

EFI Operations Pty Ltd

ABN 36 643 821 532

Policies and Procedures

Effective September 1, 2020

Contents

SECTION 1 - MISSION STATEMENT	1
SECTION 2 - INTRODUCTION.....	2
2.1 - PURPOSE OF THE ADVOCATE AGREEMENT AND THE POLICIES AND PROCEDURES.....	2
2.2 - POLICIES AND PROCEDURES INCORPORATED INTO ADVOCATE AGREEMENT.....	2
2.3 - CHANGES TO THE AGREEMENT.....	2
2.4 - POLICIES AND PROVISIONS SEVERABLE.....	3
2.5 - WAIVER.....	3
2.6 - COMPANY USE OF INFORMATION.....	3
SECTION 3 - BECOMING AN ADVOCATE.....	4
3.1 - REQUIREMENTS TO BECOME AN ADVOCATE.....	4
3.2 - BUSINESS KIT AND PRODUCT PURCHASES.....	4
3.3 - ADVOCATE BENEFITS.....	4
3.4 - TERM AND RENEWAL OF YOUR ECOFORCE BUSINESS.....	5
SECTION 4 - OPERATING AN ECOFORCE BUSINESS.....	6
4.1 - ADHERENCE TO THE ECOFORCE COMPENSATION PLAN.....	6
4.2 - ADVERTISING.....	6
4.2.1 - General.....	6
4.2.2 - Trade marks and Copyrights.....	7
4.2.3 - Media and Media Inquiries.....	8
4.2.4 - Unsolicited Email.....	8
4.2.4.1 - Requirements for All Commercial Email Messages.....	9
4.2.4.2 - Commercial Email Messages Sent on Behalf of Advocates.....	11
4.2.5 - Unsolicited Faxes.....	11
4.2.6 - Telephone Directory Listings.....	11
4.2.7 - Television and Radio Advertising.....	12
4.2.8 - Advertised Prices.....	12
4.3 - ONLINE CONDUCT.....	12
4.3.1 - Advocate Web Sites.....	12
4.3.2 - EcoForce Replicated Websites.....	12
4.3.3 - Domain Names, email Addresses and Online Aliases.....	13
4.3.4 - Online Classifieds.....	13
4.3.5 - eBay / Online Auctions.....	13
4.3.6 - Online Retailing.....	14

4.3.7 - Spam Linking.....	14
4.3.8 - Digital Media Submission (YouTube, iTunes, Instagram etc.).....	14
4.3.9 - Domain Names and Email Addresses.....	14
4.3.10 - Social Media.....	14
4.3.11 - Prohibited Postings.....	16
4.3.12 - Responding to Negative Posts.....	16
4.4 - BUSINESS ENTITIES.....	16
4.4.1 - Addition or Removal of an Affiliated Party.....	17
4.4.2 - Changes to a Business Entity.....	17
4.5 - CHANGE OF SPONSOR.....	19
4.5.1 - Misplacement.....	19
4.5.2 - Upline Approval.....	19
4.5.3 - Termination and Re-application.....	19
4.5.4 - WAIVER OF CLAIMS.....	20
4.6 - UNAUTHORIZED CLAIMS AND ACTIONS.....	20
4.6.1 - Indemnification.....	20
4.6.2 - Compensation Plan Claims.....	20
4.6.3 - Income Disclosure Statement.....	21
4.7 - REPACKAGING AND RE-LABELING PROHIBITED.....	23
4.8 - COMMERCIAL OUTLETS.....	23
4.9 - TRADE SHOWS, EXPOSITIONS AND OTHER SALES FORUMS.....	23
4.10 - CONFLICTS OF INTEREST.....	23
4.10.1 - Crossline Recruiting.....	23
Advocates are prohibited from crossline recruiting. The use of a spouse, common law or civil partner or relative's name, trade names, DBAs, assumed names, entities, ABNs, or fictitious identification numbers, or any other device or contrivance to circumvent this policy is prohibited. An Advocate shall not demean, discredit, or defame other EcoForce Advocates in an attempt to entice another customer, Advocate or prospective Advocate to become part of his or her organization.....	23
For the purposes of this Section 4.11.1, the term "crossline recruiting" means the actual or attempted sponsorship, solicitation, enrollment, encouragement, or effort to influence in any way, either directly, indirectly, or through a third party, of another EcoForce Advocate or Customer to enroll, join, or otherwise participate in another EcoForce marketing organization, downline, or line of sponsorship other than the one in which he, she, or it originally enrolled.....	24
4.10.2 - Nonsolicitation.....	24
4.10.3 - Advocate Participation in Other Network Marketing Programs.....	24
4.10.4 - Confidential Information.....	25
4.11 - TARGETING OTHER DIRECT SELLERS.....	26
4.12 - Errors or Questions.....	27
4.13 - GOVERNMENTAL APPROVAL OR ENDORSEMENT.....	27
4.14 - INCOME TAXES.....	27
4.15 - INDEPENDENT CONTRACTOR STATUS.....	27
4.16 - INSURANCE.....	28
4.17 - INTERNATIONAL MARKETING.....	28
4.18 - EXCESS INVENTORY AND BONUS BUYING.....	29
4.19 - ADHERENCE TO LAWS, REGULATIONS AND THE AGREEMENT.....	29
4.20 - ONE EcoFORCE BUSINESS PER ADVOCATE AND PER HOUSEHOLD.....	30
4.21 - ACTIONS OF HOUSEHOLD MEMBERS OR AFFILIATED PARTIES.....	30

4.22 - REQUESTS FOR RECORDS	30
4.23 - ROLL-UP OF MARKETING ORGANIZATION	31
4.24 - SALE, TRANSFER OR ASSIGNMENT OF ECOFORCE BUSINESS	31
4.25 - SEPARATION OF AN ECOFORCE BUSINESS.....	32
4.26 - SPONSORING ONLINE	33
4.27 - SUCCESSION.....	33
4.27.1 - Transfer Upon Death of an Advocate	33
4.27.2 - Transfer Upon Incapacitation of an Advocate	34
4.28 - TELEMARKETING TECHNIQUES	34
4.29 - BACK OFFICE ACCESS.....	35
4.30 - UNAUTHORIZED COMMUNICATION	35
SECTION 5 - RESPONSIBILITIES OF ADVOCATES.....	36
5.1 - CHANGE OF ADDRESS, TELEPHONE, AND E-MAIL ADDRESSES.....	36
5.2 - CONTINUING DEVELOPMENT	36
5.2.1 - Ongoing Training.....	36
5.2.2 - Increased Training Responsibilities.....	36
5.2.3 - Ongoing Sales Responsibilities.....	37
5.2.4 - Reporting Policy Violations	37
5.3 - NONDISPARAGEMENT.....	37
5.4 - PROVIDING DOCUMENTATION TO APPLICANTS	38
SECTION 6 - SALES REQUIREMENTS	39
6.1 - PRODUCT SALES.....	39
6.2 - NO TERRITORY RESTRICTIONS.....	39
SECTION 7 - BONUSES AND COMMISSIONS	40
7.1 - BONUS AND COMMISSION QUALIFICATIONS AND ACCRUAL	40
7.2 - ADJUSTMENT TO BONUSES AND COMMISSIONS	40
7.2.1 - Adjustments for Returned Products and Cancelled Services	40
7.2.2 - Commission Payments.....	40
7.2.3 - Tax Withholdings.....	41
7.3 - REPORTS.....	41
SECTION 8 - PRODUCT GUARANTEES, RETURNS AND INVENTORY REPURCHASE.....	43
8.1 - PRODUCT GUARANTEE	43
8.2 - COOLING-OFF RIGHTS	43
8.2.1 - CUSTOMERS.....	43
8.2.2 - INFORMING CUSTOMERS	43
8.3 - RETURN OF SALES AIDS BY ADVOCATES UPON TERMINATION	43
8.4 - PROCEDURES FOR ALL RETURNS.....	44
SECTION 9 - DISPUTE RESOLUTION AND DISCIPLINARY PROCEEDINGS.....	44
9.1 - DISCIPLINARY SANCTIONS	44
9.2 - GRIEVANCES AND COMPLAINTS.....	45
9.3 - MEDIATION.....	45
9.4 - ARBITRATION	46
9.5 - GOVERNING LAW, JURISDICTION, AND VENUE	47

SECTION 10 - PAYMENTS 48

 10.1 - RESTRICTIONS ON THIRD PARTY USE OF CREDIT CARDS 48

 10.2 - GOODS AND SERVICES TAX 48

SECTION 11 - INACTIVITY AND TERMINATION..... 49

 11.1 - EFFECT OF TERMINATION 49

 11.2 - TERMINATION DUE TO INACTIVITY 49

 11.2.1 - FAILURE TO MEET PV QUOTA..... 49

 11.2.2 - FAILURE TO EARN COMMISSIONS 49

 11.3 - INVOLUNTARY TERMINATION 49

 11.4 - VOLUNTARY TERMINATION 50

 11.5 - NON-RENEWAL 50

SECTION 12 - DEFINITIONS 51

SECTION 1 - MISSION STATEMENT

By empowering people through knowledge and action, plant enough trees to sequester 30% of the world's annual carbon output and create a living legacy for all involved.

SECTION 2 - INTRODUCTION

2.1 - Purpose of the Advocate Agreement and the Policies and Procedures

The purposes of the Advocate Agreement and the Policies and Procedures include the following:

- ❖ To assist Advocates in building and protecting their independent businesses;
- ❖ To protect EcoForce and its Advocates from legal and regulatory risks;
- ❖ To establish standards of acceptable behaviour;
- ❖ To set forth the rights, privileges, and obligations of EcoForce and its Advocates; and
- ❖ To define the relationship between EcoForce and its Advocates.

2.2 - Policies and Procedures Incorporated into Advocate Agreement

These Policies and Procedures, in their present form and as amended by EFI Operations Pty Ltd & EcoForce Australia Pty Ltd (hereafter “EcoForce” or the “Company”), are incorporated into, and form an integral part of, the EcoForce Independent Advocate Application and Agreement (“Advocate Agreement”). It is the responsibility of each Advocate to read, understand, adhere to, and ensure that he or she is aware of and operating under the most current version of these Policies and Procedures. Throughout these Policies, when the term “Agreement” is used, it collectively refers to the EcoForce Advocate Application and Agreement (including the Terms and Conditions), these Policies and Procedures, and the EcoForce Business Entity Addendum (if applicable). These documents are incorporated by reference into the EcoForce Advocate Agreement (all in their current form and as amended by EcoForce).

2.3 - Changes to the Agreement

EcoForce reserves the right, acting reasonably, to amend the Agreement, the Compensation Plan, and its prices in its sole discretion. Amendments shall be effective thirty (30) days after publication of notice that the Agreement has been modified. Amendments shall not apply retroactively to conduct that occurred prior to the effective date of the amendment. Notification of amendments shall be published by one or more of the following methods: (1) posting on the Company’s official web site; (2) electronic mail (e-mail); (3) posting in Advocates’ back-offices; (4) inclusion in Company periodicals; (5) inclusion in product orders or bonus cheques; or (6) special mailings. The continuation of an Advocate’s independent EcoForce business, the acceptance of any benefits under the Agreement, or an Advocate’s acceptance of bonuses or commissions constitutes acceptance of all amendments. If the amendments are not acceptable to the Advocate, the Advocate may terminate the Agreement by providing written notice to the Company

2.4 - 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 remaining 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.

2.5 - 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 EcoForce to exercise any right or power under the Agreement or to insist upon strict compliance by an Advocate 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 EcoForce's right to demand exact compliance with the Agreement. The existence of any claim or cause of action of an Advocate against EcoForce shall not constitute a defense to EcoForce's enforcement of any term or provision of the Agreement.

2.6 - Company Use of Information

By submitting an Advocate Application and Agreement that is accepted by EcoForce, the Advocate consents to allow EcoForce, its affiliates, and any related company to: (a) process and utilize the information submitted in the Advocate Application and Agreement (as amended from time to time) for business purposes related to the EcoForce business; and (b) disclose, now or in the future, such Advocate information to companies which EcoForce may, from time to time, deal with to deliver information to an Advocate to improve its marketing, operational, and promotional efforts. An Advocate has the right to access his or her personal information via his or her respective back office, and to submit updates thereto. An Advocate also has a right to make a privacy-related complaint to the Company. Further information about the Company's privacy practices and procedures is contained in the Company's Privacy Policy, which is available on its website.

SECTION 3 - BECOMING AN ADVOCATE

3.1 - Requirements to Become an Advocate

To become an EcoForce Advocate, each applicant must:

- ❖ Be at least 18 years of age;
- ❖ Reside in Australia or a country that EcoForce has officially announced is open for business;
- ❖ Provide EcoForce with his/her valid Australian Business Number (“**ABN**”) (if they hold an ABN);
- ❖ Purchase an EcoForce Business Kit; and
- ❖ Submit a properly completed online Advocate Application and Agreement to EcoForce.

EcoForce reserves the right, where acting reasonably, to accept or reject any Advocate Application and Agreement.

3.2 - Business Kit and Product Purchases

With the exception of a Business Kit, no person is required to purchase EcoForce products, services or sales aids, or to pay any charge or fee to become an Advocate. In order to support Advocates in the operation and management of their EcoForce businesses, the Company requires that they purchase a Business Kit which provides a self-replicated website that allows them to market our offerings and opportunity, as well as a suite of business tools to monitor the sales and growth of their businesses, and communicate with their sales organizations

3.3 - Advocate Benefits

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

- ❖ Sell EcoForce products and services;
- ❖ Participate in the EcoForce Compensation Plan (receive bonuses and commissions, if eligible);
- ❖ Sponsor other individuals as Customers or Advocates into the EcoForce business and thereby, build a marketing organization and progress through the EcoForce Compensation Plan;
- ❖ Receive periodic EcoForce literature and other EcoForce communications;
- ❖ Participate in EcoForce-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 EcoForce for its Advocates, which will be subject to separate terms and conditions.

3.4 - Term and Renewal of Your EcoForce Business

The term of the Advocate Agreement is one year from the date of its acceptance by EcoForce. Advocates must renew their Advocate Agreement each year by paying an annual renewal fee of \$70.00 on or before the anniversary date of their Advocate Agreement. If the renewal fee is not paid within thirty (30) days after the expiration of the current term of the Advocate Agreement, the Advocate Agreement will be automatically terminated by written notice to the Advocate. Advocates may elect to utilize the Automatic Renewal Program (“ARP”). Under the ARP, the Company will send the Advocate a renewal notification at least 30 days before the renewal fee is charged to the Advocate’s credit card on file with the Company. Advocates may opt out of the ARP at any time by sending written notice to the Company. Advocates without a credit card or bank account must renew by phone or mail. EcoForce shall (where acting reasonably) have the right in its sole discretion not to accept the Agreement or any renewal of it.

SECTION 4 - OPERATING AN ECOFORCE BUSINESS

4.1 - Adherence to the EcoForce Compensation Plan

Advocates must adhere to the terms of the EcoForce Compensation Plan as set forth in official EcoForce literature, as amended from time to time. Advocates shall not offer the EcoForce opportunity through, or in combination with, any other system, program, sales tools, or method of marketing other than that specifically set forth in official EcoForce literature. Advocates shall not require or encourage other current or prospective Customers or Advocates to execute any agreement or contract other than official EcoForce agreements and contracts in order to become an EcoForce Advocate or Customer. Similarly, Advocates shall not require or encourage other current or prospective [Customers or]Advocates to make any purchase from, or payment to, any individual or other entity to participate in the EcoForce Compensation Plan other than those purchases or payments identified as required in official EcoForce documents or literature.

4.2 - Advertising

4.2.1 - General

All Advocates shall safeguard and promote the good reputation of EcoForce and its products. The marketing and promotion of EcoForce, the EcoForce opportunity, the Compensation Plan, and EcoForce products must avoid all discourteous, deceptive, misleading, unconscionable, unethical or immoral, or illegal conduct or practices.

To promote both the products and services, and the tremendous opportunity EcoForce offers, Advocates must use the sales aids, business tools, and support materials produced or approved by EcoForce. The Company has carefully designed its products, product labels, services, Compensation Plan, and promotional materials to ensure that they are promoted in a fair and truthful manner, that they are substantiated, and the materials comply with the legal requirements of federal and state laws.

Accordingly, Advocates may only advertise or promote their EcoForce business using approved tools, templates or images acquired through EcoForce. No approval is necessary to use these approved tools. If you wish to design your own online or offline marketing materials of any kind, your designs must be submitted to the EcoForce advertising department (support@EcoForceglobal.com) for consideration and inclusion in the template/image library. Unless you receive specific written approval from EcoForce to use such tools (which will not be unreasonably withheld or delayed), the request shall be deemed denied. Go to the *Template Library* tab in your back office for guidelines and to access the library.

Advocates may not sell sales aids to other EcoForce Advocates. Therefore, Advocates

who receive authorization from EcoForce to produce their own sales aids may not sell such material to any other EcoForce Advocate. Advocates may make approved material available to other Advocates free of charge if they wish, but may not charge other EcoForce Advocates for the material.

EcoForce further reserves the right (where acting reasonably) to rescind approval for any sales tools, promotional materials, advertisements, or other literature, and Advocates waive all claims for damages or remuneration arising from or relating to such rescission.

4.2.2 - Trade marks and Copyrights

The name of EcoForce and other names as may be adopted by EcoForce are proprietary trade names, trade marks and service marks of EcoForce (collectively “marks”). As such, these marks are of great value to EcoForce and are supplied to Advocates for their use only in an expressly authorized manner. EcoForce will only allow the limited non-exclusive use of its marks, designs, or symbols, or any derivatives thereof, solely by an Advocate in the furtherance or operation of his or her EcoForce business, consistent with these Policies and Procedures. EcoForce will not allow the use of its marks, designs, or symbols, or any derivatives thereof, by any person, including EcoForce Advocates, in any manner without its prior, written permission.

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

As an independent Advocate, you may use the EcoForce name in the following manner

Advocate's Name
Independent EcoForce Advocate

Example:

Alice Smith
Independent EcoForce Advocate

or

Alice Smith
EcoForce
Independent Advocate

Advocates may not use the name EcoForce 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 nickname. Additionally, only use the phrase *Independent EcoForce Advocate* in your phone greeting or on your answering machine to clearly separate your independent EcoForce business from the Company. For example, you may not secure the domain name www.buyEcoForce.com, nor may you create an email address such as EcoForcesales@hotmail.com.

4.2.2.1 - Independent EcoForce Advocate Logo

If you use an EcoForce logo in any communication, you must use the Independent Advocate version of the EcoForce logo. No other design is permissible.



4.2.3 - Media and Media Inquiries

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

4.2.4 - Unsolicited Email

EcoForce does not permit Advocates to send unsolicited commercial emails unless such emails strictly comply with applicable laws and regulations including, without limitation, the Spam Act 2003 (Cth). The Spam Act regulates the transmission of all commercial electronic messages, including e-mail messages, SMS and MMS, not just unsolicited messages. A commercial e-mail message is defined as any electronic message that has a purpose of:

- ❖ offering to supply goods or services; or
- ❖ advertising or promoting goods or services or the supplier of the goods or services.

Please note that you cannot send an electronic message asking for consent as this is considered a commercial message in nature (and would breach the Spam Act).

4.2.4.1 - Requirements for All Commercial Email Messages

The Mailing List

- ❖ The mailing list may include only persons who have affirmatively agreed (opted in) to receive commercial e-mail from you. You must keep a record of their consent.
- ❖ The mailing list must not include any recipient who has previously asked not to receive commercial e-mail from the business (opted out).
- ❖ You must “scrub” the mailing list against your “do not e-mail” list at the last possible, commercially reasonable moment before the e-mail is sent.

The E-mail Message

- ❖ The message must include complete and accurate transmission and header information.
- ❖ The “From” line must identify your business as the sender. This does not have to include your business’s formal name, if any. For example, it may contain your business’s name, trade name, or product or service name. The key requirement is that the “From” line provide the recipient with enough information to understand who is sending the message.
- ❖ The “Subject” line must accurately describe the message’s content.
- ❖ The message must clearly include the business’s full name and ABN (if any) and current physical postal address. This address can be a:
 - street address; or
 - post office box.
- ❖ The message must disclose that it is an advertisement or solicitation unless the e-mail message is sent only to recipients who have affirmatively agreed (opted in) to receive these messages from the business.
- ❖ There must be a functioning return email address to the sender.
- ❖ The use of deceptive subject lines and/or false header information is prohibited.

The Opt-out Mechanism

- ❖ The message must clearly explain that the recipient may opt out of receiving future commercial messages from the business.
- ❖ The message must include either an e-mail address or other online mechanism that the recipient may use for this opt out. The mechanism must not require the recipient

to:

- do anything more than reply to the e-mail or visit a single web page to opt out;
 - make any payment or submit any personal information, including account information (other than e-mail address), to opt out; and
 - the opt-out mechanism must work for at least 30 days after the e-mail is sent.
- ❖ You must ensure that the explanation of how a recipient can opt out is easy to read and understand.
 - ❖ You may include a menu of opt-out options that permit the recipient to select the types of commercial messages the recipient would like to continue receiving. However, one option must permit opting out of all commercial messages from you.
 - ❖ You must honor all opt-out requests within five business days.
 - ❖ Opt-out requests do not expire. An opt-out is overridden only by the recipient's subsequent express (opt in) request to receive commercial e-mail.
 - ❖ All opt-out requests, whether received by email or regular mail, must be honored. If you receive an opt-out request from a recipient of an email, you must forward the opt-out request to the Company.
 - ❖ You may not sell, share or use a business's opt-out list for any reason other than to comply with the law.

Monitoring Opt-out Capabilities – If you use a third-party service provider you must implement procedures to ensure that your opt-out capabilities actually work. An example of a basic procedure to test the opt-out procedure is as follows:

- ❖ Establish e-mail accounts with several major private e-mail account providers (for example, Gmail, Yahoo, Hotmail, AOL, and so on) and add these e-mail addresses to the business's mailing list. For each e-mail address created for monitoring purposes, use the business's opt-out mechanism to remove the e-mail address from the mailing list.
- ❖ Repeat this procedure on a regular basis (for example, at least every two weeks).
- ❖ Examine the e-mail received by the monitoring e-mail account to confirm that the: the opt-out mechanism works; the opt-out request is honored within five business days; and the monitoring e-mail account no longer receives commercial messages from the business.
- ❖ If the monitoring and testing process reveals problems, the business should immediately fix the issues.

Third-party Marketing Affiliates or Service Providers - When using third-party service providers, including affiliate marketers you should ensure that the written contract with the

service provider clearly sets out each party's responsibilities for compliance with the Spam Act and includes appropriate and adequate remedies for noncompliance.

Address-harvesting Software – The Spam Act prohibits:

- ❖ the use or supply of a list that has been created with address-harvesting software;
and
- ❖ the use or supply of address-harvesting software.

4.2.4.2 - Commercial Email Messages Sent on Behalf of Advocates

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

4.2.5 - Unsolicited Faxes

Except as provided in this section, Advocates may not use or transmit unsolicited faxes in connection with their independent EcoForce business. The term "unsolicited faxes" means the transmission via telephone facsimile or computer of any material or information advertising or promoting EcoForce, its products, its Compensation Plan or any other aspect of the Company which is transmitted to any person. Unsolicited faxes must not be sent to any number which has been entered on the Do Not Call Register. However, "unsolicited faxes" 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 Advocate has an established business or personal relationship by which consent can be inferred. The term "established business or personal relationship" means a prior or existing relationship formed by a voluntary two way communication between an Advocate and a person, on the basis of: (a) an inquiry, application, purchase or transaction by the person regarding products offered by such Advocate; or (b) a personal or familial relationship, which relationship has not been previously terminated by either party.

4.2.6 - Telephone Directory Listings

Advocates may list themselves as an "Independent EcoForce Advocate" in the white or yellow pages of the telephone directory, or with online directories, under their own name. No Advocate may place telephone or online directory display ads using EcoForce's name or logo. Advocates may not answer the telephone by saying "EcoForce", "EcoForce Incorporated", or in any other manner that would lead the caller to believe that he or she has reached corporate

offices of EcoForce. If an Advocate wishes to post his/her name in a telephone or online directory, it must be listed in the following format:

Advocate's Name

Independent EcoForce Advocate

4.2.7 - Television and Radio Advertising

Advocates may not advertise on television and radio except with EcoForce's express written approval (which will not be unreasonably withheld or delayed).

4.2.8 - Advertised Prices

Advocates may not create their own marketing or advertising material offering any EcoForce products at a price less than the current price on www.ecoforceglobal.com. Similarly, Advocates may not sell any EcoForce products at a price less than the current price on www.ecoforceglobal.com.

4.3 - Online Conduct

4.3.1 - Advocate Web Sites

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

4.3.2 - EcoForce Replicated Websites

Advocates receive an EcoForce Replicated Website subscription to facilitate online buying experience for their Customers and enrollments for prospective Customers and Advocates. There is a **\$70.00** annual charge for Replicated Websites. Advocates are solely responsible and liable for the content they add to their Replicated Website and must regularly review the content to ensure it is accurate and relevant.

Advocates 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-EcoForce products, services or income opportunities. Specifically, you may not alter the look (placement, sizing etc.) or functionality of the following:

- ❖ The EcoForce Independent Advocate Logo
- ❖ Your Name

- ❖ EcoForce Corporate Website Redirect Button
- ❖ Artwork, logos, or graphics
- ❖ Original text.

Because Replicated Websites reside on the EcoForceglobal.com domain, EcoForce reserves the right to receive analytics and information regarding the usage of your website.

By default, your EcoForce Replicated Website URL is www.EcoForceglobal.com/<distributorID#>. You must change this default ID and choose a uniquely identifiable website name that cannot:

- ❖ Be confused with other portions of the EcoForce corporate website;
- ❖ Confuse a reasonable person into thinking they have landed on an EcoForce corporate page;
- ❖ Be confused with any EcoForce name;
- ❖ Contain any discourteous, misleading, or off-color words or phrases that may damage EcoForce's image.

4.3.3 - Domain Names, email Addresses and Online Aliases

You are not allowed to use or register EcoForce or any of EcoForce's trade marks, product names, or any derivatives, for any Internet domain name, email address, social media website, blog website, online handles or online aliases. Additionally, you cannot use or register domain names, email addresses, social media websites, blog websites, online handles 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 EcoForce. Examples of the improper use of EcoForce include, but are not limited to any form of EcoForce showing up as the sender of an email or examples such as:

www.MyEcoForceBiz.com

www.ISellEcoForce.com

www.EcoForceMoney.net

www.EcoForceDreamTeam.com

www.EcoForcebyJaneDoe.com

www.JanesEcoForceOpportunity.net

4.3.4 - Online Classifieds

You may not use online classifieds (including Gumtree or Craigslist) to list, sell or retail specific EcoForce products or product bundles. You may use online classifieds for prospecting, recruiting, sponsoring and informing the public about the EcoForce income opportunity.

4.3.5 - eBay / Online Auctions

EcoForce's products and services may not be listed on eBay or other online auctions, nor may Advocates enlist or knowingly allow a third party to sell EcoForce products on eBay, other

online auction site, or ecommerce sites, such as Amazon.com, MercadoLibre.com, AliBaba.com, TowBow.com, etc.. If an Advocate becomes aware, or should have reasonably become aware, that a third party to whom he or she sells EcoForce products is doing this, s/he must immediately discontinue all sales to the third party.

4.3.6 - Online Retailing

Advocates may not list or sell EcoForce products on any online retail store or ecommerce site (such as Amazon), nor may you enlist or knowingly allow a third party to sell EcoForce products on any online retail store or ecommerce site. If an Advocate becomes aware, or should have reasonably become aware, that a third party to whom he or she sells EcoForce products is doing this, s/he must immediately discontinue all sales to the third party.

4.3.7 - 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.

4.3.8 - Digital Media Submission (YouTube, iTunes, Instagram etc.)

Advocates may upload, submit or publish EcoForce-related video, audio or photo content that they develop and create so long as it aligns with EcoForce's values, contributes to the EcoForce community greater good, and is in compliance with EcoForce's Policies and Procedures. All submissions must clearly identify you as an Independent EcoForce Advocate 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. Advocates may not upload, submit or publish any content (video, audio, presentations or any computer files) received from EcoForce or captured at official EcoForce events or in buildings owned, leased, or operated by EcoForce without prior written permission from EcoForce (which will not be unreasonably withheld or delayed).

4.3.9 - Domain Names and Email Addresses

Except as set forth in the Agreement, Advocates may not use or attempt to register any of EcoForce's trade names, trade marks, service names, service marks, product names, the Company's name, or any derivative of the foregoing, for any Internet domain name, email address, or social media name or address.

4.3.10 - Social Media

In addition to meeting all other requirements specified in these Policies and Procedures,

should you utilize any form of social media, including but not limited to Facebook, Instagram, Snapchat, Twitter, LinkedIn, YouTube, or Pinterest, you agree 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 your EcoForce Replicated Website.
- ❖ It is your responsibility to follow the social media site's Terms of Use. If the social media site does not allow its site to be used for commercial activity, you must abide by the site's Terms of Use.
- ❖ Any social media site that is directly or indirectly operated or controlled by an Advocate that is used to discuss or promote EcoForce's products or the EcoForce opportunity may not link to any website, social media site, or site of any other nature, other than the Advocate's EcoForce replicated website.
- ❖ During the term of this Agreement and for a period of 12 calendar months thereafter, an Advocate may not use any social media site on which they discuss or promote, or have discussed or promoted, the EcoForce business or EcoForce's products to directly or indirectly solicit EcoForce Advocates for another direct selling, multilevel marketing or network marketing program (collectively, "Direct Selling"). In furtherance of this provision, an Advocate shall not take any action that may reasonably be foreseen to result in drawing an inquiry from other Advocates relating to the Advocate's other direct selling business activities. Violation of this provision shall constitute a violation of the non-solicitation provision in Section 4.11 (Conflicts of Interest) below.
- ❖ Advocates who engage in another Direct Selling Business (as defined in Section 4.11.2) must not, directly, indirectly or through a third party use any social media account (e.g., Facebook, Twitter, LinkedIn, YouTube, Pinterest, Instagram, etc.) that the Advocate currently uses or has used in the past to promote or discuss EcoForce, its products, programs, services or the business opportunity ("EcoForce Social Media"), to promote another Direct Selling Business. If an Advocate is involved in another Direct Selling Business, the Advocate must create a separate social media account to promote the other Direct Selling Business. Advocates are also prohibited from "cross-posting" from their other Direct Selling Business social media account on to the Advocate's EcoForce Social Media and vice versa.
- ❖ An Advocate may post or "pin" photographs of EcoForce products on a social media site, but only photos that are provided by EcoForce and downloaded from the Advocate's Back-Office may be used.

In addition to the requirements specified elsewhere in these Policies and Procedures, if an Advocate utilizes any form of Social Media, he or she agrees to each of the following:

- a. To generate sales and/or enroll an Advocate, a Social Media site must link only to the Advocate's replicated website or the Advocate's External Website.
- b. Other than Pinterest and similar Social Media sites, any Social Media site that is directly or indirectly operated or controlled by an Advocate that is used to discuss or promote EcoForce products or the EcoForce opportunity may not link to any website, Social Media site, or site of any other nature, other than the Advocate's replicated website or the Advocate's External Website.
- c. If an Advocate creates a business profile page on any Social Media site that promotes or relates to EcoForce, its products, or opportunity, the business profile page must relate exclusively to the Advocate's independent EcoForce business and EcoForce products. If the Advocate's EcoForce business is terminated for any reason, or if the Advocate becomes inactive, the Advocate must deactivate the business profile page.

4.3.11 - Prohibited Postings

An Advocate may not make any postings, or link to any postings or other material that are:

- a. Sexually explicit, obscene, or pornographic;
- b. Offensive, profane, hateful, threatening, harmful, defamatory, libelous, harassing, or discriminatory (whether based on race, ethnicity, creed, religion, gender, sexual orientation, physical disability, or otherwise);
- c. Graphically violent, including any violent video game images or postings or material which may incite violence;
- d. Solicitous of any unlawful behaviour;
- e. Engaged in personal attacks on any individual, group, or entity; or
- f. In violation of any intellectual property rights of the Company or any third party.

4.3.12 - Responding to Negative Posts

An Advocate is prohibited from conversing with others who place a negative post against them, other Advocates or the Company. The Advocate must report negative posts to EcoForce's Compliance Department at Compliance@EcoForceglobal.com.

4.4 - Business Entities

A company, partnership or trust (collectively referred to in this section as a "Business Entity") may apply to be an EcoForce Advocate by submitting an Advocate Application and Agreement along with a properly completed Business Entity Registration Form. The Business Entity, as well as all shareholders, members, managers, partners, trustees, or other parties with any ownership (legal or equitable) interest in, or management responsibilities for, the Business Entity (collectively "Affiliated Parties") are individually, jointly and severally liable for any

indebtedness to EcoForce, compliance with the EcoForce Policies and Procedures, the EcoForce Advocate Agreement, and other obligations to EcoForce.

4.4.1 - Addition or Removal of an Affiliated Party

When adding an Affiliated Party to an existing EcoForce distributorship, the Company requires a signed written request as well as a properly completed Advocate Agreement containing the original Applicant's/Applicants' and new Affiliated Party's/Parties/ information, and signatures. EcoForce may, at its discretion, require certified documents before adding an Affiliated party to an independent EcoForce business.

To prevent the circumvention of Sections 4.25 (Sale, Transfer or Assignment of EcoForce Business) and 4.5, (Change of Sponsor), if any Affiliated Party wants to terminate his or her relationship with the Business Entity or EcoForce, the Affiliated Party must terminate his or her affiliation with the Business Entity, notify EcoForce in writing that he or she has terminated his/her affiliation with the Business Entity, and must comply with the provisions of Section 4.25 (Sale, Transfer or Assignment of EcoForce Business). When removing a co-applicant from an existing EcoForce account, the Company requires a written and certified request from the departing Affiliated Party/Parties, as well as a properly completed Advocate Agreement containing only the remaining Affiliate Party's/Parties' Australian Business Number (**ABN**) and signature(s). In addition, the Affiliated Party terminating his/her/its their interest in the Business Entity may not participate in any other EcoForce business for six consecutive calendar months in accordance with Section 4.5.3 (Termination and Re-application). If the Business Entity wishes to bring on any new Affiliated Party, it must adhere to the requirements of Section 4.25 (Sale, Transfer or Assignment of EcoForce Business).

There is a **\$25.00** fee for each change requested, which must be included with the written request and the completed Advocate Application and Agreement. The original documents (not copies) relating to the addition or removal of an Affiliate Party must be submitted to EcoForce's Customer Service Department by mail or overnight courier to 32 Hope Street, South Brisbane Qld 4101. Please allow thirty (30) days after the receipt of the request by EcoForce for processing.

The modifications permitted within the scope of this paragraph *do not* include a change of sponsorship. Changes of sponsorship are addressed in Section 4.5 (Change of Sponsor), below.

4.4.2 - Changes to a Business Entity

Each Advocate must immediately notify EcoForce of all changes to the type of business entity they utilize in operating their businesses and the addition or removal of business Affiliated

Parties.

4.5 - Change of Sponsor

EcoForce strongly discourages changes in sponsorship. In order to protect all Sponsors, no Advocate may interfere with the relationship between another Advocate and his or her Sponsor in any way. An Advocate may not offer, entice, encourage, solicit, recruit, or otherwise influence or attempt to persuade another Advocate to change his or her Sponsor or line of sponsorship, either directly or indirectly. Accordingly, the transfer of an EcoForce business from one Sponsor to another is rarely permitted. Requests for change of sponsorship must be submitted in writing to the Advocate Support Department, and must include the reason for the transfer. Transfers will only be considered in the following three circumstances:

4.5.1 - Misplacement

In cases in which the new Advocate is sponsored by someone other than the individual he or she was led to believe would be his or her Sponsor, an Advocate may request that he or she be transferred to another organization with his or her entire marketing organization intact. Requests for transfer under this policy will be evaluated on a case-by-case basis and must be made within 21 days from the date of enrollment. The Advocate requesting the change has the burden of proving that he or she was placed beneath the incorrect Sponsor. It is up to EcoForce's discretion whether the requested change will be implemented.

4.5.2 - Upline Approval

The Advocate seeking to transfer submits a properly completed and fully executed original Sponsorship Transfer Form which includes the written approval of his or her immediate two (2) upline Advocates in his or her marketing organization. Photocopied or facsimile signatures are not acceptable. All Advocate signatures must be certified. The Advocate who requests the transfer must submit a fee of **\$50.00** for administrative charges and data processing. If the transferring Advocate also wants to move any of the Advocates in his or her marketing organization, each downline Advocate must also obtain a properly completed Sponsorship Transfer Form and return it to EcoForce with the **\$50.00** change fee (i.e., the transferring Advocate and each Advocate in his or her marketing organization multiplied by \$50.00 is the cost to move an EcoForce business.) Downline Advocates will not be moved with the transferring Advocate unless all of the requirements of this paragraph are met. Transferring Advocates must allow thirty (30) days after the receipt of the Sponsorship Transfer Forms by EcoForce for processing and **verifying** change requests. Once an Advocate is moved pursuant to this section, the Advocate may not return to his/her/its former position.

4.5.3 - Termination and Re-application

An Advocate may legitimately change organizations by voluntarily canceling his or her EcoForce business and remaining inactive (*i.e.*, no purchases of EcoForce products for resale,

no sales of EcoForce products, no sponsoring, no attendance at any EcoForce functions, participation in any other form of Advocate activity, or operation of any other EcoForce business, no income from the EcoForce business) for six (6) full calendar months. Following the six month period of inactivity, the former Advocate may reapply under a new Sponsor, however, the former Advocate's downline will remain in their original line of sponsorship. EcoForce will consider waiving the six month waiting period under exceptional circumstances. Such requests for waiver must be submitted to EcoForce in writing.

Any change in sponsorship in accordance with this Policy at any rank is limited to one time in the Advocate's life. EcoForce will not accept an Advocate Agreement for an Advocate wishing to change Sponsors beyond the first Sponsor change made in accordance with this Policy.

4.5.4 - Waiver of Claims

In cases in which the appropriate sponsorship change procedures have not been followed, and a downline organization has been developed in the second business developed by an Advocate, EcoForce reserves the sole right (where acting reasonably) 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, **ADVOCATES WAIVE ANY AND ALL CLAIMS AGAINST ECOFORCE, ITS OFFICERS, DIRECTORS, OWNERS, EMPLOYEES, AND AGENTS THAT RELATE TO OR ARISE FROM ECOFORCE'S DECISION REGARDING THE DISPOSITION OF ANY DOWNLINE ORGANIZATION THAT DEVELOPS BELOW AN ORGANIZATION THAT HAS IMPROPERLY CHANGED LINES OF SPONSORSHIP.**

4.6 - Unauthorized Claims and Actions

4.6.1 - Indemnification

An Advocate is fully responsible for all of his or her verbal and written statements made regarding EcoForce products, services, and the Compensation Plan that are not expressly contained in official EcoForce 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. Advocates agree to indemnify EcoForce and EcoForce's directors, officers, employees, and agents (collectively referred to herein as "Affiliates"), and hold them harmless from all liability including judgments, civil penalties, refunds, attorney fees, court costs, or lost business incurred by EcoForce as a result of the Advocate's unauthorized, misleading or false representations or actions. This provision shall survive the termination of the Advocate Agreement.

4.6.2 - Compensation Plan Claims

When presenting or discussing the EcoForce Compensation Plan, you must make it clear to prospects that financial success with EcoForce 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; or
- ❖ All you have to do is buy your products every month.

The above are merely 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 EcoForce Advocate without commitment, effort, and sales skill.

4.6.3 - Income Disclosure Statement

EcoForce's corporate ethics compel us to do not merely what is legally required, but rather, to conduct the absolute best business practices. To this end, we will develop the EcoForce Income Disclosure Statement ("IDS") on or before the first anniversary of our launch. Once it is developed, Advocates will be required to adhere to the provisions of this section regarding the proper use of the IDS.

The EcoForce IDS is designed to convey truthful, timely, and comprehensive information regarding the income that EcoForce Advocates earn. In order to accomplish this objective, a copy of the IDS must be presented to all prospective Advocates. The failure to comply with this policy constitutes a material breach of the EcoForce Advocate Agreement and will be grounds for termination, pursuant to Section 9.1 (Disciplinary Sanctions).

An Advocate, when presenting or discussing the EcoForce opportunity or Compensation Plan to a prospective Advocate, may not make income projections, income claims, or disclose his or her EcoForce income (including the showing of cheques, copies of cheques, bank statements, or tax records) **[unless, at the time the presentation is made, the Advocate provides a current copy of the EcoForce Income Disclosure Statement (IDS) to the person(s) to whom he or she is making the presentation].**

A copy of the IDS must be presented to a prospective Advocate (someone who is not a party to a current EcoForce Advocate Agreement) anytime the Compensation Plan is presented or discussed, **[or any type of income claim or earnings representation is made]**.

The terms “income claim” and/or “earnings representation” (collectively “income claim”) include: (1) statements of actual earnings; (2) statements of projected earnings; (3) statements of earnings ranges; (4) income testimonials; (5) lifestyle claims; and (6) hypothetical claims.

A lifestyle income claim typically includes statements (or pictures) involving large homes, luxury cars, exotic vacations, or other items suggesting or implying wealth. They also consist of references to the achievement of one's dreams, having everything one always wanted, and are phrased in terms of “opportunity” or “possibility” or “chance.” Claims such as “My EcoForce income exceeded my salary after six months in the business,” or “Our EcoForce business has allowed my wife to come home and be a full-time mom” also fall within the purview of “lifestyle” claims.

A hypothetical income claim exists when you attempt to explain the operation of the Compensation Plan through the use of a hypothetical example. Certain assumptions are made regarding some or all of the following: (1) number of personally-enrolled Customers and Advocates; (2) number of downline Customers and Advocates; (3) average sales/purchase volume/sales volume per Customer and Advocate; and (4) total organizational volume. Applying these assumptions through the Compensation Plan yields income figures which constitute hypothetical income claims.

In any non-public meeting (e.g., a home meeting, one-on-one, regardless of venue) with a prospective Advocate or Advocates in which the Compensation Plan is discussed **[or any type of income claim is made]**, you must provide the prospect(s) with a copy of the IDS. In any meeting that is open to the public in which the Compensation Plan is discussed **[or any type of income claims is made]**, you must provide every prospective Advocate with a copy of the IDS and you must display at least one (3 foot x 5 foot poster board) in the front of the room in reasonably close proximity to the presenter(s). In any meeting in which any type of video display is utilized (e.g., monitor, television, projector, etc.) a slide of the IDS must be displayed continuously throughout the duration of any discussion of the Compensation Plan **[or the making of an income claim]**.

Copies of the IDS may be printed or downloaded without charge from the corporate website at <http://www.EcoForceglobal.com/IDS>.

Advocates who develop sales aids and tools in which the Compensation Plan [**or income claims**] are present must incorporate the IDS into each such sales aid or tool prior to submission to the Company for review.

4.7 - Repackaging and Re-labeling Prohibited

EcoForce products must be sold in their original packaging. Advocates may not repackage, re-label, or alter the labels on EcoForce products. Tampering with labels/packaging could be a violation of federal and state laws, and may result in civil or criminal liability. Advocates 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.

4.8 - Commercial Outlets

Advocates may not sell EcoForce products from a commercial outlet, nor may Advocates display or sell EcoForce products or literature in any retail or service establishment. Online auction and/or sales facilitation websites, including but not limited to eBay and Gumtree constitute “commercial outlets”, and may not be used to sell EcoForce products.

4.9 - Trade Shows, Expositions and Other Sales Forums

Advocates may display and/or sell EcoForce products at trade shows and professional expositions subject to the approval of EcoForce (which will not be unreasonably withheld). Before submitting a deposit to the event promoter, Advocates must contact the Advocate Services department in writing for conditional approval, as EcoForce’s policy is to authorize only one EcoForce business per event. Final approval will be granted to the first Advocate who submits an official advertisement of the event, a copy of the contract signed by both the Advocate and the event official, and a receipt indicating that a deposit for the booth has been paid. Approval is given only for the event specified. Any requests to participate in future events must again be submitted to the Events Department. EcoForce further reserves the right (where acting reasonably) to refuse authorization to participate at any function which it does not deem a suitable forum for the promotion of its products, services, or the EcoForce opportunity. Approval will not be given for swap meets, garage sales, flea markets or farmer’s markets as these events are not conducive to the professional image EcoForce wishes to portray.

4.10 - Conflicts of Interest

4.10.1 - Crossline Recruiting

Advocates are prohibited from crossline recruiting. The use of a spouse, common law or civil partner or relative’s name, trade names, DBAs, assumed names, entities, ABNs, or fictitious identification numbers, or any other device or contrivance to circumvent this policy is prohibited.

An Advocate shall not demean, discredit, or defame other EcoForce Advocates in an attempt to entice another customer, Advocate or prospective Advocate to become part of his or her organization.

For the purposes of this Section 4.11.1, the term “crossline recruiting” means the actual or attempted sponsorship, solicitation, enrollment, encouragement, or effort to influence in any way, either directly, indirectly, or through a third party, of another EcoForce Advocate or Customer to enroll, join, or otherwise participate in another EcoForce marketing organization, downline, or line of sponsorship other than the one in which he, she, or it originally enrolled.

4.10.2 - Nonsolicitation

EcoForce Advocates are free to participate in other direct selling entities, businesses, organizations, opportunities, or ventures (collectively referred to as a “Direct Selling Business”). However, during the term of this Agreement, any renewal or extension hereof, and for a period of six calendar months following the termination of an Advocate’s Independent Advocate Agreement, with the exception of an Advocate who is personally sponsored by the Advocate (or former Advocate, as may be applicable), an Advocate (or former Advocate) may not solicit or encourage, directly or indirectly, any EcoForce Advocate or Customer to join or work with another Direct Selling Business. Advocates and the Company recognize that because direct selling is conducted through networks of independent contractors dispersed across Australia 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, Advocates and EcoForce agree that this non-solicitation provision shall apply nationwide throughout Australia and to all international markets in which Advocates are located. This provision shall survive the termination or expiration of the Advocate Agreement.

For the purposes of this Section 4.11.2, the term “recruit” means the actual or attempted sponsorship, solicitation, enrollment, encouragement, or effort to influence in any way (either directly, indirectly, or through a third party) another EcoForce Advocate or Customer to: (1) enroll, join, or otherwise participate in another Direct Selling Business; or (2) terminate or alter his or her business or contractual relationship with the EcoForce. The term “recruit” also includes the above activities in the event that the Advocate’s actions are in response to an inquiry made by another Advocate or Customer.

4.10.3 - Advocate Participation in Other Network Marketing Programs

If an Advocate is engaged in another non-EcoForce Direct Selling Business, it is the responsibility of the Advocate to ensure that his or her EcoForce business is operated entirely separate and apart from any other Direct Selling Business. To this end, the following must be adhered to:

- ❖ Advocates must not sell, or attempt to sell, any competing non-EcoForce programs, products or services to EcoForce Customers or Advocates. Any program, product or services in the same generic categories as EcoForce products or services is deemed to be competing, regardless of differences in cost, quality or other distinguishing factors. This provision does not apply where professional services are the primary source of revenues and the product sales are secondary to the provision of such services (e.g., physician's offices, health clinics, health clubs, gyms, spas or beauty salons). However, an Advocate may sell non-competing products or services to EcoForce Customers or Advocates who are personally-sponsored.
- ❖ Advocates shall not display EcoForce promotional material, sales aids, products or services with or in the same location as, any non-EcoForce promotional material or sales aids, products or services.
- ❖ Advocates shall not offer the EcoForce opportunity, products or services to prospective or existing EcoForce Customers or Advocates in conjunction with any non-EcoForce program, opportunity, product or service.
- ❖ Advocates may not offer, present, display or discuss any non-EcoForce products, services or opportunity at any EcoForce-related meeting, seminar, convention, webinar, teleconference, or other function.
- ❖ Advocates may not produce any literature, audio or video recording or promotional material of any nature (including but not limited to social media postings and emails) which is used by the Advocate or any third person to recruit Advocates or customers to participate in any other Direct Selling Business;
- ❖ Advocates may not engage or participate in any activity that may reasonably be foreseen to draw an inquiry from EcoForce's Advocates or customers relating to the Advocate's other Direct Selling Business activities, products or services.

All of these provisions as outlined in this Section 4.11.3 shall survive the termination or expiration of the Advocate Agreement for a period of one (1) year after such termination or expiration.

4.10.4 - Confidential Information

"Confidential Information" includes, but is not limited to, Downline Genealogy Reports, the identities of EcoForce customers and Advocates, contact information of EcoForce customers and Advocates, Advocates' personal and group sales volumes, Advocate rank and/or achievement levels, and other financial and business information. All Confidential Information (whether oral or in written or electronic form) is proprietary information of EcoForce and constitutes a business trade secret belonging to EcoForce. Confidential Information is, or may be available, to Advocates in their respective back-offices. Advocate access to such Confidential Information is password protected, and is confidential and constitutes proprietary information and business trade secrets belonging to EcoForce. Such Confidential Information is provided to

Advocates in strictest confidence and is made available to Advocates for the sole purpose of assisting Advocates in working with their respective downline organizations in the development of their independent EcoForce business. Advocates may not use the reports for any purpose other than for developing, managing, or operating their EcoForce business. Where an Advocate participates in other multi-level marketing ventures, he/she is not eligible to have access to Downline Genealogy Reports. EcoForce recommends that Advocates use the Confidential Information to assist, motivate, and train their downline Advocates. The Advocate and EcoForce agree that, but for this agreement of confidentiality and nondisclosure, EcoForce would not provide Confidential Information to the Advocate.

To protect the Confidential Information, Advocates 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;
- ❖ Use any Confidential Information to compete with EcoForce or for any purpose other than promoting his or her EcoForce business;
- ❖ Recruit or solicit any Advocate or Customer of EcoForce listed on any report or in the Advocate's back-office, or in any manner attempt to influence or induce any Advocate or Customer of EcoForce, to alter their business relationship with EcoForce; or
- ❖ Use or disclose to any person, partnership, association, corporation, or other entity any Confidential Information.

The obligation not to disclose Confidential Information shall survive cancellation or termination of the Agreement, and shall remain effective and binding irrespective of whether an Advocate's Agreement has been terminated, or whether the Advocate is or is not otherwise affiliated with the EcoForce. Upon nonrenewal or termination of the Agreement, Advocates must immediately discontinue all use of the Confidential Information and if requested by the EcoForce promptly return all materials in their possession to the EcoForce within five (5) business days of request at their own expense.

4.11 - Targeting Other Direct Sellers

EcoForce does not condone Advocates specifically or consciously targeting the sales force of another direct sales company to sell EcoForce products or to become Advocates for EcoForce, nor does EcoForce condone Advocates 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 Advocates engage in such activity, they bear the risk of being sued by the

other direct sales company. If any lawsuit, arbitration or mediation is brought against an Advocate alleging that he or she engaged in inappropriate recruiting activity of its sales force or customers, EcoForce will not pay any of the Advocate's defense costs or legal fees, nor will EcoForce indemnify the Advocate for any judgment, award, or settlement.

4.12 - Errors or Questions

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

4.13 - 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, Advocates shall not represent or imply that EcoForce or its Compensation Plan have been "approved," "endorsed" or otherwise sanctioned by any government agency.

4.14 - Income Taxes

Each Advocate is responsible for paying income tax on any income generated as an Independent Advocate. However, where required by law, EcoForce will withhold income tax at the highest rate from payments to the Advocate and remit it to the Australian Taxation Office if the Advocate has not provided an Australian Business Number (**ABN**) to EcoForce. Unfortunately, we cannot provide you with any personal tax advice. Please consult your own tax accountant, tax attorney, or other tax professional. No later than 31 July in each year, EcoForce will provide a statement of earnings to Advocates [**who (1) Had earnings of over \$600 in the previous financial year; or (2) Made purchases during the previous financial year in excess of \$5,000**].

4.15 - Independent Contractor Status

Advocates are independent contractors. The Agreement between EcoForce and its Advocates does not create an employer/employee relationship, agency, franchise, partnership, or joint venture between the Company and the Advocate. Advocates shall not be treated as an employee for any purpose, including for tax purposes. All Advocates are responsible for paying income taxes due from all compensation earned as an Advocate of the Company (and EcoForce will not withhold PAYG installments from payments to Advocates unless required by law). The Advocate has no authority (expressed or implied), to bind the Company to any obligation. Each Advocate shall establish his or her own goals, hours, and methods of sale, so long as he or she

complies with the terms of the Advocate Agreement, these Policies and Procedures, and applicable laws.

4.16 - Insurance

You may wish to arrange insurance coverage for your business. Your homeowner's insurance policy does not cover business-related injuries, or the theft of or damage to inventory or business equipment. Contact your insurance agent to make certain that your business property is protected.

4.17 - International Marketing

Advocates are authorized to promote and/or sell EcoForce products and services, and enroll Customers or Advocates only in the countries in which EcoForce is authorized to conduct business, as announced in official Company literature (an "Official Country"). EcoForce products or sales aids may not be given, transferred, distributed, shipped into or sold in any Unauthorized Country (see definition below). Advocates not may sell, give, transfer, or distribute EcoForce products or sales aids from one Official Country into another Official Country.

Advocates have no authority to take any steps in any country toward the introduction or furtherance of the Company. This includes, but is not limited to, any attempt to register, reserve or otherwise secure any Company names, trade marks, trade names, copyright, patent, other intellectual property, to secure approval for products or business practices, or to establish business or governmental contacts. You agree to indemnify the Company for all costs incurred by it for any remedial action needed to exonerate the Company in the event you improperly act purportedly on behalf of the Company.

Only after the Company has announced that a country is officially open for business (an "Official Country") may Advocates conduct business in that Official Country by promoting the Company (or related entity) and/or promoting, marketing or selling Products, and enrolling other Advocates or Customers. Advocates are required to follow all laws, rules and regulations of the Official Country. Advocate may use only promotional materials approved by the Company for use in an Official Country and sell only products approved for sale in that country.

In addition, no Advocate may, in any Unauthorized Country:

- advertise the Company, the Compensation Plan or its products;
- offer Company products for sale or distribution
- conduct sales, enrollment or training meetings;

- enroll or attempt to enroll potential Customers or Advocates;
- Accept payment for enrollment or recruitment from citizens of countries where EcoForce does not conduct business;
- promote international expansion via the Internet or in promotional literature; or
- conduct any other activity for the purpose of selling EcoForce products, establishing a marketing organization, or promoting the EcoForce opportunity.

An Advocate is solely responsible for compliance with all laws, tax requirements, immigration laws, customs laws, rules and regulations of any country in which he or she conducts business, including those where the Advocate's Customers are located. Advocates accept the sole responsibility to conduct their independent businesses lawfully within each country in which he or she conducts business.

An Advocate's Agreement may be terminated if the Company, where acting reasonably, determines that, he or she has not conducted business in particular country in accordance with the terms and conditions contained herein or the governing laws within such country. In such circumstances, before termination occurs, EcoForce will provide written notice to the Advocate and the Advocate will be given an opportunity to respond.

The Company reserves the right to establish additional policies and procedures that are applicable to a specific country. An Advocate who conducts business internationally agrees to abide by all special policies established by the Company, which are notified to the Advocate for the specific country or countries in which he or she conducts business.

4.18 - Excess Inventory and Bonus Buying

Advocates 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 Advocate 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.

4.19 - Adherence to Laws, Regulations and the Agreement

Advocates must comply with all federal, state, and local laws, regulations, codes, and the terms of the Agreement in the conduct of their businesses. Many cities and counties have laws regulating certain home-based businesses. In most cases these local laws are not applicable to

Advocates because of the nature of their business. However, Advocates must obey those laws that do apply to them. If a city or county official tells an Advocate that a local law applies to him or her, the Advocate shall be polite and cooperative, and immediately send a copy of the local law to the Compliance Department of EcoForce. In addition, Advocates must not recommend, encourage or teach other Advocates to violate federal, state, or local laws, regulations, , codes, or the terms of the Agreement in the operation of their EcoForce business.

4.20 - One EcoForce Business Per Advocate and Per Household

An Advocate may operate or have an ownership interest, legal or equitable, as a sole proprietorship, partner, shareholder, trustee, or beneficiary, in only one EcoForce business. No individual may have, operate or receive compensation from more than one EcoForce business.

Individuals of the same Household may maintain, own, and operate their own EcoForce Business. A "Household" is defined as spouses or common law or civil partners and dependent adult children living at or doing business at the same address. In the event that two members of the same Household elect to become Advocates at the same time, one must be enrolled by the other. In the event that more than two members of the same Household elect to become Advocates at the same time, they must elect one Household member to enroll the others. In the event that members of the same Household elect to become Advocates at different times, the Household member who joined EcoForce first must be the Sponsor for all other Household members.

4.21 - Actions of Household Members or Affiliated Parties

If any member of an Advocate's Household or any member of an Affiliated Party's Household, engages in any activity which, if performed by the Advocate, would violate any provision of the Agreement, such activity will be deemed a violation by the Advocate and EcoForce may take disciplinary action pursuant to the Policies and Procedures against the Advocate. Similarly, if any individual associated in any way with a corporation, partnership, trust or other entity (collectively "Business Entity") violates the Agreement, such action(s) will be deemed a violation by the Business Entity, and EcoForce may take disciplinary action against the Business Entity. Likewise, if an Advocate enrolls in EcoForce as a Business Entity, each Affiliated Party of the Business Entity shall be personally and individually bound to, and must comply with, the terms and conditions of the Agreement.

4.22 - Requests for Records

Any request from an Advocate for copies of invoices, applications, downline activity reports, or other records will require a fee of **\$1.00** per page per copy. This fee covers the expense of mailing and time required to research files and make copies of the records.

4.23 - Roll-up of Marketing Organization

When a vacancy occurs in a Marketing Organization due to the termination of an EcoForce business, each Advocate in the first level immediately below the terminated Advocate on the date of the termination will be moved to the first level (“front line”) of the terminated Advocate’s sponsor. For example, if A sponsors B, and B sponsors C1, C2, and C3, if B terminates her business, C1, C2, and C3 will “roll-up” to A and become part of A’s first level.

4.24 - Sale, Transfer or Assignment of EcoForce Business

Although an EcoForce business is a privately owned and independently operated business, the sale, transfer or assignment of an EcoForce business, and the sale, transfer, or assignment (collectively referred to herein as “transfer”) of an interest in a Business Entity that owns or operates an EcoForce business, is subject to certain limitations. If an Advocate wishes to transfer his or her EcoForce business, or transfer an interest in a Business Entity that owns or operates an EcoForce business, the following criteria must be met:

- ❖ The business must be at or above the rank of EI Leader.
- ❖ The selling Advocate must offer EcoForce the right of first refusal to purchase the business on the same terms as agreed upon with a third-party buyer. EcoForce 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 EcoForce Advocate. If the buyer is an active EcoForce Advocate, he or she must first terminate his or her EcoForce business and wait six calendar months before acquiring any interest in a different EcoForce business.
- ❖ Before the transfer can be finalized and approved by EcoForce, any debt obligations the selling party has with EcoForce must be satisfied.
- ❖ The transferring party must be in good standing and not in violation of any of the terms of the Agreement in order to be eligible to transfer an EcoForce business.

Prior to transferring an independent EcoForce business or Business Entity interest, the transferring Advocate must notify EcoForce’s Compliance Department in writing and advise of his or her intent to transfer his/her EcoForce business or Business Entity interest. The transferring Advocate must receive written approval from the Compliance Department (which will not be unreasonably withheld or delayed) before proceeding with the transfer. The decisions of EcoForce regarding a transfer shall be made acting reasonably and in its sole discretion. No changes in line of sponsorship can result from the transfer of an EcoForce business. In the event that an Advocate transfers his or her EcoForce business without the express written approval of the Compliance Department, such transfer shall be voidable in the sole discretion of EcoForce (where acting reasonably).

4.25 - Separation of an EcoForce Business

EcoForce Advocates sometimes operate their EcoForce businesses as husband-wife partnerships, common law partnerships, regular partnerships, companies, trusts, or other Business Entities. At such time as a marriage may end in divorce, a common law or civil partnership may end or a corporation, partnership, trust or other Business Entity may wind-up or 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/winding-up 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 independent EcoForce business pursuant to an assignment in writing whereby the relinquishing spouse, common law or civil partner, shareholders, partners or trustees authorize EcoForce to deal directly and solely with the other spouse, common law or civil partner or non-relinquishing shareholder, member, partner, or trustee (subject to any applicable laws).
- ❖ The parties may continue to operate the EcoForce business jointly on a “business-as-usual” basis, whereupon all compensation paid by EcoForce will be paid according to the status quo as it existed prior to the divorce filing or dissolution/winding-up 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, separating common law or civil partners or a dissolving/winding-up business entity be divided. Similarly, under no circumstances will EcoForce split commission and bonus cheques between divorcing spouses, separating common law or civil partners or members of dissolving/winding-up entities. EcoForce will recognize only one downline organization and will issue only one commission cheque per EcoForce business per commission cycle. Commission cheques shall always be issued to the same individual or entity.

If a former spouse or common law or civil partner has completely relinquished all rights in the original independent EcoForce business pursuant to a divorce or separation, 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/windings-up, 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/winding-up before re-enrolling as an Advocate. In

either case, the former spouse, common law or civil partner or business affiliate shall have no rights to any Advocates in their former organization or to any former Customer. They must develop the new business in the same manner as would any other new Advocate.

4.26 - Sponsoring Online

When sponsoring a new Advocate 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, EcoForce's Policies and Procedures, and the EcoForce Compensation Plan. The Sponsor may not fill out the online Advocate Application and Agreement on behalf of the applicant and agree to these materials on behalf of the applicant.*

4.27 - Succession

Upon the death or incapacitation of an Advocate, 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, including but not limited to, letters of administration, or Grant of Probate. Accordingly, an Advocate should consult a legal practitioner to assist him or her in the preparation of a will or other testamentary instrument. Whenever an EcoForce business is transferred by a will or other testamentary process, the beneficiary acquires the right to collect all bonuses and commissions of the deceased Advocate's marketing organization provided the following qualifications are met. The successor(s) must:

- ❖ Execute an Advocate Agreement;
- ❖ Comply with terms and provisions of the Agreement;
- ❖ Meet all of the qualifications for the deceased Advocate's status;
- ❖ The devisee must provide EcoForce with an "address of record" to which all bonus and commission cheques will be sent;
- ❖ If the business is bequeathed to joint devisees, they must form a business entity and acquire an ABN. EcoForce will issue all bonus and commission cheques to the business entity.

4.27.1 - Transfer Upon Death of an Advocate

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

4.27.2 - Transfer Upon Incapacitation of an Advocate

To effectuate a transfer of an EcoForce business because of incapacity, the successor must provide the following to EcoForce: (1) a certified copy of an appointment of enduring guardian; (2) a certified copy of the document, (such as an Enduring Power of Attorney) establishing the representative's right to administer the EcoForce business; and (3) a completed Advocate Agreement executed by the representative

4.28 - Telemarketing Techniques

The Australian Competition and Consumer Commission (“**ACCC**”) and the Australian Communications and Media Authority (“**ACMA**”) each have laws that restrict telemarketing practices. ACMA has “do not call” regulations as part of the telemarketing laws it regulates. Although EcoForce does not consider Advocates to be “telemarketers” in the traditional sense of the word, these laws 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” register could cause you to violate the law. Moreover, these regulations must not be taken lightly, as they carry significant penalties.

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

- ❖ If the Advocate has an established business relationship with the prospect so that the Advocate has the implied consent of the prospect to receive a telemarketing call. An “established business relationship” is a relationship between an Advocate and a prospect based on the prospect’s purchase, rental, or lease of goods or services from the Advocate, or a financial transaction between the prospect and the Advocate.
- ❖ The prospect’s personal inquiry or application regarding a product or service offered by the Advocate, within the three (3) months immediately preceding the date of such a call.
- ❖ If the Advocate receives written and signed permission from the prospect authorizing the Advocate to call. The authorization must specify the telephone number(s) which the Advocate 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, regulators 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.

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

4.29 - Back Office Access

EcoForce makes online back offices available to its Advocates. Back offices provide Advocates access to confidential and proprietary information that may be used solely and exclusively to promote the development of an Advocate’s EcoForce business and to increase sales of EcoForce products. However, access to a back office is a privilege, and not a right. EcoForce reserves the right to deny Advocates’ access to the back office at its sole discretion where it is acting reasonably. Should it deny access, EcoForce will provide written notification to the Advocate and the Advocate will be given an opportunity to respond.

4.30 - Unauthorized Communication

In the excitement and enthusiasm of working his or her EcoForce business, an Advocate may attempt to contact the Company’s vendors, suppliers, or advisors with questions or ideas. Any such communication without the Company’s prior written consent (which will not be unreasonably withheld or delayed) is strictly prohibited. Vendors, suppliers, and advisors are often not set up to handle a large volume of contacts. Equally important, we must respect their rights to privacy. Questions regarding any of these entities may be directed to Field Support.

SECTION 5 - RESPONSIBILITIES OF ADVOCATES

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

To ensure timely delivery of products, support materials, commission, and tax documents, it is important that the EcoForce's files are current. Street addresses are required for shipping since couriers cannot deliver to a post office box. Advocates planning to change their e-mail address or move must send their new email address, street address and telephone numbers to EcoForce's Corporate Offices to the attention of the Advocate Services Department. To guarantee proper delivery, two weeks advance notice must be provided to EcoForce on all changes. In the alternative, an Advocate's whose contact information changes may amend their contact information through their Advocate Back Office.

5.2 - Continuing Development

5.2.1 - Ongoing Training

EcoForce recommends that any Advocate, who sponsors another Advocate into EcoForce, should perform a bona fide assistance and training function to ensure that his or her downline is properly operating his or her EcoForce business. Advocates are strongly encouraged to have ongoing contact and communication with the Advocates 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 Advocates to EcoForce meetings, training sessions, and other functions. Upline Advocates are encouraged to motivate and train new Advocates in EcoForce product knowledge, effective sales techniques, the EcoForce Compensation Plan, and compliance with Company Policies and Procedures and applicable laws. Communication with and the training of downline Advocates must not, however, violate Sections 4.1 and/or 4.2 (regarding the development of Advocate-produced sales aids and promotional materials).

EcoForce recommends that Advocates monitor the Advocates in their Downline Organizations to guard against downline Advocates making improper product or business claims, violation of the Policies and Procedures, or engaging in any illegal or inappropriate conduct.

5.2.2 - Increased Training Responsibilities

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

5.2.3 - Ongoing Sales Responsibilities

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

5.2.4 - Reporting Policy Violations

Advocates who are aware of a violation of these Policies and Procedures by another Advocate must submit a written report of the violation directly to the attention of EcoForce's Compliance Department by mail or email at compliance@ecoforceglobal.com. Details of the incident in question such as dates, number of occurrences, persons involved, and any supporting documentation should be included in the report. Any incident reported to the Compliance Department must have supporting documentation such as images, screenshots, text messages, emails, etc.. Any incident reported without proper supporting documentation will not be reviewed.

5.3 - Nondisparagement

EcoForce wants to provide its independent Advocates with the best products, Compensation Plan, and service in the industry. Accordingly, we value your constructive criticisms and comments. All such comments should be submitted in writing to the Support Department. Remember, to best serve you, we must hear from you! While EcoForce welcomes constructive input, negative comments and remarks made in the field by Advocates about the Company, its products, or Compensation Plan serve no purpose other than to sour the enthusiasm of other EcoForce Advocates.

For this reason, and to set the proper example for their downline, during the term of this Agreement and at any time thereafter, Advocate agrees not make any false, derogatory, demeaning or disparaging statements (collectively "disparage") or encourage or induce others to disparage EcoForce, other EcoForce Advocates, the Compensation Plan or any of EcoForce's past and present owners, officers, directors, employees or products (the "Company Parties"). (i) make any statements, or take any other actions whatsoever, to disparage, defame, demean, sully or compromise the goodwill, name, brand or reputation of the Company, its products, Compensation Plan, Customers, Advocates or any of its EcoForce Affiliates (as defined in Section 4.6.1) (collectively, the "Company Goodwill") or (ii) commit any other action that could likely injure, hinder or interfere with the Business, business relationships or Company Goodwill of the Company, its Ambassadors, Customers or its EcoForce Affiliates.

For purposes of this Section 5.3, the term "disparage" includes, without limitation, comments or statements to the press, any media outlet, industry group, financial institution, EcoForce's Advocates, employees or to any individual or entity with whom EcoForce has a

business relationship (including, without limitation, any vendor, supplier, Customer, Advocate or independent contractor), social media posts, or any public statement, that in each case is intended to, or can be reasonably expected to, materially damage any of the Company Parties. Notwithstanding the foregoing, nothing in this Section 5.3 shall prevent an Advocate from making any truthful statement to the extent, but only to the extent: (1) necessary with respect to any litigation, arbitration or mediation involving this Agreement, including, but not limited to, the enforcement of this Agreement, in the forum in which such litigation, arbitration or mediation properly takes place; or (2) required by law, legal process or by any court, arbitrator, mediator or administrative or legislative body (including any committee thereof) with apparent jurisdiction over the Advocate.

5.4 - Providing Documentation to Applicants

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

SECTION 6 - SALES REQUIREMENTS

6.1 - Product Sales

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

6.2 - No Territory Restrictions

There are no exclusive territories granted to anyone.

SECTION 7 - BONUSES AND COMMISSIONS

7.1 - Bonus and Commission Qualifications and Accrual

An Advocate must be active and in compliance with the Agreement to qualify for bonuses and commissions. So long as an Advocate complies with the terms of the Agreement, EcoForce shall pay commissions to such Advocate in accordance with the Compensation Plan. The minimum amount for which EcoForce will issue a commission is **\$10.00**. If an Advocate's bonuses and commissions do not equal or exceed **\$10.00**, the Company will accrue the commissions and bonuses until they total **\$10.00**. Payment will be issued once **\$10.00** has been accrued. Notwithstanding the foregoing, all commissions owed an Advocate, regardless of the amount accrued, will be paid at the end of each fiscal year or upon the termination of an Advocate's business.

7.2 - Adjustment to Bonuses and Commissions

7.2.1 - Adjustments for Returned Products and Cancelled Services

Advocates receive bonuses, commissions, or overrides based on the actual sales of products and services to end consumers. When a service is cancelled or a product is returned to EcoForce for a refund or is repurchased by the Company, any of the following may occur at the Company's discretion: (1) the bonuses, commissions, or overrides attributable to the returned or repurchased product(s) or cancelled service will be deducted from payments to the Advocate and upline Advocates who received bonuses, commissions, or overrides on the sales of the refunded product(s) or cancelled service, in the month in which the refund is given, and continuing every pay period thereafter until the commission is recovered; (2) the Advocate or upline Advocates who earned bonuses, commissions, or overrides based on the sale of the returned product(s) or cancelled service will have the corresponding points deducted from their Group Volume in the next month and all subsequent months until it is completely recovered; or (3) the bonuses, commissions, or overrides attributable to the returned or repurchased product(s) or cancelled service may be deducted from any refunds or credits to the Advocate who received the bonuses, commissions, or overrides on the sales of the refunded product(s) or cancelled service. In the event that the Company is unable, within 90 months from the payment of any refund(s) by the Company, to recover all bonuses, commissions, or overrides on the sales of the refunded product(s) or cancelled service(s) from the Advocate or upline Advocates who received them, the Company shall be entitled to assert a claim against such Advocate(s) for payment.

7.2.2 - Commission Payments

The Company pays commissions via direct deposit into Advocates' bank accounts or via direct payment onto a Company provided debit card or Skywallet. There is no charge for direct

deposit. The Company will deduct a **\$5.00** processing fee from each hard-copy commission cheque issued.

7.2.3 - Tax Withholdings

If an Advocate fails to provide his or her correct ABN, EcoForce will deduct the necessary withholdings from the Advocate's commission payment, where required by law.

7.3 - Reports

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

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

TO THE FULLEST EXTENT PERMISSIBLE UNDER APPLICABLE LAW, ECOFORCE AND/OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION WILL IN NO EVENT BE LIABLE TO ANY ADVOCATE 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, BONUSES, 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 ECOFORCE 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, ECOFORCE 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 THERETO.

Access to and use of EcoForce'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 EcoForce's online and telephone reporting services and your reliance upon the information.

SECTION 8 - PRODUCT GUARANTEES, RETURNS AND INVENTORY REPURCHASE

8.1 - Product Guarantee

EcoForce offers a two year guarantee on its trees. If a tree dies within two years of the date of planting from EcoForce, EcoForce will replace the tree. This guarantee does not apply to products damaged by abuse or misuse. This product guarantee is in addition to and not intended to limit or exclude the applicability of any statutory guarantees available under the *Australian Consumer Law*.

8.2 - Cooling-off Rights

8.2.1 - Customers

Where the sale is an unsolicited sale, Advocates *must* notify their Customers that they have ten business days within which to cancel their purchase. Advocates should also notify their Customers about these time limits at the time they enroll as a Customer and place their first order. Where a Customer has exercised their cooling-off rights, products shipped directly to a Customer by the Company must be returned to the Company. Customers may contact the Company for a "call tag" that will provide return shipping back to the Company at no cost to the Customer.

8.2.2 - Informing Customers

Advocates *MUST* verbally inform their Customers of this cooling-off right. When a Customer places an order online, the Company will provide the Customer with the receipt.

8.3 - Return of Sales Aids by Advocates Upon Termination

Upon termination of an Advocate's Agreement, the Advocate may return sales aids that he or she personally purchased from EcoForce (purchases from other Advocates or third parties are not subject to refund) that are in Resalable (see Definition of "Resalable" below) condition and which have been purchased within one year prior to the date of termination. Upon receipt of a Resalable sales aids, the Advocate will be reimbursed 90% of the net cost of the original purchase price(s), less any amounts or compensation the Advocate received on account of the purchase of the returned products. Neither shipping and handling charges incurred by an Advocate when the sales aids were purchased, nor return shipping fees, will be refunded. If the purchases were made through a credit card or debit card, the refund will be credited back to the same account.

Sales aids 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; (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) they are still in EcoForce's current inventory; and (5) they

are returned to EcoForce within one year from the date of purchase. Any item that is clearly identified at the time of sale as nonreturnable, discontinued, or as a seasonal item, shall not be resalable.

8.4 - Procedures for All Returns

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

- ❖ All items must be returned by the Advocate or Customer who purchased it directly from EcoForce.
- ❖ All items to be returned must have a Return Authorization Number which is obtained by calling the Advocate Services Department. This Return Authorization Number must be written on each item returned.
- ❖ The return is accompanied by:
 - The original packing slip with the completed (and signed Consumer Return information, if applicable);
- ❖ Proper shipping carton(s) and packing materials are to be used in packaging the items(s) being returned, and the best and most economical means of shipping is suggested. All returns must be shipped to EcoForce shipping pre-paid. EcoForce does not accept shipping-collect packages. The risk of loss in shipping for returned items shall be on the Advocate. If the returned items are not received by the Company's Distribution Center, it is the responsibility of the Advocate to trace the shipment.
- ❖ If an Advocate is returning merchandise to EcoForce that was returned to him or her by a personal retail Customer, the product must be received by EcoForce within ten (10) days from the date on which the retail customer returned the merchandise to the Advocate, and must be accompanied by the tax invoice the Advocate gave to the Customer at the time of the sale.

No refund or replacement of any items will be made if the conditions of these rules are not met unless otherwise required by law.

SECTION 9 - DISPUTE RESOLUTION AND DISCIPLINARY PROCEEDINGS

9.1 - Disciplinary Sanctions

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 Advocate 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 Advocate's EcoForce business), where it has reasonable grounds to form such a conclusion, may result, at EcoForce's discretion, in one or more of the following corrective measures:

- ❖ Issuance of a written warning or admonition requiring the Advocate to take immediate corrective measures;
- ❖ EcoForce may withhold from an Advocate all or part of the Advocate's bonuses and commissions during the period that EcoForce is investigating any conduct allegedly violative of the Agreement. If an Advocate's business is canceled for disciplinary reasons, the Advocate may not be entitled to recover any commissions withheld during the investigation period;
- ❖ Suspension of the individual's Advocate Agreement for one or more pay periods while the conduct is under investigation;
- ❖ Permanent or temporary loss of, or reduction in, the current and/or lifetime rank of an Advocate (which may subsequently be re-earned by the Advocate);
- ❖ Transfer or removal of some or all of an Advocate's downline Advocates from the offending Advocate's downline organization;
- ❖ Involuntary termination of the offender's Advocate Agreement;
- ❖ Suspension and/or termination of the offending Advocate's EcoForce website or website access;
- ❖ Any other measure expressly allowed within any provision of the Agreement or which EcoForce deems practicable to implement and appropriate to equitably resolve injuries caused partially or exclusively by the Advocate's contractual breach;
- ❖ In situations deemed appropriate by EcoForce, the Company may institute legal proceedings for monetary and/or equitable relief.

9.2 - Grievances and Complaints

When an Advocate has a grievance or complaint with another Advocate regarding any practice or conduct in relationship to their respective EcoForce businesses, the complaining Advocate 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 Sponsor. If the matter involves interpretation or violation of Company policy, it must be reported in writing to the Advocate Services Department at the Company. The Advocate Services Department will review the facts and attempt to resolve it.

9.3 - Mediation

Prior to instituting an arbitration, the parties shall meet in good faith and attempt to resolve any dispute arising from or relating to the Agreement through non-binding mediation. One individual who is mutually acceptable to the parties shall be appointed as mediator. 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 attorneys' fees, costs, and individual expenses associated with conducting and attending the mediation. Mediation shall be held in Brisbane, Queensland, and shall last no more than two business days.

9.4 - Arbitration

If mediation is unsuccessful, **any controversy or claim arising out of or relating to the Agreement, or the breach thereof, shall be settled by arbitration. The Parties waive all rights to trial by jury or to any court.** The arbitration shall be filed with, and administered by, the Australian Centre for International Commercial Arbitration (**ACICA**) under its respective rules and procedures. The *Arbitration Rules* of the ACICA are available on the ACICA's website at www.acica.org.au. Copies of *the Arbitration Rules* will also be emailed to Advocates upon request to EcoForce's Support Department.

Notwithstanding the rules of the ACICAA, the following shall apply to all Arbitration actions:

- ❖ The arbitration shall occur within 180 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, including cross-examinations.

All arbitration proceedings shall be held in Brisbane, Queensland unless otherwise agreed by EcoForce and the Advocate in writing. There shall be one arbitrator selected from the panel that the Alternate Dispute Resolution service provides. Each party to the arbitration shall be responsible for its own costs and expenses of arbitration, including legal and filing fees. The parties shall be allotted equal time to present their respective cases. The decision of the arbitrator shall be final and binding on the parties and may if necessary, be reduced to a judgment in any court of competent jurisdiction. This agreement to arbitrate shall survive the cancellation or termination of the Agreement.

The parties and the arbitrator shall maintain the confidentiality of the entire arbitration process and shall not disclose to any person not directly involved in the arbitration process:

- ❖ The substance of, or basis for, the controversy, dispute, or claim;
- ❖ 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 these Policies and Procedures shall prevent either party from applying to and obtaining from any court having jurisdiction a writ of attachment, a temporary injunction, preliminary injunction, permanent injunction or other relief available to safeguard and protect its intellectual property rights, and/or to enforce its rights under the non-solicitation provision of the Agreement.

9.5 - Governing Law, Jurisdiction, and Venue

The Agreement will be governed by and construed in accordance with the law for the time being in force in the State of New South Wales. The parties submit to the non-exclusive jurisdiction of the Courts of the State of New South Wales.

SECTION 10 - PAYMENTS

10.1 - Restrictions on Third Party Use of Credit Cards

An Advocate shall not permit other Advocates or Customers to use his or her credit card or debit card to enroll in or to make purchases from the Company. An Advocate shall not use the credit card or debit card of a third party to enroll in or to make purchases from the Company.

10.2 - Goods and Services Tax

EcoForce is required to charge GST on all purchases made by Advocates and Customers, and remit GST. Accordingly, EcoForce will collect and remit GST payable by Advocates, based on the recommended retail price of the products. Advocates should seek advice from their lawyer or accountant about registering for GST.

SECTION 11 - INACTIVITY AND TERMINATION

11.1 - Effect of Termination

So long as an Advocate remains active and complies with the terms of the Advocate Agreement, including and these Policies and Procedures, EcoForce shall pay commissions to such Advocate in accordance with the Compensation Plan. An Advocate's bonuses and commissions constitute the entire consideration for the Advocate's efforts in generating sales and all activities related to generating sales (including building a downline organization). Following an Advocate's non-renewal of his or her Advocate Agreement, termination for inactivity, or voluntary or involuntary termination of his or her Advocate Agreement (all of these methods are collectively referred to as "termination"), the former Advocate **will lose all rights as an Advocate. This includes the right to sell EcoForce products and services and the right to receive future commissions, bonuses, or other income. In the event of termination, Advocates agree to waive all rights they may have to any bonuses, commissions or other remuneration howsoever derived.**

Following an Advocate's termination of his or her Advocate Agreement, the former Advocate shall not hold himself or herself out as an EcoForce Advocate and shall not have the right to sell EcoForce products or services. An Advocate whose Agreement is canceled shall receive commissions and bonuses only for the last pay period he or she was active prior to termination (less any amounts withheld during an investigation preceding an involuntary termination). An Advocate may also be entitled to return sales aids to EcoForce for reimbursement in accordance with policy 8.3 (Return of Sales Aids by Advocates Upon Termination).

11.2 - Termination Due to Inactivity

11.2.1 - Failure to Meet PV Quota

If an Advocate fails to personally generate at least 3 PV for 12 consecutive months, his or her Advocate Agreement shall be terminated by written notice to the Advocate for inactivity.

11.2.2 - Failure to Earn Commissions

If an Advocate has not earned a commission for 12 consecutive months (and thus become "inactive"), his or her Advocate Agreement shall be terminated by written notice to the Advocate for inactivity.

11.3 - Involuntary Termination

An Advocate's violation of any of the terms of the Agreement, including any amendments

that may be made by EcoForce (after the amendments take effect), in EcoForce's sole discretion (where acting reasonably) may result in any of the sanctions listed in Section 9.1, including the involuntary termination of his or her Advocate Agreement. Termination shall be effective on the date on which written notice is mailed, emailed, faxed, or delivered to an express courier, to the Advocate's last known address, email address, or fax number, or to his/her attorney, or when the Advocate receives actual notice of termination, whichever occurs first.

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

11.4 - Voluntary Termination

An Advocate may terminate the Advocate Agreement at any time, regardless of the reason. Termination must be submitted in writing to the Company at its principal business address. The written notice must include the Advocate's signature, printed name, address, and Advocate I.D. Number. In addition to written termination, Advocates who have consented to Electronic Contracting will cancel their Advocate Agreement should they withdraw their consent to contract electronically.

11.5 - Non-renewal

An Advocate may also voluntarily cancel his or her Advocate Agreement by failing to renew the Agreement on its anniversary date or by failing to pay his/her annual renewal fee. The Company may also elect not to renew an Advocate's Agreement upon its anniversary date (where it has reasonable grounds to do so) and will provide written notice to the Advocate should the Company elect not to renew.

SECTION 12 - DEFINITIONS

Active Customer — A Customer who purchases EcoForce products or services during a particular month.

Active Advocate — An Advocate who satisfies the minimum Personal Sales Volume requirements, as set forth in the EcoForce Compensation Plan, to ensure that he or she is eligible to receive bonuses and commissions.

Active Rank — The term “active rank” refers to the current rank of an Advocate, as determined by the EcoForce Compensation Plan, for a particular pay period. To be considered “active” relative to a particular rank, an Advocate must meet the criteria set forth in the EcoForce Compensation Plan for his or her respective rank. *(See the definition of “Rank” below.)*

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 Advocate includes the Advocate Application and Agreement Terms and Conditions, the EcoForce Policies and Procedures, the EcoForce Compensation Plan, and the Business Entity Addendum (where appropriate), all in their current form and as amended by EcoForce (acting reasonably) and in its sole discretion. These documents are collectively referred to as the “Agreement.”

Business Kit — A selection of EcoForce training materials and business support literature, and Advocate replicated website that each new Independent Marketing Advocate is required to purchase.

Cancel — The termination of an Advocate’s Agreement. Termination may be either voluntary, or involuntary, through non-renewal or inactivity or breach of the Agreement.

Customer — An individual who purchases EcoForce products from or through an Advocate but who is not a participant in the EcoForce Compensation Plan.

Downline — Your downline (or downline organization) consists of the Advocates you personally enroll or sponsor (your first level Advocates), the Advocates that first level Advocates enroll or sponsor, as well as the Advocates that are subsequently enrolled or sponsored beneath them.

Downline Leg — Each one of the individuals personally enrolled immediately underneath you and their respective marketing organizations represents one “leg” in your marketing organization.

Group Volume — The commissionable value of services and products purchased by the Customers and Advocates in the downline of a particular Advocate.

Immediate Household — Spouses or common law or civil partners, heads-of-household, and dependent family members residing in the same residence.

Level — The layers of downline Customers and Advocates in a particular Advocate's downline. This term refers to the relationship of an Advocate relative to a particular upline Advocate, determined by the number of Advocates between them who are related by sponsorship. For example, if A enrolls B, who enrolls C, who enrolls D, who enrolls E, then E is on A's fourth level.

Official EcoForce Material — Literature, audio or video tapes, websites, and other materials developed, printed, published and/or distributed by EcoForce to Advocates.

Personal Volume — The commissionable value of services and products purchased by: (1) an Advocate; (2) the Advocate's personally-enrolled Customers; and (3) the Advocate's personal Retail Customers who purchase from the Advocate's EcoForce replicated website.

Rank — The "title" that an Advocate holds pursuant to the EcoForce Compensation Plan. "Title Rank" refers to the highest rank an Advocate has achieved in the EcoForce Compensation Plan at any time. "Paid As" rank refers to the rank at which an Advocate is qualified to earn commissions and bonuses during the current pay period.

Recruit — For purposes of EcoForce's Conflict of Interest Policy (Section 4.11), 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 EcoForce Advocate or Customer to enroll or participate in another multilevel marketing, network marketing or direct sales opportunity.

Replicated Website – A website provided by EcoForce to Advocates which utilizes website templates developed by EcoForce.

Resalable — Products and Sales aids 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; 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 EcoForce within one year from the date of purchase. Any merchandise that is clearly identified at the time of sale as nonreturnable, discontinued, or as a seasonal item, shall not be resalable.

Retail Sales – Sales to a Customer by an Advocate.

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, or to comment on or respond to content. Examples of Social Media include, but are not limited to, blogs, chat rooms, Facebook, Instagram, Twitter, LinkedIn, Delicious, and YouTube.

Sponsor — An Advocate who enrolls a Customer or another Advocate into the Company, and is listed as the Sponsor on the Advocate Application and Agreement. The act of enrolling others and training them to become Advocates is called “sponsoring.”

Sponsoring — The act of introducing a prospective Advocate to EcoForce and assisting him or her to execute an Advocate Application and Agreement and thereby become an EcoForce Advocate. (Also see the definition of “Sponsor.”) These activities are called “sponsoring.”

Upline — This term refers to the Advocate or Advocates above a particular Advocate in a sponsorship line up to the Company. Conversely stated, it is the line of sponsors that links any particular Advocate to the Company.