each U.S. resident who: 1) Had earnings of over \$600 in the previous calendar year; or 2) Made purchases during the previous calendar year in excess of \$5,000.

3.28 - Independent Contractor Status

Agents are independent contractors. The agreement between Seacret and its Agents does not create an employer/employee relationship, agency, partnership, or joint venture between the Company and the Agent. Agents shall not be treated as an employee for his or her services or for Federal or State tax purposes. All Agents are responsible for paying local, state, and federal taxes due from all compensation earned as an Agent of the Company. An Agent has no authority (expressed or implied), to bind the Company to any obligation. Each Agent shall establish his or her own goals, hours, and methods of sale, so long as he or she complies with the terms of the Agent Agreement, these Policies and Procedures, and applicable laws.

3.29 - International Marketing

Agents are authorized to sell Seacret products, and enroll Customers or Agents only in the countries in which Seacret is

authorized to conduct business, as announced on the Company's official website or other official Company literature. Seacret products or sales aids may not be shipped into or sold in any foreign country that the Company has not announced is officially open for business. Agents may sell, give, transfer, or distribute Seacret products or sales aids only in their home country. In addition, no Agent may, in any unauthorized country: (a) conduct sales, enrollment or training meetings; (b) enroll or attempt to enroll potential customers or Agents; or (c) conduct any other activity for the purpose of selling Seacret products, establishing a marketing organization, or promoting the Seacret opportunity.

3.30 - Excess Inventory and Bonus Buying

Agents must never purchase more products than they can reasonably use or sell to retail customers in a month, and must not influence or attempt to influence any other Agent to buy more products than they can reasonably use or sell to retail customers in a month. In addition, bonus buying is strictly prohibited. Bonus buying includes any mechanism or artifice to qualify for rank advancement, incentives, prizes, commissions or bonuses that is not driven by bona fide product or service purchases by end user consumers. Bonus buying includes, but is not limited to, purchasing products through a straw man or other artifice.

3.31 - Adherence to Laws and Ordinances

Agents shall comply with all federal, state, and local laws and regulations in the conduct of their businesses. Many cities and counties have laws regulating certain home-based businesses. In most cases these ordinances are not applicable to Agents because of the nature of their business. However, Agents must obey those laws that do apply to them. If a city or county official tells an Agent that an ordinance applies to him or her, the Agent shall be polite and cooperative, and immediately send a copy

of the ordinance to the Compliance Department of Seacret.

3.32 - One Seacret Business Per Agent and Per Household

An Agent may operate or have an ownership interest, legal or equitable, as a sole proprietorship, partner, shareholder, trustee, or beneficiary, in only one Seacret business. No Agent may have, operate or receive compensation from more than one Seacret business. Individuals of the same Household may not enter into or have an interest in more than one Seacret Business unless a request is submitted to Seacret in writing. The request must state why two businesses are necessary. Upon receipt and review of the request, Seacret shall authorize or deny the request for the second business. Unless written authorization is issued, the request shall be deemed denied. A "Household" is defined as spouses, and dependent children living at or doing business at the same address.

In order to maintain the integrity of the Seacret Compensation Plan, husbands and wives or common-law couples (collectively "spouses") who wish to become Seacret Agents must be jointly sponsored as one Seacret business. Spouses, regardless of whether one or both are signatories to the Agent Application and Agreement, may not own or operate any other Seacret business, either individually or jointly, nor may they participate directly or indirectly (as a shareholder, partner, trustee, trust beneficiary, or have any other legal or equitable ownership) in the ownership or management of another Seacret business in any form.

An exception to the one business per Agent/household rule will be considered on a case-by-case basis if two Agents marry or in cases of an Agent receiving an interest in another business through inheritance. Requests for exceptions to policy must be submitted in writing to the Compliance Department.

3.33 - Actions of Household Members or Affiliated Parties

If any member of an Agent's immediate household engages in any activity which, if performed by the Agent, would violate any provision of the Agreement, such activity will be deemed a violation by the Agent and Seacret may take disciplinary action pursuant to the Statement of Policies against the Agent. Similarly, if any partner, shareholder, member, or other individual with any ownership or management capacity (collectively "Affiliated Individual") in a corporation, partnership, LLC, trust or other entity (collectively "Business Entity") violates the Agreement, such action(s) will be deemed a violation by the Business Entity and each Affiliated Individual, and Seacret may take disciplinary action jointly and severally against the Business Entity and/or each Affiliated Individual.

3.34 - Requests for Records

Any request from an Agent for copies of records will require a fee of \$1.00 per page per copy, with a minimum fee of \$5.00.

3.35 - Sale, Transfer or Assignment of Seacret Business

Although a Seacret business is a privately owned and independently operated business, the sale, transfer or assignment of a Seacret business, and the sale, transfer, or assignment of an interest in a Business Entity that owns or operates a Seacret business, is subject to certain limitations. If an Agent wishes to sell his or her Seacret business, or interest in a Business Entity that owns or operates a Seacret business, the following criteria must be met:

- The business must have reached and maintained at least the Silver rank or higher for the three consecutive months immediately preceding the request;
- The selling Agent must offer Seacret the right of first refusal to purchase the business on the same terms as agreed upon with a third-party buyer. Seacret

shall have fifteen days from the date of receipt of the written offer from the seller to exercise its right of first refusal. Seacret shall have fifteen days from the date of receipt of the written offer from the seller to exercise its right of first refusal.

- The buyer or transferee must become a qualified Seacret Agent. If the buyer is an active Seacret Agent, he or she must first terminate his or her Seacret business and wait six calendar months before acquiring any interest in a different Seacret business;
- Before the sale, transfer or assignment can be finalized and approved by Seacret, any debt obligations the selling party has with Seacret must be satisfied.
- The selling party must be in good standing and not in violation of any of the terms of the Agreement in order to be eligible to sell, transfer or assign a Seacret business.
- The selling Agent must pay a \$250.00 processing fee to Seacret.

Prior to selling an independent Seacret business or Business Entity interest, the selling Agent must notify Seacret's Compliance Department in writing and advise of his or her intent to sell his/her Seacret business or Business Entity interest. The selling Agent must also receive written approval from the Compliance Department before proceeding with the sale. No changes in line of sponsorship can result from the sale or transfer of a Seacret business.

3.36 - Separation of a Seacret Business

Seacret Agents sometimes operate their Seacret businesses as husband-wife partnerships, regular partnerships, LLCs, corporations, trusts, or other Business Entities. At such time as a marriage may end in divorce or a corporation, LLC, partnership, trust or other Business Entity may dissolve, arrangements must be made to assure that

any separation or division of the business is accomplished so as not to adversely affect the interests and income of other businesses up or down the line of sponsorship.

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

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

Under no circumstances will the Downline Organization of divorcing spouses or a dissolving business entity be divided. Similarly, under no circumstances will Seacret split commission and bonus payments between divorcing spouses or members of dissolving entities. Seacret will recognize only one Downline Organization and will issue only one commission payment per Seacret business per commission cycle. Commission payments shall always be issued to the same individual or entity. In the event that parties to a divorce or dissolution proceeding are unable to resolve a dispute over the disposition of commissions and ownership of the business in a timely fashion as determined by the Company, the Agent Agreement shall be involuntarily canceled.

If a former spouse has completely relinquished all rights in the original Seacret

business pursuant to a divorce, he or she is thereafter free to enroll under any sponsor of his or her choosing without waiting six calendar months. In the case of business entity dissolutions, the former partner, shareholder, member, or other entity affiliate who retains no interest in the business must wait six calendar months from the date of the final dissolution before re-enrolling as an Agent. In either case, the former spouse or business affiliate shall have no rights to any Agents in their former organization or to any former retail customer. They must develop the new business in the same manner as would any other new Agent.

3.37 - Sponsoring Online

When sponsoring a new Agent through the online enrollment process, the sponsor may assist the new applicant in filling out the enrollment materials. However, the applicant must personally review and agree to the online application and agreement, Seacret's Policies and Procedures, and the Seacret Compensation Plan. The sponsor may not fill out the online application and agreement on behalf of the applicant and agree to these materials on behalf of the applicant.

3.38 - Succession

Upon the death or incapacitation of an Agent, his or her business may be passed to his or her heirs. Appropriate legal documentation must be submitted to the Company to ensure the transfer is proper. Accordingly, an Agent should consult an attorney to assist him or her in the preparation of a will or other testamentary instrument. Whenever a Seacret business is transferred by a will or other testamentary process, the beneficiary acquires the right to collect all bonuses and commissions of the deceased Agent's marketing organization provided the following qualifications are met. The successor(s) must:

- Execute an Agent Agreement;
- Comply with terms and provisions of the Agreement;

- Meet all of the qualifications for the deceased Agent's status;
- The devisee must provide Seacret with an "address of record" to which all bonus and commission payments will be sent;
- If the business is bequeathed to joint devisees, they must form a business entity and acquire a Federal Taxpayer Identification Number. Seacret will issue all bonus and commission payments and one 1099 to the business entity.

3.39 - Transfer Upon Death of an Agent

To effect a testamentary transfer of a Seacret business, the executor of the estate must provide the following to Seacret: (1) an original death certificate; (2) certified letters testamentary or a letter of administration appointing an executor; and (3) written instructions from the authorized executor to Seacret specifying to whom the business and income should be transferred.

3.40 - Transfer Upon Incapacitation of an Agent

To effectuate a transfer of a Seacret business because of incapacity, the successor must provide the following to Seacret: (1) a copy of the appointment of the trustee; (2) written instructions from the trustee instructing how the proceeds from the business should be paid; and (3) a completed Agent Agreement executed by the trustee.

3.41 - Telemarketing Techniques

The Federal Trade Commission and the Federal Communications Commission each have laws that restrict telemarketing practices. Both federal agencies (as well as a number of states) have "do not call" regulations as part of their telemarketing laws. Although Seacret does not consider Agents to be "telemarketers" in the traditional sense of the word, these government regulations broadly define the term "telemarketer" and "telemarketing" so that your inadvertent action of calling someone

whose telephone number is listed on the federal “do not call” registry could cause you to violate the law. Moreover, these regulations must not be taken lightly, as they carry significant penalties.

Therefore, Agents must not engage in telemarketing in the operation of their Seacret businesses. The term “telemarketing” means the placing of one or more telephone calls to an individual or entity to induce the purchase of a Seacret product or service, or to recruit them for the Seacret opportunity. “Cold calls” made to prospective customers or Agents that promote either Seacret’s products or services or the Seacret opportunity constitute telemarketing and are prohibited. However, a telephone call(s) placed to a prospective customer or Agent (a “prospect”) is permissible under the following situations:

- If the Agent has an established business relationship with the prospect. An “established business relationship” is a relationship between an Agent and a prospect based on the prospect’s purchase, rental, or lease of goods or services from the Agent, or a financial transaction between the prospect and the Agent, within the eighteen (18) months immediately preceding the date of a telephone call to induce the prospect’s purchase of a product or service.
- The prospect’s personal inquiry or application regarding a product or service offered by the Agent, within the three (3) months immediately preceding the date of such a call.
- If the Agent receives written and signed permission from the prospect authorizing the Agent to call. The authorization must specify the telephone number(s) which the Agent is authorized to call.
- You may call family members, personal friends, and acquaintances. An “acquaintance” is someone with whom you

have at least a recent first-hand relationship within the preceding three months. Bear in mind, however, that if you engage in “card collecting” with everyone you meet and subsequently calling them, the FTC may consider this a form of telemarketing that is not subject to this exemption. Thus, if you engage in calling “acquaintances,” you must make such calls on an occasional basis only and not make this a routine practice.

- Agents shall not use automatic telephone dialing systems or software relative to the operation of their Seacret businesses.
- Agents shall not place or initiate any outbound telephone call to any person that delivers any pre-recorded message (a “robocall”) regarding or relating to the Seacret products, services or opportunity.

3.42 - Back-Office Access

Seacret makes online back offices available to its Agents. Back offices provide Agents access to confidential and proprietary information that may be used solely and exclusively to promote the development of an Agent’s Seacret business and to increase sales of Seacret products. However, access to a back office is a privilege, and not a right. Seacret reserves the right to deny Agents’ access to the back office at its sole discretion.

3.43 - Change of Address, Telephone, and E-Mail Addresses

An Agent’s whose contact information changes must amend their contact information through their Agent Back-Office or by contacting Customer Service to effect the change.

3.44 - Continuing Development Obligations

3.44.1 - Ongoing Training

Any Agent who sponsors another Agent into Seacret must perform a bona

fide assistance and training function to ensure that his or her downline is properly operating his or her Seacret business. Agents must have ongoing contact and communication with the Agents in their Downline Organizations. Examples of such contact and communication may include, but are not limited to: newsletters, written correspondence, personal meetings, telephone contact, voice mail, electronic mail, and the accompaniment of downline Agents to Seacret meetings, training sessions, and other functions. Upline Agents are also responsible to motivate and train new Agents in Seacret product knowledge, effective sales techniques, the Seacret Compensation Plan, and compliance with Company Policies and Procedures. Communication with and the training of downline Agents must not, however, violate Sections 3.1 and/or 3.2 (regarding the development of Agent-produced sales aids and advertising materials).

Agents should monitor the Agents in their Downline Organizations to guard against downline Agents making improper product or business claims, or engaging in any illegal or inappropriate conduct.

3.44.2 - Increased Training Responsibilities

As Agents progress through the various levels of leadership, they will become more experienced in sales techniques, product knowledge, and understanding of the Seacret program. They will be called upon to share this knowledge with less experienced Agents in their organization.

3.44.3 - Ongoing Sales Responsibilities

Regardless of their level of achievement, Agents have an ongoing obligation to continue to personally promote sales through the generation of new customers and through servicing their existing customers.

3.45 - Negative Comments

Seacret wants to provide its independent Agents with the best products, compen-

sation plan, and service in the industry. Accordingly, we value your constructive criticisms and comments. All such comments should be submitted in writing to the Agent Relations Department. Remember, to best serve you, we must hear from you! While Seacret welcomes constructive input, negative comments and remarks made in the field by Agents about the Company, its products, or compensation plan serve no purpose other than to sour the enthusiasm of other Seacret Agents. For this reason, and to set the proper example for their downline, Agents must not disparage, demean, or make negative remarks about Seacret, other Seacret Agents, Seacret's products, the Marketing and Compensation plan, or Seacret's directors, officers, or employees. Complaints and concerns about Seacret and/or its products should be directed to the Customer Service Department. Disputes or disagreements between any Agent and Seacret shall be resolved through the dispute resolution process set forth in the Agreement, and the Company and Agents agree specifically not to demean, discredit, disparage, or criticize one another on the internet or any other public forum.

3.46 - Providing Documentation to Applicants

Agents must provide the most current version of the Policies and Procedures and the Compensation Plan to individuals whom they are sponsoring to become Agents before the applicant signs an Agent Agreement, or ensure that they have online access to these materials.

3.47 - Use of Agent Pictures, Videos, Scripts, etc.

Agents may occasionally appear on-stage at live events sponsored by Seacret to receive recognition or awards, to provide training, or for numerous other reasons. Photographs of the Agents are normally taken, and video and/or audio recordings of the Agents are normally made of such

events. Likewise, Agents may occasionally speak on training, motivational, or informational telephone conferences, webinars, or other events sponsored or hosted by Seacret, and video and/or audio recordings of these events are also normally made by Seacret. Agents grant Seacret the irrevocable and permanent right to use all such photographs, pictures, video, and/or audio recordings taken or made of them at any Seacret sponsored or hosted event for advertising, promotion, motivation, training, or any other purpose as Seacret may deem appropriate. Agents waive all claims and rights to compensation of any nature for such use and agree that all recordings are the sole and exclusive property of Seacret.

If an Agent writes or uses a script, notes, outline, handouts, or other reference materials at any Seacret sponsored or hosted event, the Agent grants Seacret a permanent and irrevocable right to use such materials for any purpose it wishes, and the Agent waives all claims for compensation for such use.

SECTION 4 - SALES REQUIREMENTS

4.1 - Product Sales

The Seacret Compensation Plan is based on the sale of Seacret products and services to end consumers. Agents must fulfill the sales requirements (as well as meet other responsibilities set forth in the Agreement) to be eligible for bonuses, commissions and advancement to higher levels of achievement.

4.2 - No Territory Restrictions

There are no exclusive territories granted to anyone.

4.3 - Sales Receipts

All Agents must provide their retail

customers with two copies of an official Seacret sales receipt at the time of the sale. These receipts set forth the Customer Satisfaction Guarantee as well as any consumer protection rights afforded by federal or state law.

Remember that customers must receive two copies of the sales receipt. In addition, Agents must orally inform the buyer of his or her cancellation rights.

SECTION 5 - PERSONAL & CONFIDENTIAL INFORMATION

5.1 - Handling Personal Information

As an Agent, you will receive Personal Information from and about prospective Agents, customers and other individuals. Keeping their Personal Information secure not only helps to ensure your compliance with the law, but it also helps you to maintain current customers' and potential customers' trust, which is an important factor in your success. Personal Information is information that identifies, or permits you to contact, an individual. It includes a customer's, potential customer's or other individual's name, address, email address, phone number, credit card information, social security number, and other information associated with these details, such as purchases.

5.2 - Give the Customer Notice

Customers want to know why you are collecting their Personal Information and what you plan to do with it, so tell them what you are collecting, why and with whom you are going to share it. Tell them this before or at the time that you collect their Personal Information, and then be sure that you use and share Personal Information only in the ways you promised.

5.3 - Collect Only What You Need

Collect only the Personal Information that you really need. Review the forms that you use to collect Personal Information, and revise them to remove fields for information you do not need. Less is more. For

example, don't collect a credit or debit card number unless your customer actually makes a purchase.

5.4 - Give the Customer Control

Give customers a choice about how you communicate with them. For instance, find out if a customer wants to receive promotions and other marketing messages from you and, if so, whether he or she would prefer to receive them by email, phone or another method of communication. Respect the customer's wishes: if, for example, a customer tells you that he or she doesn't want to receive emails, then find another way to communicate with him or her.

5.5 - Stay up-to-date

Keep the customers' Personal Information up-to-date. Remind them to let you know if their Personal Information changes. Keeping your contacts current helps you to stay in touch with them.

5.6 - Share Only if Necessary

Don't share a customers' Personal Information unless you have a real business reason to do so—and then share only what is necessary, and no other information, and make sure that the other person agrees to use the Personal Information only in the ways you have agreed.

5.7 - Be Careful

A customer's information is a valuable asset. Don't communicate it to the general public or to anyone who doesn't have a legitimate need for it. Protect it from unauthorized access or disclosure.

5.8 - Dispose of Personal Information Responsibly

When you no longer need a customer's Personal Information, stop using it. Dispose of it in a way that makes it unreadable, such as by shredding paper documents.

5.9 - Be Very Careful with Sensitive Personal Information

If sensitive Personal Information such

as credit or debit card numbers, social security or Tax ID numbers, fall into the wrong hands, customers could become the victim of fraud or identity theft. Consider these steps to help reduce that risk:

- Pay attention to your surroundings and use good judgment whenever you need to discuss or transmit sensitive Personal Information;
- Do not share (or ask a customer to share) sensitive Personal Information, including payment information, in an unsecure way, such as by email;
- Keep sensitive Personal Information in a secure place, such as a locked drawer. Do not leave it lying around where someone could see or take it;
- Use similar safeguards if you keep sensitive Personal Information on your computer. For example, use passwords that are not easy to guess, install virus protections, and password protect documents that contain sensitive Personal Information;
- Avoid storing Personal Information on your laptop or another portable device that could be lost or stolen, unless the device is encrypted; and
- Unless you have a legitimate business need, do not keep sensitive Personal Information. Keeping it for longer than you need it creates unnecessary risk.

SECTION 6 - BONUSES AND COMMISSIONS

6.1 - Bonus and Commission Qualifications and Accrual

An Agent must be active and in compliance with the Agreement to qualify for bonuses and commissions. So long as an Agent complies with the terms of the Agreement, Seacret shall pay commissions to such Agent in accordance with the Marketing and Compensation plan. The minimum

amount for which Seacret will issue a commission is \$20.00. If an Agent's bonuses and commissions do not equal or exceed \$20.00, the Company will accrue the commissions and bonuses until they total \$20.00. Payment will be issued once \$20.00 has been accrued.

Requests to reissue a commission check resulting from the Agent not cashing it in a timely manner, misplacement or loss will result in a \$15 reissuance fee.

Notwithstanding the foregoing, all commissions owed an Agent, regardless of the amount accrued, will be paid during the last pay period of each year or upon the termination of an Agent's business.

6.1.1 - Compensation Adjustments for Charge Backs, Returned Products

Agents receive bonuses and commissions based on final sales of products to end consumers. When a product is returned to Seacret for a refund, is repurchased by the Company, or the buyer institutes a chargeback, either of the following may occur at the Company's discretion: (1) the bonuses and commissions attributable to the returned or repurchased product(s) will be deducted, in the month in which the refund is given, and continuing every pay period thereafter until the commission is recovered, from the upline Agents who received bonuses and commissions on the sales of the refunded products; or (2) the upline Agents who earned commissions based on the sale of the returned products will have the corresponding Commissionable Volume deducted from their Group Volume in the next month and all subsequent months until it is completely recovered.

6.2 - Reports

All information provided by Seacret in downline activity reports, including but not limited to personal and group sales volume (or any part thereof), and downline sponsoring activity is believed to be accurate and reliable. Nevertheless, due to various factors including but not limited to the in-

herent possibility of human, digital, and mechanical error; the accuracy, completeness, and timeliness of orders; denial of credit card and electronic check payments; returned products; credit card and electronic check charge-backs; the information is not guaranteed by Seacret or any persons creating or transmitting the information.

ALL PERSONAL AND GROUP SALES VOLUME INFORMATION IS PROVIDED "AS IS" WITHOUT WARRANTIES, EXPRESS OR IMPLIED, OR REPRESENTATIONS OF ANY KIND WHATSOEVER. IN PARTICULAR BUT WITHOUT LIMITATION THERE SHALL BE NO WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR USE, OR NON-INFRINGEMENT.

TO THE FULLEST EXTENT PERMISSIBLE UNDER APPLICABLE LAW, SEACRET AND/OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION WILL IN NO EVENT BE LIABLE TO ANY AGENT OR ANYONE ELSE FOR ANY DIRECT, INDIRECT, CONSEQUENTIAL, INCIDENTAL, SPECIAL OR PUNITIVE DAMAGES THAT ARISE OUT OF THE USE OF OR ACCESS TO PERSONAL AND/OR GROUP SALES VOLUME INFORMATION (INCLUDING BUT NOT LIMITED TO LOST PROFITS, BONUSSES, OR COMMISSIONS, LOSS OF OPPORTUNITY, AND DAMAGES THAT MAY RESULT FROM INACCURACY, INCOMPLETENESS, INCONVENIENCE, DELAY, OR LOSS OF THE USE OF THE INFORMATION), EVEN IF SEACRET OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION SHALL HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. TO THE FULLEST EXTENT PERMITTED BY LAW, SEACRET OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION SHALL HAVE NO RESPONSIBILITY OR LIABILITY TO YOU

OR ANYONE ELSE UNDER ANY TORT, CONTRACT, NEGLIGENCE, STRICT LIABILITY, PRODUCTS LIABILITY OR OTHER THEORY WITH RESPECT TO ANY SUBJECT MATTER OF THIS AGREEMENT OR TERMS AND CONDITIONS RELATED THERE-TO.

Access to and use of Seacret's online and telephone reporting services and your reliance upon such information is at your own risk. All such information is provided to you "as is". If you are dissatisfied with the accuracy or quality of the information, your sole and exclusive remedy is to discontinue use of and access to Seacret's online and telephone reporting services and your reliance upon the information.

SECTION 7 - PRODUCT GUARANTEES, RETURNS AND INVENTORY REPURCHASE

7.1 - Order Cancellation and Satisfaction Guarantee

Federal and state law requires that Agents notify their retail customers that they have three business days (5 business days for Alaska residents. 15 days for residents of North Dakota who are age 65 or older. Saturday is a business day, Sundays and legal holidays are not business days) within which to cancel their purchase and receive a full refund upon return of the products in substantially as good condition as when they were delivered. Agents shall verbally inform their customers of this right, shall provide them with TWO copies of a retail receipt at the time of the sale, and shall point out this cancellation right stated on the receipt.

In addition, Seacret offers a money back guarantee on products returned within 30 days from the date of sale, less a 10% restocking fee. Original shipping charges are not refundable and will be deducted from the amount of the refund. Return shipping charges must be paid by the Agent or customer returning the merchandise. If a

product order is refused by the buyer and returned to the Company, and the Company is required to pay return postage, the amount of the return postage charges will be deducted from the product refund. Products that have been damaged, opened or used are not re-sellable and will not be refunded. Product sets must be returned in their entirety; refunds are not available for products that are taken from a set and returned individually or for sets that are not returned unopened and completely intact with no products or materials removed from the kit. This product satisfaction guarantee does not apply to products damaged by abuse or misuse. Agents shall disclose the terms of the warranty to his/her customers at the time of sale and shall also point out this warranty information on the sales receipt and product literature.

If an Agent returns more than \$300 for a refund in any 12 consecutive month period, the request will constitute the Agent's voluntary cancellation of his/her Agent Agreement, and the refund will be processed as an inventory repurchase and the Agent's Seacret business will be cancelled.

7.2 - Return of Inventory and Sales Aids by Agents Upon Cancellation

Upon cancellation of an Agent's Agreement, the Agent may return Business Kits, products and Sales Tools that he or she personally purchased from Seacret (purchases from other Agents or third parties are not subject to refund) that are in Resalable (see Definition of "Resalable" below) condition so long as the products and/or Sales Tools were purchased within one year prior to the date of cancellation. Upon receipt of a Resalable Business Kit and/or Resalable products and sales aids, the Agent will be reimbursed 90% of the net cost of the original purchase price(s). Neither shipping and handling charges incurred by an Agent when the Business Kit, products or sales aids were purchased, nor return shipping fees, will be refunded. Product kits must be returned

unopened and in completely intact with no products or materials removed from the kit. If the purchases were made through a credit card, the refund will be credited back to the same account. If an Agent was paid a commission based on a product(s) that he or she purchased, and such product(s) is subsequently returned for a refund, the commission that was paid based on that product purchase will be deducted from the amount of the refund.

Products and Sales Tools shall be deemed "resalable" if each of the following elements is satisfied: 1) they are unopened and unused; 2) packaging and labeling has not been altered or damaged; and 3) it is returned to Seacret within one year from the date of purchase (the 12 month limitation shall not apply to Agents who are residents of the states of Maryland, Massachusetts, Puerto Rico and Wyoming). Any merchandise that is clearly identified at the time of sale as nonreturnable, discontinued, or as a seasonal item, shall not be resalable. Replicated Website fees are not refundable except as required by applicable state law.

7.3 - Montana Residents

A Montana resident may cancel his or her Agent Agreement within 15 days from the date of enrollment, and may return his or her Business Kit for a full refund within such time period.

7.4 - Procedures for All Returns

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

- All merchandise must be returned by the Agent or customer who purchased it directly from Seacret.
- All products to be returned must have a Return Authorization Number which is obtained by calling the Agent Services Department. This Return Authorization Number must be written on each carton returned.
- The return is accompanied by:

- The original packing slip with the completed and signed Consumer Return information;
 - the unused portion of the product in its original container.
- Proper shipping carton(s) and packing materials are to be used in packaging the product(s) being returned for replacement, and the best and most economical means of shipping is suggested. All returns must be shipped to Seacret shipping pre-paid. Seacret does not accept shipping-collect packages. If an order is declined by the buyer and returned to Seacret with postage due, the postage amount will be deducted from the refund. The risk of loss in shipping for returned product shall be on the Agent. If returned product is not received by the Company's Distribution Center, it is the responsibility of the Agent to trace the shipment.
 - If an Agent is returning merchandise to Seacret that was returned to him or her by a personal retail customer, the product must be received by Seacret within thirty (30) days from the date on which the Agent purchased the merchandise from the Company, and must be accompanied by the sales receipt the Agent gave to the customer at the time of the sale.

No refund or replacement of product will be made if the conditions of these rules are not met.

SECTION 8 - DISPUTE RESOLUTION AND DISCIPLINARY PROCEEDINGS

8.1 - Disciplinary Measures

Violation of the Agreement, these Policies and Procedures, violation of any common law duty, including but not limited to any applicable duty of loyalty, any illegal, fraudulent, deceptive or unethical business conduct, or any act or omission by

an Agent that, in the sole discretion of the Company may damage its reputation or goodwill (such damaging act or omission need not be related to the Agent's Seacret business), may result, at Seacret's discretion, in one or more of the following corrective measures:

- Issuance of a written warning or admonition;
- Requiring the Agent to take immediate corrective measures;
- Seacret may withhold from an Agent all or part of the Agent's bonuses and commissions during the period that Seacret is investigating any conduct allegedly in violation of the Agreement. If an Agent's business is canceled for disciplinary reasons, the Agent will not be entitled to recover any commissions withheld during the investigation period;
- Suspension of the individual's Agent Agreement and independent business for one or more pay periods without pay;
- Involuntary termination of the offender's Agent Agreement;
- Suspension and/or termination of the offending Agent's Seacret website or website access;
- Any other measure expressly allowed within any provision of the Agreement or which Seacret deems practicable to implement and appropriate to equitably resolve injuries caused partially or exclusively by the Agent's policy violation or contractual breach;
- In situations deemed appropriate by Seacret, the Company may institute legal proceedings for monetary and/or equitable relief.

8.2 - Grievances and Complaints

When an Agent has a grievance or complaint with another Agent regarding any practice or conduct in relationship to their respective Seacret businesses, the complaining Agent should first report the problem to his or her Sponsor who should

review the matter and try to resolve it with the other party's upline leadership. If the matter involves interpretation or violation of Company policy, it must be reported in writing to the Agent Services Department at the Company. The Agent Services Department will review the facts and resolve it.

8.3 - Mediation

For claims seeking \$10,000.00 or more that arise from or relate to the Agreement, prior to filing arbitration as set forth below, the parties shall meet in good faith and attempt to resolve such dispute through confidential non-binding mediation. One individual who is mutually acceptable to the parties shall be appointed as mediator. If the Parties cannot agree on a mediator, the complaining party shall request a mediator be appointed by the American Arbitration Association ("AAA"). The mediation shall occur within 60 days from the date on which the mediator is appointed. The mediator's fees and costs, as well as the costs of holding and conducting the mediation, shall be divided equally between the parties. Each party shall pay its portion of the anticipated shared fees and costs at least 10 days in advance of the mediation. Each party shall pay its own attorney's fees, costs, and individual expenses associated with conducting and attending the mediation. Mediation shall be held in Phoenix, Arizona and shall last no more than two business days.

8.4 - Arbitration

Except as otherwise provided in the Agreement, any controversy or claim arising out of or relating to the Agreement, or the breach thereof, shall be settled through confidential arbitration. The Parties waive rights to trial by jury or to any court. This arbitration provision applies to claims that were not successfully resolved through the foregoing mediation process as well as claims for less than \$10,000.00 not subject to the mediation requirement. The arbitration shall be filed with, and administered by,

the American Arbitration Association in accordance with the AAA's Commercial Arbitration Rules and Mediation Procedures, which are available on the AAA's website at www.adr.org. Copies of the AAA's Commercial Arbitration Rules and Mediation Procedures will also be emailed to Agents upon request to Seacret's Customer Service Department. Notwithstanding the rules of the AAA, unless otherwise stipulated by the Parties, the following shall apply to all Arbitration actions:

- The Federal Rules of Evidence shall apply in all cases;
- The Parties shall be entitled to all discovery rights permitted by the Federal Rules of Civil Procedure;
- The Parties shall be entitled to bring motions under Rules 12 and/or 56 of the Federal Rules of Civil Procedure;
- The Federal Arbitration Act shall govern all matters relating to arbitration. The law of the State of Arizona shall govern all other matters relating to or arising from the Agreement, without regard to principles of conflicts of laws.
- The arbitration hearing shall commence no later than 365 days from the date on which the arbitrator is appointed, and shall last no more than five business days;
- The Parties shall be allotted equal time to present their respective cases;
- The arbitration shall be brought on an individual basis and not as part of a class or consolidated action.

All arbitration proceedings shall be held in Phoenix, Arizona. There shall be one arbitrator selected from the panel that the AAA provides. Each party to the arbitration shall be responsible for its own costs and expenses of arbitration, including legal and filing fees. The decision of the arbitrator shall be final and binding on the parties and may, if neces-

sary, be reduced to a judgment in any court to which the Parties have consented to jurisdiction as set forth in the Agreement. This agreement to arbitrate shall survive the cancellation or termination of the Agreement.

The parties and the arbitrator shall maintain the confidentiality of the arbitration proceedings and shall not disclose to third parties:

- The substance of, or basis for, the controversy, dispute, or claim;
- The substance or content of any settlement offer or settlement discussions or offers associated with the dispute;
- The pleadings, or the content of any pleadings, or exhibits thereto, filed in any arbitration proceeding;
- The content of any testimony or other evidence presented at an arbitration hearing or obtained through discovery in arbitration;
- The terms or amount of any arbitration award;
- The rulings of the arbitrator on the procedural and/or substantive issues involved in the case.

Notwithstanding the foregoing, nothing in the Agreement shall prevent either party from applying to and obtaining from any court to which the Parties have consented to jurisdiction as set forth in the Agreement a temporary restraining order, preliminary or permanent injunction, or other equitable relief to safeguard and protect its intellectual property rights, trade secrets, and/or confidential information, including but not limited to enforcement of its rights under the nonsolicitation provision of the Agreement.

8.5 - Governing Law, Jurisdiction and Venue

Jurisdiction and venue of any matter not subject to arbitration shall reside exclu-

sively in Maricopa County, State of Arizona, or the United States District Court for the Northern District of Arizona, residing in Phoenix, Arizona. The Federal Arbitration Act shall govern all matters relating to arbitration. The law of the State of Arizona shall govern all other matters relating to or arising from the Agreement.

8.6 - Louisiana Residents

Notwithstanding the foregoing, and the arbitration provision in Section 8.4 residents of the State of Louisiana shall be entitled to bring an action against Seacret in their home forum and pursuant to Louisiana law.

8.7 - Damage Limitation

In any action arising from or relating to the Agreement, the parties waive all claims for incidental and/or consequential damages, even if the other party has been apprised of the likelihood of such damage. The parties further waive all claims to exemplary and punitive damages. Notwithstanding the foregoing, this Damage Limitation shall not apply to claims alleging the breach of the nonsolicitation or confidentiality provisions contained in these Policies.

8.8 - Liquidated Damages

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

- For Agents at the "Paid As" rank Agent through Superstar, liquidated damages shall be in the amount of his/her gross compensation that he/she earned pursuant to Seacret's Compensation Plan in the six (6) months immediately preceding the termination.

- For Agents at the "Paid As" rank Bronze through Gold, liquidated damages shall be in the amount of his/her gross compensation that he/she earned pursuant to Seacret's Compensation Plan in the twelve (12) months immediately preceding the termination.
- For Agents at the "Paid As" rank Platinum through Sapphire, liquidated damages shall be in the amount of his/her gross compensation that he/she earned pursuant to Seacret's Compensation Plan in the eighteen (18) months immediately preceding the termination.
- For Agents at the "Paid As" rank Emerald Diamond through Double Diamond liquidated damages shall be in the amount of his/her gross compensation that he/she earned pursuant to Seacret's Compensation Plan in the twenty-four (24) months immediately preceding the termination.

Gross compensation shall include commissions and bonuses earned by the Agent pursuant to Seacret's Compensation Plan as well as retail profits earned by Agent for the sale of Seacret merchandise. However, if an Agent sold merchandise to a customer from her/his inventory, the retail profits must be substantiated by providing the Company with true and accurate copies of fully and properly completed retail receipts provided by Agent to Customers at the time of the sale.

The Parties agree that the foregoing liquidated damage schedule is fair and reasonable.

An Agent's "Paid As" rank is the rank or title at which they actually qualified to earn compensation under the xxxx Compensation Plan during a pay-period. For purposes of this Policy, the relevant pay-period to determine an Agent's "Paid As" rank is the pay-period during which the Agent's business is placed on suspension or terminated, whichever occurs first. The "Paid As" rank differs from the "Title Rank," which is the highest title or rank

that a Consultant has ever achieved under the Seacret Compensation Plan.

SECTION 9 - PAYMENT AND SHIPPING

9.1 - Returned Checks

All checks returned by an Agent's bank for insufficient funds will be re-submitted for payment. A \$25.00 returned check fee will be charged to the account of the Agent. After receiving a returned check from a customer or an Agent, all future orders must be paid by Credit Card, money order or cashier's check. Any outstanding balance owed to Seacret by an Agent for NSF checks and returned check fees will be withheld from subsequent bonus and commission checks.

9.2 - Restrictions on Third Party Use of Financial Account Access

Only an Agent and one other household family member of the Agent may use the Agent's credit or credit card to make purchases from the Company. Agents are not authorized to

9.3 - Shipping Schedule

Goods are normally shipped within two business days from the date on which the order is placed.

SECTION 10 - INACTIVITY, RECLASSIFICATION, AND CANCELLATION

10.1 - Effect of Cancellation

So long as an Agent remains active and complies with the terms of the Agent Agreement and these Policies and Procedures, Seacret shall pay commissions to such Agent in accordance with the Compensation Plan. An Agent's bonuses and commissions constitute the entire consideration for the Agent's efforts in generating sales and all activities related to generating sales (including building a downline organization). Following an Agent's non-renewal of his or her Agent Agreement, cancellation for inactivity, or voluntary or

involuntary cancellation of his or her Agent Agreement (all of these methods are collectively referred to as "cancellation"), the former Agent shall have no right, title, claim or interest to the marketing organization which he or she operated, or any commission or bonus from the sales generated by the organization. **An Agent whose business is cancelled will lose all rights as an Agent. This includes the right to sell Seacret products and services and the right to receive future commissions, bonuses, or other income resulting from the sales and other activities of the Agent's former downline sales organization. In the event of cancellation, Agents agree to waive all rights they may have, including but not limited to property rights, to their former downline organization and to any bonuses, commissions or other remuneration derived from the sales and other activities of his or her former downline organization.**

Following an Agent's cancellation of his or her Agent Agreement, the former Agent shall not hold himself or herself out as a Seacret Agent and shall not have the right to sell Seacret products or services. An Agent whose business is canceled shall receive commissions and bonuses only for the last full pay period he or she was active prior to cancellation (less any amounts withheld during an investigation preceding an involuntary cancellation).

10.2 - Cancellation Due to Inactivity

10.2.1 - Failure to Meet PV Quota

If an Agent fails to personally generate at least 420 PV for 12 consecutive months, his or her Agent Agreement shall be canceled for inactivity.

10.2.2 - Failure to Earn Commissions

If an Agent has not earned a commission for six consecutive months (and thus become "inactive"), his or her Agent Agreement shall be canceled for inactivity.

10.3 - Reclassification Following Cancellation Due to Inactivity

If an Agent is cancelled for inactivity, his or her Agent Agreement will be cancelled for inactivity. If he or she is on the Company's Replenishment Program, the Preferred Customer order shall remain in effect unless specifically cancelled by the former Agent. If the former Agent was not on the Replenishment Program, he or she will not be entitled to continue purchasing products at the Agent price.

10.4 - Involuntary Cancellation

An Agent's violation of any of the terms of the Agreement, including any amendments that may be made by Seacret in its sole discretion, may result in any of the sanctions listed in Section 8.1, including the involuntary cancellation of his or her Agent Agreement. Cancellation shall be effective on the date on which written notice is mailed, emailed, faxed, or delivered to an express courier, to the Agent's last known address, email address, or fax number, or to his/her attorney, or when the Agent receives actual notice of cancellation, whichever occurs first.

Seacret reserves the right to terminate all Agent Agreements upon thirty (30) days written notice in the event that it elects to: (1) cease business operations; (2) dissolve as a corporate entity; or (3) terminate distribution of its products via direct selling.

10.5 - Voluntary Cancellation

A participant in this network marketing plan has a right to cancel at any time, regardless of reason. If Cancellation is in writing, the Cancellation notice must be submitted in to the Company at its principal business address. The written notice must include the Agent's signature, printed name, address, and Agent I.D. Number.

In addition to written cancellation, Agents who have consented to Electronic Contracting will cancel their Agent Agreement should they withdraw their consent to contract electronically.

An Agent may also voluntarily cancel his or her Seacret business by returning \$300.00 or more of merchandise in any 12 month rolling period and seeking a refund for such returns.

If an Agent is also on the Autoship program, the Agent's Autoship order shall continue unless the Agent also specifically requests that his or her Autoship Agreement also be canceled.

10.6 - Non-renewal

An Agent may also voluntarily cancel his or her Agent Agreement by failing to annually renew the Agreement within 30 days its anniversary date.

SECTION 11 - DEFINITIONS

Affiliated Party - A shareholder, member, partner, manager, trustee, or other parties with any ownership interest in, or management responsibilities for, a Business Entity.

Agreement - The contract between the Company and each Agent includes the Agent Application and Agreement, the Seacret Policies and Procedures, the Seacret Compensation Plan, and the Business Entity Addendum (where appropriate), all in their current form and as amended by Seacret in its sole discretion. These documents are collectively referred to as the "Agreement."

Business Kit — A selection of Seacret training materials and business support literature, and Agent replicated website that each Independent Agent is required to purchase.

Cancel — The termination of an Agent's business. Cancellation may be either voluntary, involuntary, through non-renewal or inactivity.

Downline Leg — Each one of the individuals enrolled immediately underneath you and their respective marketing organiza-

tions represents one “leg” in your marketing organization.

Household - Spouses, heads-of-household, and dependent family members residing at the same address.

Immediate Household — Spouses, heads-of-household, and dependent family members residing in the same residence.

Official Seacret Material — Literature, audio or video recordings, websites, and other materials developed, printed, published and/or distributed by Seacret to Agents.

Personal Production — The personal purchase or sale of products under your account.

Rank — The “title” that an Agent holds based on their performance under the Seacret Compensation Plan. “Title Rank” refers to the highest rank an Agent has achieved in the Seacret compensation plan at any time. “Paid As” rank refers to the rank at which an Agent is qualified to earn commissions and bonuses during the current pay period.

Recruit — For purposes of Seacret’s Conflicts of Interest Policy (Section 3.23) the term “Recruit” means the actual or attempted sponsorship, solicitation, enrollment, encouragement, or effort to influence in any other way, either directly, indirectly, or through a third party, another Seacret Agent or Customer to enroll or participate in another multilevel marketing, network marketing or direct sales opportunity.

External Website – An Agent’s Seacret-approved personal website that is hosted on non-Seacret servers and has no official affiliation with Seacret.

Replicated Website – A website provided by Seacret to Agents which utilizes website templates developed by Seacret.

Resalable — Products and Sales aids shall

be deemed "resalable" if each of the following elements are satisfied: 1) they are unopened and unused; 2) packaging and labeling has not been altered or damaged; 3) they are in a condition such that it is a commercially reasonable practice within the trade to sell the merchandise at full price; 4) it is returned to Seacret within 12 months from the date of purchase. Any merchandise that is identified at the time of sale as nonreturnable, discontinued, or as a seasonal item, shall not be resalable.

Preferred Customer – An individual or entity that enrolls in the Seacret Replenishment Service and receives preferred pricing.

Retail Customer — An individual who purchases Seacret products from an Agent but who is not a participant in the Seacret compensation plan.

Retail Sales – Sales to a Retail Customer.

Sales Tools (or “Tools”) – Marketing or promotional materials, sales aids, recruitment aids, business marketing or business building services, training material, and/or advertising materials, of any nature that directly or indirectly promote Seacret products and/or the Seacret business. Sales Tools are not comissionable.

Social Media - Any type of online media that invites, expedites or permits conversation, comment, rating, and/or user generated content, as opposed to traditional media, which delivers content but does not allow readers/viewers/listeners to participate in the creation or development of content, to rate or the comment or response to content. Examples of Social Media include, but are not limited to, blogs, FaceBook, MySpace, Twitter, LinkedIn, Delicious, Pinterest, and YouTube.

Sponsor — An Agent under whom an enroller places a new Agent or Customer, and is listed as the sponsor on the Agent or Customer Application and Agreement.

Upline —The line of Agents above any particular Agent in the Seacret genealogy that link the Agent to the Company.