

GOOD BUSINESS PRACTICES

A GUIDE TO PRODUCT & INCOME CLAIMS, SOCIAL MEDIA AND GENERAL ADVERTISING

The Modere Good Business Practices program exists to educate, train and ensure that all Social Marketers are following our policies on promoting our products and business opportunity. As a Social Marketer, you are required to comply with all laws and regulations, not only in your market but in any market where Modere operates and in which you may engage in business activity. The following information is critical to your success as a self-employed business owner and is required by Modere's ("Company") Policies and Procedures.

The Modere Policies and Procedures are the established rules and guidelines by which all Modere Social Marketers are expected to comply to remain in good standing. Our Policies and Procedures include the legal obligations pertaining to regulatory authorities and trade organizations with which Modere may be aligned. They also outline extensive protocols by which our Company operates and set expectations that determine a Social Marketer's eligibility to promote the products and business opportunity.

WHAT DOES THIS MEAN FOR ME?

As a Social Marketer of Modere, you have an obligation to familiarise yourself with and comply with the laws and policies that apply to you and your conduct. Our role is to provide training and ensure that you are following these guidelines, or to take action to protect the Company, as is in the best interest of all other Social Marketers. It's imperative that Social Marketers follow all the rules relating to these three categories in their business activities: health claims about our products, claims about the business opportunity and income representations, and the business etiquette or code of conduct by which they interact with other Modere Social Marketers and customers.

MODERE PRODUCT & INCOME CLAIMS

PRODUCT CLAIMS

WHAT MAY I SAY ABOUT OUR PRODUCTS' BENEFITS?

Understanding how to share your personal product testimonial is very important but can present some challenges as you learn that any therapeutic claims are not permitted. The Company has various categories of products such as personal care, household and health and wellness, each of which may be subject to different regulatory guidelines. However, it is never appropriate to make any drug or disease claims in connection with the products.

With health and wellness products, and particularly with food supplements, you are prohibited from representing or implying that our products diagnose, treat, cure or prevent any diseases. The marketing of food supplements is subject to regulatory requirements. In all cases, in each market in which Modere is in officially in operation, the Company classifies and completes the registration process for each product where required to understand these requirements and create product labels and marketing materials that meet these requirements. As a Social Marketer, you must become familiar with the Company materials and must only use the approved claims, including health claims, outlined in those materials.

INCOME CLAIMS

WHAT MAY I SAY ABOUT OUR BUSINESS OPPORTUNITY?

Modere Social Marketers are prohibited from making any claims or representations of potential or guaranteed income or profits related to the Modere Compensation Plan. This includes estimated or projected income. Most governmental agencies have varying laws about direct selling/network marketing and how participants can represent income benefits from such a business model. Generally, whenever sharing hypothetical examples it must be made evident that such examples are given only to demonstrate how the Compensation Plan works, and that there are many factors that contribute to earning even minimal income from our business model. Any information you disseminate regarding the Compensation Plan or business opportunity must be a realistic representation of the earnings of the average Social Marketer.

Modere does not guarantee any level of income or earnings to any Modere Social Marketer. Any figures and/or earnings representations should not be considered as guarantees or projections of your income. Earnings may vary and are dependent on many factors, including experience, knowledge, skills, abilities and leadership.

PICTURES ARE CONSIDERED REPRESENTATIONS OF PRODUCT & INCOME CLAIMS

It is important to understand that pictures alone, even without any text, may also be considered claims representations and can therefore be rendered illegal or inappropriate. Accordingly, only Company-approved images are permitted in the context of any business-related presentations or communications. Only the pictures, photos, images (or claims) in use by the Company on its current websites are approved for your use. Photographical or visual depictions of health benefits or income are irrefutably considered to be claims of the product results or income opportunity. Remember, pictures are worth a thousand words and are equally accountable to government laws as is verbal or written communication.



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HOW CAN I GET MY PICTURE APPROVED?

We recognise that there may be situations in which your own pictures can be a compelling sales tool when executed appropriately and meeting specific requirements. We want to support you and welcome the opportunity to see our products' benefits in action. Please contact us at compliance@modere.eu for direction on how to take appropriate pictures as well as to submit your photo(s) (of non-drug/disease related benefits) for review and approval. If approved, we will format your before/after picture(s) with appropriate disclaimers for your use.

PRODUCT TESTIMONIALS

Below are examples of compliant testimonials to help illustrate the Product Claims guidelines which may be used if they comply with the claims which have been approved for the particular product you are aiming to promote:

| DO SAY: | | |
|---------------------------------------|--|---|
| | "I feel better!" | "My hair looks shinier." |
| | "I feel like I look so much younger." | "People are constantly telling me that I look younger and brighter." |
| Examples of good product testimonials | "My skin looks amazing." | "I feel that even without a moisturiser, my skin stays hydrated and supple." |
| | "I seem to be so much more active, now." | "I'm on this great weight control program. It forces me to maintain a healthy lifestyle including a balanced diet and regular physical activity." |

| DON'T SAY: | | |
|--|---|--|
| Examples of illegal/inappropriate product testimonials | "Ever since I started taking this product, I don't need my medication." | "I'm off of my pain medication!" |
| | "I no longer need surgery." | "The product cured my [medical condition or disease]." |
| | "It got rid of my stiff joints." | "This cured my aches and pains." |
| | "My wounds are healed." | "This product heals [any condition]." |
| | "It regrew my cartilage." | "My numbness is gone." |
| | "It corrected my eyesight" | "The products rebuild or regenerate nerves [or connective tissue or cartilage]." |
| | Any statement using the words "pain," "aches," or "stiffness" | Any reference to reversing aging |
| | Any statements using symptoms of diseases. | Any statement about weight loss |

| DON'T SHOW: | | |
|-----------------------------------|--|--|
| | Pictures of diseases, drugs, or needles. | Photos of unapproved structure/function claims |
| Examples of illegal/inappropriate | Wounds, cuts, scars or surgery | X-rays |
| product benefit pictures | Logo of any foundation or organization associated with any disease | Walkers or wheelchairs |
| | Unapproved before/after weight loss photos | Before/after stretch mark photos |

INCOME TESTIMONIALS

Below are examples of compliant testimonials to help illustrate the Income Claims guidelines:

| DO SAY: | | |
|---|---|---|
| Examples of appropriate income testimonials | "This is a great way to earn supplemental income for our family's vacation fund." | "This business allows me to put some extra money away each month toward the kids' education." |



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| "Being my own boss is great because it allows me to have a | |
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| flexible schedule." | |

| DON'T SAY: | | |
|---|--|--|
| Examples of illegal income testimonials | "You can make a ton of money without doing much work." | "My team's training will make everyone residual income." |
| | "I hardly did anything and now I drive a Rolls Royce." | "I sit on a yacht and just rake in the dough." |
| | "I know that you can make at least \$10,000 a month." | "It's so easy. Take the product, share it, and you'll get rich." |
| | "You can quit your day job in no time." | "We're all going to get rich getting in on the ground floor." |

| DON'T SHOW: | | |
|-------------------------------------|---|--|
| | Pictures of yachts, private jets, luxury vehicles | Photos of a money tree |
| Examples of illegal income pictures | Photos of mansions | Screenshot of your back-office commissions |
| | A commissions paycheck | Luxury lifestyle images |

SOCIAL MEDIA GUIDELINES

As a Modere Social Marketer, you are not required to maintain a presence on social media; however, if you do, you must adhere to the guidelines and policies set forth by the Company. These guidelines and policies are designed to ensure the professionalism and the integrity of the Modere brand and its products, which in turn benefits your business.

- 1. Modere maintains an online presence for the benefit of the Company as a whole, which includes Customers, independent Social Marketers and the general public. We ask that in our public forums (Facebook, Twitter, etc.), you keep your comments relevant to all. Our Modere websites are great resources for you to gain further information about our Company, products and press releases.
- 2. Our trademarked brand names cannot be used to drive traffic away from our Company's sites. You must not use the official corporate Modere pages to recruit Modere Social Marketers or Customers, drive business, solicit business or drive people to your own site, or that of any other company or product. You must not use any Modere trademarks, or that of its supply partners, or any other related trademarked name in a domain name, username/handle, group names, business pages or URL web address.
- 3. All Modere Social Marketer communications, both in print and online, must appear clearly as coming from an independent Social Marketer of Modere, and not mislead the consumer or prospect into thinking they may be interacting with the corporate office. You may not represent your independent business as the corporate office.
- 4. You may use the term "Independent Modere Social Marketer" in the name and/or description of different social media sites in marketing your Modere business. However, you may not use the word "official", or anything similar, nor the product names, without the words "Social Marketer" after it. You cannot create any aliases for any social media sites that permit the use of the Social Marketer name. For further clarification, please refer to our Policies & Procedures.
- 5. You should convey a professional attitude online. When posting information related to Modere, always consider if the information you're sharing is beneficial to just your business or to the entire Company. Do not represent yourself in any way online that detracts from the Modere brand or from its branded products.
- 6. All Modere Social Marketers agree, acknowledge and affirmatively accept that any content they post (photos, testimonials, statements, marketing materials, etc.) on any social media platform including, but not limited to, Facebook, Twitter, Pinterest, LinkedIn, Instagram, etc., must adhere to the Modere Policies & Procedures.
- 7. All personal videos, audios or other recordings featuring Modere corporate staff and representatives must be submitted for approval prior posting on social networking sites or making them available to others. Use of unapproved personal video, audio or other recordings featuring Modere corporate representatives is strictly prohibited.
- 8. Personal photographs with Modere corporate representatives are permitted for posting and sharing if they are professionally appropriate and maintain the integrity of the Company's brand. Personal photographs of Modere corporate representatives are not permitted to use for any independent websites, marketing materials, or for distribution, pursuant to Modere Policies and Procedures.

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9. Any social networking group or page must be clearly marked with "independent Social Marketer of Modere" and include the following disclaimer:

This is the personal site of a Social Marketer with Modere. Modere has neither reviewed nor is responsible for any statements, depictions, representations or claims made on this site.

- 10. Medical/drug claims, income claims or disparaging comments, remarks, etc. are expressly prohibited and will not be approved or allowed. All Social Marketers must adhere to the allowed claims found in Company materials.
- 11. Posting any lifestyle, reward or income-related material is prohibited. This includes, but is not limited to, a success story, video, recognition and earnings implications.
- 12. In the event of a cancellation of your Modere Social Marketer status, you are required to remove all references to Modere from your social media posts within seven (7) days.
- 13. Should Modere discover non-compliant social media posts and/or websites, you will be required to remove the material immediately. Infractions may result in disciplinary actions up to and including termination of a Social Marketer Agreement. Appeals regarding Modere's Good Business Practices guidelines and enforcement may be submitted only after the posting or website in question has been removed.

GENERAL ADVERTISING GUIDELINES

The success of your social or relationship marketing business is based upon the ability to have the optimal person-toperson business opportunity, which revolves around upholding our product and Company brands in the best light and ensuring a fair chance to succeed without inappropriate competition. The following general advertising guidelines are intended to protect everyone's ability to succeed. For full and further details, please review the Modere Policies and Procedures, available in your back office.

- 1. Modere Social Marketers are not permitted to sell, promote, endorse nor advertise Modere products or the business opportunity on television, radio, billboards, national print, online publications, through mass mailings or any other channels otherwise deemed unacceptable by the Company.
- 2. Modere Social Marketers are not permitted to distribute press releases about Modere and/or its products or services to the media. All inquiries by any type of media must be immediately referred to Modere. This policy is designed to assure that accurate and consistent information is provided to the public and to maintain a proper public image.
- 3. Selling Modere products on any other online medium aside from your replicated websites or Company-approved websites is strictly prohibited. This includes a personal website, a third-party website, online retailers, or internet auction sites, including eBay or Amazon. We take unauthorized selling very seriously and will enforce any necessary steps to remove such posts.
- 4. Modere Social Marketers may not sell Modere products in commercial outlets or retail establishments, including but not limited to department stores, health food stores, grocery stores, kiosks, shopping malls, gift shops, farmer's markets, flea markets, drugstores and discount outlets.
- 5. Temporary booths at a fair or tradeshow are an acceptable venue at which a Social Marketer may promote Modere products if you clearly represent yourself as an independent Modere Social Marketer and follow the applicable Modere policies, including but not limited to obtaining pre-approval at least one month prior to the event and using only Company-approved displays and marketing materials.
- 6. A Modere Social Marketer is permitted to display Modere products within a personal service facility such as a private doctor's or chiropractor's office, medspa or salon, only if the office is owned and operated by the Modere Social Marketer, is operated by appointment only and no signage, products, flyers, or advertisements are visible from the outside of the facility.
- 7. Modere Social Marketers are prohibited from using their replicated site URL as a public representation of the corporate office location, on career or job recruiting websites, online maps, yellow pages or white pages listings. Social Marketers are also not permitted to answer phone calls (e.g. "Thanks for calling Modere...") or have a voicemail greeting (e.g. "You've reached the Modere office") that would lead the caller to believe that he/she has reached the Modere corporate office.